

**DISABLED PEOPLE'S ASSOCIATION
(REGISTERED UNDER SOCIETIES ACT, CAP. 311)**

UEN No.: S86SS0002F

**STATUTORY REPORTS FOR THE FINANCIAL YEAR ENDED
31 MARCH 2021**



DISABLED PEOPLE'S ASSOCIATION
(REGISTERED UNDER SOCIETIES ACT, CAP. 311)
(UEN No. S86SS0002F)

STATEMENT BY THE MANAGEMENT COMMITTEE

In the opinion of the Management Committee:

- (a) The accompanying financial statements are drawn up as to present fairly in all material respects, the state of affairs of the Association as at 31 March 2021 and the financial performance, changes in accumulated funds and cash flows of the Association for the financial year ended on the date;
- (b) The fund-raising appeals held during the financial year ended 31 March 2021 have been carried out in accordance with Regulation 6 of the Societies Regulations issued under the Societies Act and proper accounts and other records have been kept of the fund-raising appeals;
- (c) The use of the donation monies was in accordance with the objectives of the Institution of Public Character as required under Regulation 11 of the Charities (Institution of Public a Character) Regulations;
- (d) The Association has complied with the requirements of Regulation 15 of the Charities (Institution of a Public Character) Regulations; and
- (e) At the date of this statement, there are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due.

ON BEHALF OF THE MANAGAMENT COMMITTEE



RICHARD CHIEN-MING KUPPUSAMY
PRESIDENT



NAVIN NAIR
HONORARY TREASURER



TANG SIEW NGOH
HONORARY SECRETARY

Singapore, 30 JUN 2021

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
DISABLED PEOPLE'S ASSOCIATION
(REGISTERED UNDER SOCIETIES ACT, CAP. 311)
(UEN No. S86SS0002F)**

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Disabled People's Association (the Association), which comprise the statement of financial position as at 31 March 2021, and the statement of comprehensive income, statement of changes in accumulated funds and statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements of the Association are properly drawn up in accordance with the provisions of the Societies Act, Cap. 311 (the Societies Act), the Charities Act, Cap. 37 and other relevant regulations (the Charities Act and Regulations) and Financial Reporting Standards in Singapore (FRSs) so as to present fairly, in all material respects, the state of affairs of the Association as at 31 March 2021 and of the results, changes in accumulated funds and cash flows of the Association for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the association in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the Statement by the Management Committee.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
DISABLED PEOPLE'S ASSOCIATION
(REGISTERED UNDER SOCIETIES ACT, CAP. 311)
(UEN No. S86SS0002F)**

(Continued)

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the provisions of the Societies Act, the Charities Act and Regulations and FRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the association or to cease operations, or has no realistic alternative but to do so.

The Management Committee's responsibilities include overseeing the Association's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
DISABLED PEOPLE'S ASSOCIATION
(REGISTERED UNDER SOCIETIES ACT, CAP. 311)
(UEN No. S86SS0002F)**

(Continued)

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the association to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the association audit. We remain solely responsible for our audit opinion.

We communicate with the Management Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion,

- a) the accounting and other records required to be kept by the Association have been properly kept in accordance with the provisions of the Societies Regulations enacted under the Societies Act, the Charities Act and Regulations; and
- b) the fund-raising appeals held during the year ended 31 March 2021 have been carried out in accordance with Regulation 6 of the Societies Regulations issued under the Societies Act and proper accounts and other records have been kept of the fund-raising appeals.

During the course of our audit, nothing has come to our attention that causes us to believe that during the year:

- a) the Association has not used the donation monies in accordance with its objectives as required under Regulation 11 of the Charities (Institution of a Public Character) Regulations; and
- b) the Association has not complied with the requirements of Regulation 15 of the Charities (Institution of a Public Character) Regulations.



CYPRESS SINGAPORE PAC
Public Accountants and
Chartered Accountants
Singapore

Date, 30 JUN 2021

DISABLED PEOPLE'S ASSOCIATION
(REGISTERED UNDER SOCIETIES ACT, CAP. 311)
(UEN No. S86SS0002F)

