

Financial Statements and Related Announcement::Full Yearly Results

Issuer & Securities

Issuer/ Manager	BOARDROOM LIMITED
Securities	BOARDROOM LIMITED - SG1J08885589 - B10
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Announcement Details

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Additional Details

For Financial Period Ended	31/12/2016
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BOARDROOM LIMITED

(Registration No. 200003902Z)

FULL YEAR FINANCIAL STATEMENTS ANNOUNCEMENT FOR YEAR ENDED 31 DECEMBER 2016

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2, Q3 & Q4), HALF-YEAR AND FULL YEAR RESULTS

- 1(a) An income statement and statement of comprehensive income, or a statement of comprehensive income for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	GROUP					
	S\$'000		%	S\$'000		%
	4th Qtr 1 Oct 2016 to 31 Dec 2016	4th Qtr 1 Oct 2015 to 31 Dec 2015	Increase / (Decrease)	12M16 1 Jan 2016 to 31 Dec 2016	12M15 1 Jan 2015 to 31 Dec 2015	Increase / (Decrease)
Corporate Secretarial Fees	6,046	5,889	2.7%	21,264	21,579	-1.5%
Share Registry Fees	9,281	9,546	-2.8%	31,733	32,665	-2.9%
Accounting & Payroll Fees	3,597	3,380	6.4%	15,034	14,928	0.7%
Total Revenue	18,924	18,815	0.6%	68,031	69,172	-1.6%
Other Income	251	183	37.2%	793	659	20.3%
Employee Benefits Expense	(10,772)	(10,935)	1.5%	(42,673)	(42,711)	0.1%
Operating Expenses	(3,760)	(3,716)	-1.2%	(14,232)	(13,943)	-2.1%
Interest on Bank Borrowings	(65)	(77)	15.6%	(300)	(289)	-3.8%
Depreciation & Amortisation	(655)	(693)	5.5%	(2,626)	(3,079)	14.7%
Impairment of Goodwill	-	(624)	100.0%	-	(624)	100.0%
Gain/(Loss) on Foreign Exchange	20	(103)	119.4%	(4)	58	-106.9%
Profit Before Tax	3,943	2,850	38.4%	8,989	9,243	-2.7%
Less: Income Tax Expense	(505)	(1,207)	58.2%	(1,743)	(2,521)	30.9%
Profit After Tax	3,438	1,643	109.3%	7,246	6,722	7.8%
Other Comprehensive Income:						
Items that may be classified subsequently to profit or loss						
Foreign Currency Translation Gain/(Loss)	1,370	1,408	-2.7%	877	(1,655)	153.0%
Other Comprehensive Income/(Loss) for the Period/Year	1,370	1,408	-2.7%	877	(1,655)	153.0%
Total Comprehensive Income for the Period	4,808	3,051	57.6%	8,123	5,067	60.3%
PROFIT AFTER TAX ATTRIBUTABLE TO:						
Owners of the Parent	3,438	1,643	109.3%	7,246	6,722	7.8%
Non-Controlling Interests	-	-	NM	-	-	NM
Profit After Tax	3,438	1,643	109.3%	7,246	6,722	7.8%
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:						
Owners of the Parent	4,808	3,051	57.6%	8,123	5,067	60.3%
Non-Controlling Interests	-	-	NM	-	-	NM
Total Comprehensive Income for the Period/Year	4,808	3,051	57.6%	8,123	5,067	60.3%