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2021

	Note	2021 SGD	2020 SGD (Restated)
ACCUMULATED FUNDS			
Accumulated fund	3	1,292,915	996,379
Care and Share grant reserve	5	(169,565)	(136,484)
Asset capitalisation reserve	4	4,175	11,721
		<u>1,127,525</u>	<u>871,616</u>
Represented by :			
NON-CURRENT ASSETS			
Plant and equipment	6	12,552	21,368
Right-of-use asset	7A	11,165	-
CURRENT ASSETS			
Other receivables, deposits and prepayments	8	12,083	11,674
Government grant receivables		424,779	195,900
Fixed deposits	9	345,844	343,821
Cash at bank and on hand		390,566	346,532
		<u>1,173,272</u>	<u>897,927</u>
Less :			
CURRENT LIABILITIES			
Other payables and accruals	10	44,312	47,679
Lease liability	7B	1,950	-
Deferred government grant income		12,912	-
		<u>59,174</u>	<u>47,679</u>
NET CURRENT ASSETS		<u>1,114,098</u>	<u>850,248</u>
		<u>1,137,815</u>	<u>871,616</u>
Less:			
NON CURRENT LIABILITY			
Lease liability	7B	10,290	-
		<u>1,127,525</u>	<u>871,616</u>

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

DISABLED PEOPLE'S ASSOCIATION
(REGISTERED UNDER SOCIETIES ACT, CAP.311)
(UEN No. S86SS0002F)

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2021

2021					2020				
	Unrestricted fund	Restricted funds			Unrestricted fund	Restricted funds			
Note	General Fund SGD	Care and Share Fund SGD	Asset Capitalisation Reserve SGD	Total SGD	General Fund SGD (Restated)	Care and Share Fund SGD (Restated)	Asset Capitalisation Reserve SGD (Restated)	Total SGD (Restated)	
INCOME									
Government grant income									
- Care and Share grant	-	-	-	-	-	334,977	-	334,977	
- Jobs Support Scheme	38,952	-	-	38,952	-	-	-	-	
- Enhanced Fund-Raising Programme	24,779	-	-	24,779	-	-	-	-	
- Bicentennial Community Fund	204,100	-	-	204,100	195,900	-	-	195,900	
- Other government grant income	20,784	-	-	20,784	12,586	-	-	12,586	
Donation income									
- Tax deductible donations	280,822	-	-	280,822	250,864	-	-	250,864	
- Non-tax deductible donations	209,123	-	-	209,123	20,536	-	-	20,536	
Other income									
- The Majority Trust	8,190	-	-	8,190	-	-	-	-	
- Interest income	2,094	-	-	2,094	2,710	-	-	2,710	
- Membership subscriptions	1,016	-	-	1,016	211	-	-	211	
- Programme income	1,440	-	-	1,440	41,314	-	-	41,314	
- Sponsorship	-	-	-	-	18,000	-	-	18,000	
- Income from student's project	-	-	-	-	6,416	-	-	6,416	
- Honorarium income	-	-	-	-	407	-	-	407	
	791,300	-	-	791,300	548,944	334,977	-	883,921	
LESS : DIRECT COSTS									
Catering and refreshments	(148)	-	-	(148)	(2,711)	(1,300)	-	(4,011)	
Contract labour	(8,540)	-	-	(8,540)	-	-	-	-	
Employee benefits expense	(208,754)	(31,630)	-	(240,384)	(221,035)	(100,267)	-	(321,302)	
Fundraising cost	(62,087)	-	-	(62,087)	(65,415)	-	-	(65,415)	
Gift and souvenirs	-	-	-	-	(549)	-	-	(549)	
Honorarium expenses	(1,540)	(800)	-	(2,340)	(7,540)	(16,560)	-	(24,100)	
Interest expenses on lease liability	(143)	-	-	(143)	-	-	-	-	
Miscellaneous expenses	(257)	-	-	(257)	(32)	-	-	(32)	
Network maintenance	(1,622)	-	-	(1,622)	(1,605)	-	-	(1,605)	
Newspaper and periodical	(179)	-	-	(179)	(179)	-	-	(179)	
Office maintenance fee	(10,028)	-	-	(10,028)	(11,679)	-	-	(11,679)	
Office supplies	-	-	-	-	(59)	(15)	-	(74)	
Balance carried forward	(293,298)	(32,430)	-	(325,728)	(310,804)	(118,142)	-	(428,946)	

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

DISABLED PEOPLE'S ASSOCIATION
(REGISTERED UNDER SOCIETIES ACT, CAP.311)
(UEN No. S86SS0002F)

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2021 (CONTINUED)

		2021				2020			
		Unrestricted fund	Restricted funds			Unrestricted fund	Restricted funds		
				Asset				Asset	
		General Fund	Care and	Capitalisation	Total	General Fund	Care and	Capitalisation	Total
		SGD	Share Fund	Reserve	SGD	SGD	Share Fund	Reserve	SGD
			SGD	SGD		(Restated)	(Restated)	(Restated)	(Restated)
Note									
LESS : DIRECT COSTS (CONTINUED)									
	Balance brought forward	(293,298)	(32,430)	-	(325,728)	(310,804)	(118,142)	-	(428,946)
	Printing and stationeries	(378)	-	-	(378)	(374)	(4)	-	(378)
	Professional fees	-	-	-	-	(10,100)	-	-	(10,100)
	Project expenses	(20,527)	(524)	-	(21,051)	(12,183)	(1,104)	-	(13,287)
	Rental of equipment	(231)	-	-	(231)	(925)	-	-	(925)
	Subscription and membership fees	-	-	-	-	(1,374)	-	-	(1,374)
	Telephone and internet charges	(6,918)	(37)	-	(6,955)	(1,703)	(30)	-	(1,733)
	Translator and interpreter	(270)	(90)	-	(360)	(925)	(818)	-	(1,743)
	Transportation	(73)	-	-	(73)	(1,158)	(426)	-	(1,584)
	Travelling expenses	-	-	-	-	(2,060)	(8,282)	-	(10,342)
	Utilities	(593)	-	-	(593)	(1,037)	-	-	(1,037)
		(322,288)	(33,081)	-	(355,369)	(342,643)	(128,806)	-	(471,449)
LESS : OPERATING EXPENSES									
	Accounting fees	(8,400)	-	-	(8,400)	(8,400)	-	-	(8,400)
	Auditors' remuneration	(8,838)	-	-	(8,838)	(13,696)	-	-	(13,696)
	Bank charges	(405)	-	-	(405)	(358)	-	-	(358)
	Catering and refreshments	(390)	-	-	(390)	(63)	-	-	(63)
	Cleaning expense	(3,030)	-	-	(3,030)	(3,000)	-	-	(3,000)
	Contract labour	(2,064)	-	-	(2,064)	-	-	-	-
	Depreciation of plant and equipment	(5,827)	-	(7,546)	(13,373)	(5,071)	-	(17,084)	(22,155)
	Depreciation of right-of-use asset	(1,932)	-	-	(1,932)	-	-	-	-
11	Employee benefits expense	(115,840)	-	-	(115,840)	(95,970)	-	-	(95,970)
	Insurance	(6,783)	-	-	(6,783)	(7,453)	-	-	(7,453)
	Interest expenses on lease liability	(143)	-	-	(143)	-	-	-	-
	Miscellaneous expenses	(571)	-	-	(571)	(474)	-	-	(474)
	Network maintenance	(1,813)	-	-	(1,813)	(2,092)	-	-	(2,092)
	Office maintenance fee	(10,029)	-	-	(10,029)	(11,678)	-	-	(11,678)
	Office supplies	(89)	-	-	(89)	(184)	-	-	(184)
	Balance carried forward	(166,154)	-	(7,546)	(173,700)	(148,439)	-	(17,084)	(165,523)

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

DISABLED PEOPLE'S ASSOCIATION
(REGISTERED UNDER SOCIETIES ACT, CAP.311)
(UEN No. S86SS0002F)

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2021 (CONTINUED)

	2021				2020			
	Unrestricted fund	Restricted funds			Unrestricted fund	Restricted funds		
Note	General Fund SGD	Care and Share Fund SGD	Asset Capitalisation Reserve SGD	Total SGD	General Fund SGD (Restated)	Care and Share Fund SGD (Restated)	Asset Capitalisation Reserve SGD (Restated)	Total SGD (Restated)
LESS : OPERATING EXPENSES (CONTINUED)								
Balance brought forward	(166,154)	-	(7,546)	(173,700)	(148,439)	-	(17,084)	(165,523)
Online donation charges	(146)	-	-	(146)	(805)	-	-	(805)
Postage and courier charges	(204)	-	-	(204)	(638)	-	-	(638)
Printing and stationeries	(837)	-	-	(837)	(851)	-	-	(851)
Project expenses	(69)	-	-	(69)	(500)	-	-	(500)
Rental of equipment	(231)	-	-	(231)	(924)	-	-	(924)
Repair and maintenance	(1,303)	-	-	(1,303)	(2,339)	-	-	(2,339)
Subscription and membership fees	(125)	-	-	(125)	(125)	-	-	(125)
Telephone and internet charges	(1,435)	-	-	(1,435)	(1,368)	-	-	(1,368)
Training expense	-	-	-	-	(30)	(7,768)	-	(7,798)
Translator and interpreter	(330)	-	-	(330)	(300)	-	-	(300)
Transportation	-	-	-	-	(670)	-	-	(670)
Utilities	(592)	-	-	(592)	(1,037)	-	-	(1,037)
Volunteer expenses	(1,050)	-	-	(1,050)	(1,960)	-	-	(1,960)
	(172,476)	-	(7,546)	(180,022)	(159,986)	(7,768)	(17,084)	(184,838)
SURPLUS / (DEFICIT) BEFORE TAXATION	296,536	(33,081)	(7,546)	255,909	46,315	198,403	(17,084)	227,634
TAXATION	12	-	-	-	-	-	-	-
NET SURPLUS / (DEFICIT) FOR THE YEAR	296,536	(33,081)	(7,546)	255,909	46,315	198,403	(17,084)	227,634
OTHER COMPREHENSIVE INCOME								
Items that may be reclassified subsequently to profit or loss	-	-	-	-	-	-	-	-
Items that will not be reclassified subsequently to profit or loss	-	-	-	-	-	-	-	-
Other comprehensive income, net of tax	-	-	-	-	-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	296,536	(33,081)	(7,546)	255,909	46,315	198,403	(17,084)	227,634