NM : Not Meaningful

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

STATEMENT OF FINANCIAL POSITION

		GROUP		COMPANY	
		S\$'000		S\$'000	
		31 Dec 2016	31 Dec 2015	31 Dec 2016	31 Dec 2015
NON-CURRENT ASSETS					
Property, plant and equipment		1,972	1,820	495	118
Computer software		4,734	3,201	257	366
Investments in subsidiaries		-	-	84,793	86,303
Intangible assets	1	64,205	64,751	-	-
Deferred tax assets		260	1,095	-	-
		71,171	70,867	85,545	86,787
CURRENT ASSETS					
Trade and other receivables		17,169	15,792	1,536	1,845
Unbilled disbursements		45	101	-	-
Loan to subsidiaries		-	-	-	3,119
Amounts due from subsidiaries (non-trade)		-	-	3,432	4,361
Income Tax receivable		156	11	-	-
Cash and cash equivalents		20,185	20,990	5,386	2,084
		37,555	36,894	10,354	11,409
Less:					
CURRENT LIABILITIES					
Trade and other payables		13,221	13,910	1,129	1,679
Disbursements billed in advance		52	28	-	-
Bank borrowings		1,500	1,500	1,500	1,500
Amounts due to subsidiaries (non-trade)		-	-	-	26
Amounts due to customers for work-in-progress		2,327	2,383	-	-
Derivative liabilities		-	30	-	30
Income tax payable		714	861	559	787
		17,814	18,712	3,188	4,022
Net current assets		19,741	18,182	7,166	7,387
Bank borrowings		(8,500)	(10,000)	(8,500)	(10,000)
Provision for employees benefits		(351)	(363)	-	-
Deferred tax liabilities		(4,836)	(5,711)	(143)	(143)
NET ASSETS		77,225	72,975	84,068	84,031
FINANCED BY:					
Equity attributable to owners of the parent					
Share capital		37,554	37,554	37,554	37,554
Reserves		39,671	35,421	46,514	46,477
TOTAL EQUITY		77,225	72,975	84,068	84,031

Notes:

- Intangible Assets represent primarily goodwill arising from acquisitions of Arthur Andersen's Corporate Secretarial and Accounting Business, Hong Kong, Malaysian, Australian and China subsidiaries. Any excess of the consideration over the fair value of the net assets as at the date of the acquisition represents goodwill.

1(b)(ii) Aggregate amount of group's borrowings and debt securities.**Amount repayable in one year or less, or on demand**

As at 31 Dec 2016		As at 31 Dec 2015	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
NIL	1,500	NIL	1,500

Amount repayable after one year

As at 31 Dec 2016		As at 31 Dec 2015	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
NIL	8,500	NIL	10,000

Details of any collateral

NIL

- 1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

CONSOLIDATED STATEMENT OF CASH FLOWS

	GROUP			
	S\$'000			
	4th Qtr 1 Oct 2016 to 31 Dec 2016	4th Qtr 1 Oct 2015 to 31 Dec 2015	12M16 1 Jan 2016 to 31 Dec 2016	12M15 1 Jan 2015 to 31 Dec 2015
CASH FLOW FROM OPERATING ACTIVITIES				
Profit before tax	3,943	2,850	8,989	9,243
Adjustments for:				
Depreciation & amortisation	655	693	2,626	3,079
Loss from disposal of property, plant and equipment	-	1	3	1
Allowance for impairment of trade receivables	882	-	882	-
Impairment of Goodwill	-	624	-	624
Exchange differences	(54)	283	62	14
Interest income	(57)	(70)	(249)	(201)
Interest expense	65	77	300	289
Operating profit before working capital changes	5,434	4,458	12,613	13,049
(Increase) /Decrease/in operating receivables and prepayments	(2,001)	700	(2,056)	1,756
Increase/(decrease) in operating payable	446	1,836	(747)	2,077
Increase/(decrease) in amounts due to customers for work-in-progress	695	746	(124)	(785)
Cash generated from operations	4,574	7,740	9,686	16,097
Interest expense paid	(46)	(125)	(280)	(289)
Income tax paid	(624)	(1,299)	(2,150)	(3,264)
Net cash generated from operating activities	3,904	6,316	7,256	12,544
CASH FLOW FROM INVESTING ACTIVITIES				
Acquisition of property, plant and equipment	(459)	(161)	(1,075)	(902)
Acquisition of computer software	(427)	(388)	(1,913)	(1,445)
Proceeds from sale of property, plant and equipment	-	12	13	12
Interest received	50	70	242	201
Net cash used in investing activities	(836)	(467)	(2,733)	(2,134)
CASH FLOW FROM FINANCING ACTIVITIES				
Dividends paid	-	-	(3,873)	(1,937)
Repayment of bank borrowings	(750)	(750)	(1,500)	(1,500)
Net cash used in financing activities	(750)	(750)	(5,373)	(3,437)
Net increase/(decrease) in cash and cash equivalents	2,318	5,099	(850)	6,973
Cash and cash equivalents at beginning of the period/year	17,745	15,756	20,990	14,222
Exchange gain/(loss) arising from translation of foreign currencies cash and cash equivalents	122	135	45	(205)
CASH AND CASH EQUIVALENTS AT PERIOD/YEAR END	20,185	20,990	20,185	20,990