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

DISABLED PEOPLE'S ASSOCIATION
(REGISTERED UNDER SOCIETIES ACT, CAP. 311)
(UEN No. S86SS0002F)

STATEMENT OF CHANGES IN ACCUMULATED FUNDS FOR THE YEAR ENDED 31 MARCH 2021

	Unrestricted fund	Restricted funds		
	Accumulated Fund SGD	Asset Capitalisation Reserve SGD	Care and Share Grant Fund SGD	Total SGD
BALANCE AS AT 1 APRIL 2019	950,064	28,805	(334,887)	643,982
Total comprehensive income for the year				
As previously stated	(149,585)	(17,084)	198,403	31,734
Prior year adjustments	195,900	-	-	195,900
As restated	46,315	(17,084)	198,403	227,634
BALANCE AS AT 31 MARCH 2020	996,379	11,721	(136,484)	871,616
Total comprehensive income for the year	296,536	(7,546)	(33,081)	255,909
BALANCE AS AT 31 MARCH 2021	1,292,915	4,175	(169,565)	1,127,525

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

DISABLED PEOPLE'S ASSOCIATION
(REGISTERED UNDER SOCIETIES ACT, CAP. 311)
(UEN No. S86SS0002F)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2021

	Note	2021 SGD	2020 SGD (Restated)
CASH FLOWS FROM OPERATING ACTIVITIES			
Surplus before taxation		255,909	227,634
Adjustment for:			
Care and Share grant		-	(334,977)
Depreciation of right-of-use asset		1,932	-
Depreciation of plant and equipment		13,373	22,155
Enhanced Fund-Raising Programme		(24,779)	-
Bicentennial Community Fund		(204,100)	(195,900)
Government grant income on Jobs Support Scheme		(38,952)	-
Interest expenses on lease liability		286	-
Interest income		(2,094)	(2,710)
Other government grant income		(20,784)	(12,586)
Operating cash flows before working capital changes		(19,209)	(296,384)
Working capital changes:			
Other receivables		(338)	8,697
Other payables		(3,367)	(6,789)
		(3,705)	1,908
NET CASH EFFECT OF OPERATING ACTIVITIES		(22,914)	(294,476)
CASH FLOWS FROM INVESTING ACTIVITY			
Purchase of plant and equipment		(4,557)	-
NET CASH EFFECT OF INVESTING ACTIVITY		(4,557)	-
CASH FLOWS FROM FINANCING ACTIVITIES			
Government grant received	13	72,648	347,563
Payment of lease liability	7B	(1,143)	-
NET CASH EFFECT OF FINANCING ACTIVITIES		71,505	347,563
NET CHANGE IN CASH AND CASH EQUIVALENTS		44,034	53,087
CASH AND CASH EQUIVALENTS AS AT 1 APRIL	14	346,532	293,445
CASH AND CASH EQUIVALENTS AS AT 31 MARCH	14	390,566	346,532

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

**DISABLED PEOPLE'S ASSOCIATION
(REGISTERED UNDER SOCIETIES ACT, CAP. 311)
(UEN No. S86SS0002F)**

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2021

1. GENERAL INFORMATION

The Association is registered as a society in Singapore under the Societies Act, Cap 311 and is domiciled in Singapore.

The Association is also registered as a charity under the Singapore Charities Act, Cap. 37 since 30 December 1998. The Association is an approved Institution of a Public Character ("IPC") under the Singapore Charities Act from 1 August 2020 to 31 July 2022.

The principal activities of the Association are to advocate on behalf of and empower people with disabilities, helping them achieve full participation and equal status in the society through independent living.

The Association's registered office and principal place of activities is at 1 Jurong West Central 2, #04-01 Jurong Point Shopping Centre, Singapore 648886.