- 1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

STATEMENT OF CHANGES IN EQUITY

GROUP	Attributable to Owners of the Parent					Total
	Share capital	Exchange translation reserve	Premium paid on acquisition of non-controlling interest	Share option capital reserve	Retained earnings	
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	
Balance as at 1 January 2016	37,554	(12,514)	(12,569)	(247)	60,751	72,975
Total comprehensive income for the period	-	(493)	-	-	3,808	3,315
Expiry of employee share options	-	-	-	247	(247)	-
2015 final tax-exempt cash dividends of S\$0.020 per share	-	-	-	-	(3,873)	(3,873)
Balance as at 30 September 2016	37,554	(13,007)	(12,569)	-	60,439	72,417
Total comprehensive income for the period	-	1,370	-	-	3,438	4,808
Balance as at 31 December 2016	37,554	(11,637)	(12,569)	-	63,877	77,225
Balance as at 1 January 2015	37,554	(10,816)	(12,569)	(290)	55,966	69,845
Total comprehensive income for the period	-	(3,136)	-	73	5,079	2,017
2014 final tax-exempt cash dividends of S\$0.010 per share	-	-	-	-	(1,937)	(1,937)
Balance as at 30 September 2015	37,554	(13,952)	(12,569)	(217)	59,108	69,925
Total comprehensive income for the period	-	1,438	-	(30)	1,643	3,050
Balance as at 31 December 2015	37,554	(12,514)	(12,569)	(247)	60,751	72,975
COMPANY	Share capital	Exchange translation reserve	Premium paid on acquisition of non-controlling interest	Share option capital reserve	Retained earnings	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1 January 2016	37,554	-	-	634	45,843	84,031
Total comprehensive income for the period	-	-	-	-	6,662	6,662
Expiry of employee share options	-	-	-	(634)	634	-
2015 final tax-exempt cash dividends of S\$0.020 per share	-	-	-	-	(3,873)	(3,873)
Balance as at 30 September 2016	37,554	-	-	-	49,266	86,820
Total comprehensive income for the period	-	-	-	-	(2,752)	(2,752)
Balance as at 31 December 2016	37,554	-	-	-	46,514	84,068
Balance as at 1 January 2015	37,554	-	-	634	42,194	80,382
Total comprehensive income for the period	-	-	-	-	4,638	4,638
2014 final tax-exempt cash dividends of S\$0.010 per share	-	-	-	-	(1,937)	(1,937)
Balance as at 30 September 2015	37,554	-	-	634	44,895	83,083
Total comprehensive income for the period	-	-	-	-	948	948
Balance as at 31 December 2015	37,554	-	-	634	45,843	84,031

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

The Company's share capital of \$37,553,746 as at 31 December 2016 remained the same as of 30 September 2016.

The Company no longer has any share option scheme. There were no shares held as treasury shares as at 31 December 2016 and 31 December 2015.

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

The total number of issued shares excluding treasury shares was 193,660,184 as at 31 December 2016 and 31 December 2015.

- 1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable.

- 2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

These figures have not been audited nor reviewed by the Company's auditors.

- 3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

- 4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as those of the audited financial statements for the financial year ended 31 December 2015.

- 5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

Nil.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	GROUP	
	31 Dec 2016	31 Dec 2015
Earnings per ordinary share for the period attributable to owners of the parent after deducting any provision for preference dividends :-		
(a) Based on weighted average number of ordinary shares on issue; and	3.74 cents	3.47 cents
(b) On a fully diluted basis	3.74 cents	3.47 cents

Notes:

1. The earnings per share is calculated on the profit after tax attributable to owners of the parent on the weighted average number of shares in issue of 193,660,184 (31 December 2015 – 193,660,184).
2. The diluted earnings per share is calculated on the profit after tax attributable to owners of the parent on the number of shares in issue adjusted for the effect of dilutive potential ordinary shares. The total number of shares amounted to 193,660,184 (31 December 2015 – 193,660,184).

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-:
(a) current financial period reported on; and
(b) immediately preceding financial year.

	GROUP		COMPANY	
	31 Dec 2016	31 Dec 2015	31 Dec 2016	31 Dec 2015
Net asset value per ordinary share based on issued share capital (excluding treasury shares) at the end of the period reported on	39.88 cents	37.68 cents	43.41 cents*	43.39 cents

* There were impairments in the Company of S\$4.8m in FY2016 relating to investment in, loan to and amounts due from its subsidiaries. However, this impairment had no impact at the Group level.

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:**
- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
 - (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

REVIEW OF PERFORMANCE OF THE GROUP

3 months to 31 December 2016

The Group's revenue for the three months ended 31 December 2016 ("4Q16") totaled \$18.9 million compared to previous corresponding quarter ended 31 December 2015 ("4Q15") of \$18.8 million. There is a 0.6% increase representing approximately \$109,000.

Other income for 4Q16 increased by 37.2% to \$251,000 (4Q15: \$183,000) contributed mainly by higher receipt from Wage Credit Scheme claims from the Singapore tax authority.

Expenses totaled \$15.2 million for 4Q16 (4Q15: 16.1 million). At constant currency, this was a \$1,055,000 or 6.5% decrease in total expenses, partially offset by a unfavourable foreign exchange impact of \$139,000. The decrease is mainly due to a non-recurring \$624,000 goodwill impairment taken up in 4Q15 and overall savings in operating expenses in 4Q16.

The Group's profit before tax increased by 38.4% from \$2.8 million (4Q15) to \$3.9 million (4Q16) primarily due to overall cost savings.

Net profit after tax increased 109.3% to \$3.4 million (4Q15: \$1.6 million) due to improved profit before tax and reversal of \$454k of over accruals in tax during the quarter.

Other comprehensive gain of \$1.4 million (4Q15: gain of \$1.4 million) arose from translation of financial statements of foreign subsidiaries.

12 months to 31 December 2016

The Group's revenue for the twelve months ended 31 December 2016 ("12M16") totaled \$68.0 million, compared to the previous corresponding twelve months ended 31 December 2015 ("12M15") of \$69.2 million. This is a 1.6% decrease representing approximately \$1.2 million. This comprise a revenue drop of \$676,000 or 1.0% in constant currency terms due mainly to a decrease in share registry fees, and a \$465,000 or 0.7% unfavorable foreign exchange impact.

The Group continues to face challenges in the slowing business environment in the region and continued price erosion in its core businesses.

Other income for 12M16 increased by 20.3% to \$793,000 (12M15: \$659,000) mainly due to higher receipt from Wage Credit Scheme claims from the Singapore tax authority.

Expenses totaled \$59.8 million for 12M16 (12M15: \$60.6 million). At constant currency, this was a \$329,000 or 0.5% decrease in total expenses due mainly to saving in non-recurring goodwill impairment in FY2015.

The Group's profit before tax decreased by 2.7% from \$9.2 million (12M15) to \$9.0 million (12M16) due mainly to lower revenue.