The Code of Governance for Charities and Institutions of a Public Character (IPCs) was launched by the Charity Council on 26 November 2007. The Association has complied all applicable guidelines of the Code of Governance Evaluation Checklist for the "enhanced-tiered" – Institutions of a Public Character (IPCs) for the financial year ended 31 March 2021 (full checklist is available at www.charities.gov.sg).

With the occurrence of COVID-19 pandemic globally, the Management Committee is closely monitoring the negative impact of the pandemic on its operation. As at the date of this report, the Management Committee is confident that the Association is able to weather through the negative effects of this pandemic.

The Management Committee of the Association at the date of this report are:

Richard Chien-Ming Kuppusamy	(President)
Peggy Sarah Yee May Kuen	(Vice-President)
Tang Siew Ngoh	(Honorary Secretary)
Navin Nair	(Honorary Treasurer)
Michael Chin Yun Foong	(Assistant Honorary Treasurer)
Darren Ho Kum Wei	(Committee Member)
Leong Sau Mun Dawn-Joy	(Committee Member)
Cassandra Chiu Mei Mei	(Committee Member)
Tan Keng Ying	(Committee Member)
Arsalan Ali	(Advisor)
Leo Chen Ian	(Advisor)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of accounting

The financial statements are prepared in compliance with Singapore Financial Reporting Standards issued by Accounting Standards Council and in accordance with the provision of the Societies Act, Cap. 311 and the Charities Act, Cap. 37 and other relevant regulations.

The financial statements are presented in Singapore dollar.

The financial statements are prepared in accordance with the historical cost convention except as disclosed in the accounting policies below.

The financial statements for the financial year ended 31 March 2021 are authorised to be issued on the date of the Statement by the Management Committee.

2.2 Adoption of new and revised Financial Reporting Standards

The accounting policies adopted in the financial year are consistent with those used in the previous financial year except for the adoption of certain new and revised Financial Reporting Standards effective for the financial year beginning **1 April 2020**. These new and revised Financial Reporting Standards have no significant effects on the Association's accounting policies used except for: -

Amendments to FRS 1 and FRS 8

The amendment stated that an information is material if omitting, misstating or obscuring could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.

2.3 Issued but not yet effective Financial Reporting Standards

As at the date of this report, the Association has not applied any new or revised Financial Reporting Standards that have been issued but not yet come into effect. These new or revised standards upon adoption will not have significant impact on the financial statements except for: -

Amendments to FRS 37: Onerous Contracts – Cost of fulfilling a contract

The amendment elaborates the direct cost of fulfilling a contract to be the incremental costs of fulfilling a contract and an allocation of other costs that relate directly to fulfilling a contract.

Before a separate provision for an onerous contract is established, an entity recognises any impairment loss that has occurred on assets used in fulfilling the contract in accordance with FRS 36.

An entity shall apply those amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments (the date of initial application). The entity shall not restate comparative information. Instead, the entity shall recognise the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application.

An entity shall apply those amendments for annual reporting periods beginning on or after 1 January 2022. Earlier application is permitted. If an entity applies those amendments for an earlier period, it shall disclose that fact.

2. **SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

2.3 **Issued but not yet effective Financial Reporting Standards (Continued)**

Amendments to FRS 1: Classification of Liabilities as Current or Non-current

The amendment stated that an entity's right to defer settlement of a liability for at least twelve months after the reporting period must have substance and must exist at the end of the reporting period. If the right to defer settlement is subject to the entity complying with specified conditions, the right exists at the end of the reporting period only if the entity complies with those conditions at the end of the reporting period. The entity must comply with the conditions at the end of the reporting period even if the lender does not test compliance until a later date.

Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement of the liability for at least twelve months after the reporting period. If a liability meets the criteria in paragraph 69 for classification as non-current, it is classified as non-current even if management intends or expects the entity to settle the liability within twelve months after the reporting period, or even if the entity settles the liability between the end of the reporting period and the date the financial statements are authorised for issue. However, in either of those circumstances, the entity may need to disclose information about the timing of settlement to enable users of its financial statements to understand the impact of the liability on the entity's financial position.

For the purpose of classifying a liability as current or non-current, settlement refers to a transfer to the counterparty that results in the extinguishment of the liability. The transfer could be of cash or other economic resources; or the entity's own equity instruments.

Terms of a liability that could, at the option of the counterparty, result in its settlement by the transfer of the entity's own equity instruments do not affect its classification as current or non-current if, applying FRS 32 Financial Instruments: Presentation, the entity classifies the option as an equity instrument, recognising it separately from the liability as an equity component of a compound financial instrument.

An entity shall apply those amendments retrospectively in accordance with FRS 8. Earlier application is permitted. If an entity applies those amendments for an earlier period, it shall disclose that fact.

Amendments to FRS 16: Property, Plant and Equipment – Proceeds before Intended Use

The amendment stated to prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the cost of producing those items, in profit or loss. The amendment also clarifies the disclosures on such transaction.

An entity shall apply those amendments for annual reporting periods beginning on or after 1 January 2022. Earlier application is permitted. If an entity applies those amendments for an earlier period, it shall disclose that fact.

2.4 **Significant judgements by the Management Committee in applying accounting policies**

In the process of applying the Association's accounting policies, the Management Committee did not make any significant judgments, apart from those involving estimations, that have significant effects on the amounts recognised in the financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.5 Key sources of estimation uncertainty

The preparation of financial statements in conformity with Singapore Financial Reporting Standards requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as at the date of the financial statements, and the reported amounts of income and expenses during the financial year. Although these estimates are based on the Management Committee best knowledge of current event and actions, actual results may differ from those estimates.

There were no significant key assumptions concerning the future, nor other key sources of estimation uncertainty at the year end that would have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year except for: -

i) *Depreciation of plant and equipment*

The estimates for the residual values, useful lives and related depreciation charges for the plant and equipment are based on commercial factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions.

The Association anticipates that the residual values of its plant and equipment will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount.

Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

ii) *Impairment on non-financial assets*

When the recoverable amount of an asset is determined based on the estimate of the value-in-use of the cash generating unit to which the asset is allocated, the management is required to make an estimate of the expected future cash flows from the cash-generating unit and also to apply a suitable discount rate in order to determine the present value of those cash flows.

2.6 Plant and equipment and depreciation

Plant and equipment are initially stated at cost. Subsequent to initial recognition, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation of an asset commences when the asset is available for use. Depreciation is provided on gross carrying amounts less residual value in equal annual instalments over the estimated lives of the assets. The annual rates of depreciation are as follows:-

	% per annum
Computer	33
Furniture and fittings	33
Office equipment	33
Renovation	20

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.6 Plant and equipment and depreciation (Continued)

The residual value and the useful life of an asset is reviewed at each year end, and if expectations are different from previous estimates, changes are made to the depreciation charge for the remaining undepreciated amount.

Fully depreciated assets are retained in the financial statements until they are no longer in use or disposed and no further charges for depreciation are made in respect of these assets. Any gain or loss arising from the derecognition of the asset is recognised in the statement of comprehensive income.

When events or changes in circumstances indicate that the carrying amount of an asset is not recoverable, impairment loss is recognised in the statement of comprehensive income.

2.7 Right-of-use asset

The Association recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the present value of total lease liabilities adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore of the site which the underlying asset is located, less any lease incentive received. Subsequent to initial recognition, right-of-use asset is stated at cost less accumulated depreciation and accumulated impairment losses, if any, and an adjustment for certain remeasurements of the lease liability.

Depreciation of a right-of-use asset commences from the commencement date of the lease to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful life is as follows:

	<u>No. of years</u>
Office equipment	5

2.8 Fixed deposits, cash at bank and on hand

Fixed deposits, cash at bank and on hand are classified and accounted for as amortised cost financial assets as the contractual cash flows of the asset comprises solely principal and interest payments and financial asset is held by the entity with the objective to collect contractual cash flows. These assets are carried at amortised cost using the effective interest method.

Gains or losses are recognised in the statement of comprehensive income when these amortised costs financial assets are derecognised or impaired, as well as through the amortisation process.

Interest income is recognised as it accrues in the statement of comprehensive income using the effective interest method.

2.9 Cash and cash equivalents

Cash and cash equivalents included in the statement of cash flows comprise cash on hand, non restricted bank balances and fixed deposits with original maturity of three months or less, net of bank overdrafts which are repayable on demand.

2. **SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

2.10 **Financial assets**

Financial assets are classified as 'fair value through profit or loss', 'amortised costs', or 'fair value through other comprehensive income' financial assets. Financial assets are recognised in the statement of financial position when the Association becomes a party to the contractual provisions of the financial assets.

All financial assets are initially recognised at fair value plus any directly attributable transactional costs, except for trade receivables at their transaction price if the trade receivables do not contain a significant financing component in accordance with FRS 115. The classification of financial assets, after initial recognition, is re-evaluated and reclassified where allowed and appropriate.

All financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income.

An equity instrument not held for trading may, on initial recognition, elect to be classified as fair value through other comprehensive income financial asset. This classification is irrevocable and any change in fair value, including foreign exchange difference, will be recognised in other comprehensive income. The cumulative gains or losses recognised in other comprehensive income will not be reclassified to profit or loss following the derecognition of the financial asset.