Income tax expense decreased by 30.9% to \$1.7 million (12M15: \$2.5 million) mainly due to reversal of over accruals in tax during the year.

Net profit after tax increased by 7.8% to \$7.2 million (12M15: \$6.7 million).

Other comprehensive income of \$0.9 million (12M15: loss of \$1.7 million) arose from translation of financial statements of foreign subsidiaries.

Statement of Financial Position

Computer Software

Investment in developing an enhanced share registration system by Boardroom Australia and payroll software system by Boardroom Business Solutions was the main reason for the increase in capitalised computer software cost from \$3.2 million as of 31 December 2015 to \$4.7 million as of 31 December 2016.

Net Current Assets Position of the Group

The Group reported a higher net current assets position of \$19.7 million as of 31 December 2016, compared to \$18.2 million as of 31 December 2015 due to higher trade receivables balance as at 31 December 2016.

Term Loan

Term loan balance decreased from \$11.5 million at 31 December 2015 to \$10 million at 31 December 2016 in line with the on-going scheduled payments of the loan.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

None.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

We still see challenges ahead given the weak economic conditions and increasingly competitive market environment. However, our efforts to contain costs and the drive for new service offerings should put us in good stead for the next 12 months.

Further to our Q3 2016 disclosure on a claim form filed in the BVI Courts, there is no further update to provide.

Overall, we expect the Group's performance to remain satisfactory in light of the challenging economies in which we operate.

11. Dividend**(a) Current Financial Period Reported On**

Any dividend declared for the current financial period reported on? Yes

Name of Dividend	Final Tax Exempt Dividend
Dividend Type	Cash
Dividend Amount per Share (in cents)	2.0 cent per ordinary share
Tax Rate	Tax-exempt one-tier

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? Yes

DIVIDEND PAID

Name of Dividend	Final Tax Exempt Dividend
Dividend Type	Cash
Dividend Amount per Share (in cents)	2.0 cent per ordinary share
Tax Rate	Tax-exempt one-tier

(c) Date payable

To be fixed later.

(d) Books closure date

Not applicable.

12. If no dividend has been declared/recommended, a statement to that effect.

Not applicable

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group does not have an interested person transaction mandate.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FILL YEAR ANNOUNCEMENTS

(This part is not applicable to Q1, Q2, Q3, Q4, Q5 or Half Year Results)

14. **Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

SEGMENTED REVENUE AND RESULTS

BY GEOGRAPHICAL SEGMENTS	Singapore S\$'000	Australia S\$'000	Hong Kong S\$'000	Malaysia S\$'000	China S\$'000	TOTAL GROUP S\$'000
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2016 REVENUE						
External Sales	26,117	25,035	8,253	6,894	1,732	68,031
2016 RESULTS						
Profit before taxation	4,006	3,036	1,060	1,310	(423)	8,989
Income taxes	(450)	(781)	(227)	(285)	-	(1,743)
Profit After Taxation	3,556	2,255	833	1,025	(423)	7,246

2015 REVENUE						
External Sales	26,600	25,585	8,402	6,604	1,981	69,172
2015 RESULTS						
Profit before taxation	3,544	3,474	1,194	1,238	(207)	9,243
Income taxes	(1,019)	(909)	(217)	(376)	-	(2,521)
Profit After Taxation	2,525	2,565	977	862	(207)	6,722

15. **In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

Not applicable

16. **A breakdown of the total amount dividend (in dollar value) for the issuer's latest full year and its previous full year.**

	Latest Full Year (12 months basis)	Previous Full Year (12 months basis)
Ordinary	3,873K	3,873K
Preference	0	0
Total:	3,873K	3,873K

17. **Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Nil	-	-	-	-

18. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

The Company confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

On behalf of the Board of Directors

Goh Geok Khim
Chairman

Kim Teo Poh Jin
Chief Executive Officer

BY ORDER OF THE BOARD

Kim Teo Poh Jin
Chief Executive Officer
24th February 2017