A contract to buy or sell a non-financial item that can be settled net in cash or another financial instrument, or by exchanging financial instruments, as if the contract was a financial instrument, may be irrevocably designated as measured at fair value through profit or loss even if it was entered into for the purpose of the receipt or delivery of a non-financial item in accordance with the entity's expected purchase, sale or usage requirements. This designation is available only at inception of the contract and only if it eliminates or significantly reduces a recognition inconsistency.

2.11 **Other receivables**

Other receivables are classified and accounted for as amortised cost financial assets as the contractual cash flows of the asset comprises solely principal and interest payments and financial asset is held by the entity with the objective to collect contractual cash flows. These assets are carried at amortised cost using the effective interest method except trade receivable carried at transaction price as it does not contain a significant financing component in accordance with FRS 115.

The carrying amount of receivables impaired by measuring expected credit losses is reduced by an allowance account unless on the date the impairment loss is recognised, the association ascertains the amount to be uncollectible whereby it would be reduced directly. Expected credit losses is measured in a way that reflects an unbiased and probability-weighted amount that is determined by evaluating a range of outcomes, time value of money and reasonable and supportable information that is available without undue cost or effort at the year end about past events, current conditions and forecasts of future economic conditions.

Gains or losses are recognised in the statement of comprehensive income when these amortised cost financial assets are derecognised or impaired, as well as through the amortisation process.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.12 Impairment of non-financial assets

As at each year end, assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognised in the statement of comprehensive income unless it reverses a previous revaluation credited to reserve. The recoverable amount is the higher of an asset's net selling price and value in use. The net selling price is the amount realisable from the sale of the asset in an arm's length transaction. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life.

Recoverable amounts are estimated for individual assets or, if impossible to be estimated individually, for the cash-generating unit in which the asset is deployed.

Reversal of an impairment loss previously recognised is recorded to the extent the impairment loss had previously been recognised. A reversal of an impairment loss on a revalued asset is credited directly to reserve, unless the impairment loss on the same revalued asset was previously expensed in the statement of comprehensive income, in which case, it is recognised as income.

2.13 Other payables

These liabilities, which are normally settled on 30 – 90 days terms, are financial liabilities. Financial liabilities are recognised in the statement of financial position when, and only when, the entity 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 amortised cost using the effective interest method.

Gains and losses are recognised in the statement of comprehensive income 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.

2.14 Provisions

Provisions are recognised when the company has a present obligation as a result of a past event which is probable and will result in an outflow of economic benefits that can be reliably estimated.

2.15 Lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the associate's incremental borrowing rate as the discount rate. Generally, the associate uses its incremental borrowing rate as the discount rate.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.15 Lease liability (Continued)

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that the associate is reasonably certain to exercise, lease payments in an optional renewal period if the associate is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the associate is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the associate's estimate of the amount expected to be payable under a residual value guarantee, or if the associate changes its assessment of whether it will exercise a purchase, extension or termination option, a lessee shall use an unchanged discount rate, unless the change in lease payments results from a change in floating interest rates.

When the lease liability is measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

2.16 Revenue from contracts with customers

A contract involves agreement between two or more parties that creates enforceable rights and performance obligations.

The Association recognises revenue when enforceable performance obligation is satisfied and it is identifiable separately from other promises in the contract. Performance obligation involves transfer control of distinct goods and services to a customer where customer can benefit from the good or service on its own or together with readily available resources in the market.

The Association allocates transaction price to each performance obligation on the basis of the stand-alone selling prices of each distinct good or services promised in the contract. The association uses estimated price when stand-alone price is not observable. Discount, rebates and consideration that are generated through the synergy of the contract as a whole should be allocated to one or more, but not all performance obligations.

For performance obligations satisfied over time, the Association recognises revenue over time by selecting an appropriate method for measuring the Association's progress towards completion of that performance obligation.

- (i) Revenue from services rendered is recognised in income in the relevant period the service is provided.
- (ii) Members' subscription fees is recognised when due.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.17 Income

- (i) Donations are recognised as and when the Association's entitlement to such income is established with no significant uncertainty and amount can be measured with sufficient reliability, which is generally upon receipt of the amount due in full or by instalments. Donations-in-kind are recognised when the fair value of the assets received can be reasonably ascertained.
- (ii) Sponsorship or funding income is recognised upon receipt.

2.18 Government grants

Government grants are recognised when there is reasonable assurance that the Association will comply with required conditions associated with the grants and that the grants will be received. Care and Share grants are recognised on cash basis upon receipts.

Government grants are recognised as grant income in the statement of comprehensive income over the periods necessary to match with the operating expenses in the same year which they are intended to compensate, on a systematic basis.

2.19 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets after deducting all liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

2.20 Functional currency

Functional currency is the currency of the primary economic environment in which the entity operates. The financial statements are prepared using Singapore dollar as the functional currency.

2.21 Employee benefits

Employee benefits, which include base pay, cash bonuses, contribution to defined contribution plans such as the Central Provident Fund and other staff-related allowances, are recognised in the statement of comprehensive income when incurred. For defined contribution plans, contributions are made to publicly or privately administered funds on a mandatory, contractual or voluntary basis. Once the contributions have been paid, there will be no further payment obligations.

Employee entitlement to annual and other leave is recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the year end.

2.22 Offsetting financial instruments

Certain financial assets and liabilities offset each other and the net amount is reported in the statement of financial position when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle them on a net basis, or realise the asset and settle the liability simultaneously.

3. ACCUMULATED FUND

The fund is unrestricted fund. The Association is free to use the fund for both capital and revenue expenditure without having to take into account of any restrictions imposed.

4. ASSET CAPITALISATION RESERVE

The reserve is used to account for the value of assets purchased through the utilisation of restricted funds, including the depreciation of the value of those assets over time. These assets are depreciated at the same rate as corresponding assets purchased through unrestricted funds.

5. CARE AND SHARE GRANT FUND

	2021 SGD	2020 SGD
<u>Grant received</u>		
As at 1 April	1,091,790	756,813
Grant received during the year	-	334,977
As at 31 March	<u>1,091,790</u>	<u>1,091,790</u>
<u>Less: Utilisation</u>		
As at 1 April	(1,228,274)	(1,091,700)
Utilisation during the year	(33,081)	(136,574)
At 31 March	<u>(1,261,355)</u>	<u>(1,228,274)</u>
	<u>(169,565)</u>	<u>(136,484)</u>

The Care and Share movement was set up by the Singapore government in October 2013 to encourage firms and people to work with organisations to help the needy. The government had pledged to make a matching grant to the organisations for every dollar raised by the organisations.

The grant is to be used for the following purposes:-

- (i) To fund manpower and organisation development such as training and training-related costs to develop the capabilities of the organisation's staff;
- (ii) Purchase of additional equipment (including renovation of premises) to enhance social service delivery, investment in technology and physical infrastructure developments/improvement to boost staff productivity so as to better serve the organisation's beneficiaries;
- (iii) New programmes to meet emerging or unmet needs and enhancements or expansion of existing services; and
- (iv) To fund the recurrent operating costs and costs that are crucial to the continued operations of the organisation.

This section is intentionally left blank

6. PLANT AND EQUIPMENT

	Computer SGD	Furniture and Fittings SGD	Office Equipment SGD	Renovation SGD	Total SGD
<u>Cost</u>					
At 1 April 2019	147,501	18,696	5,303	86,574	258,074
Written off	-	(2,726)	(1,038)	(5,190)	(8,954)
At 31 March 2020	147,501	15,970	4,265	81,384	249,120
Additions	4,557	-	-	-	4,557
At 31 March 2021	152,058	15,970	4,265	81,384	253,677
<u>Accumulated depreciation</u>					
At 1 April 2019	121,085	18,696	4,215	70,555	214,551
Depreciation for the year	15,642	-	592	5,921	22,155
Written off	-	(2,726)	(1,038)	(5,190)	(8,954)
At 31 March 2020	136,727	15,970	3,769	71,286	227,752
Depreciation for the year	6,956	-	496	5,921	13,373
At 31 March 2021	143,683	15,970	4,265	77,207	241,125
<u>Carrying amount</u>					
At 31 March 2021	8,375	-	-	4,177	12,552
At 31 March 2020	10,774	-	496	10,098	21,368

7. LEASE

The Association leases asset which is accounted for under FRS 116. In relation to the lease under FRS 116, the Association depreciates the right-of-use asset and recognises interest on lease liability during the year. Information about lease for which the Association is a lessee is summarised as follows:-

7A. Right-of-use asset

	Office equipment SGD
<u>Cost</u>	
As at 31 March 2020 / 1 April 2020	-
Additions	13,097
As at 31 March 2021	13,097
<u>Accumulated depreciation</u>	
As at 31 March 2020 / 1 April 2020	-
Depreciation for the year	1,932
As at 31 March 2021	1,932
<u>Carrying amount</u>	
As at 31 March 2021	11,165
As at 31 March 2020	-

7. **LEASE (CONTINUED)**

7B. **Lease liability**

	2021 SGD	2020 SGD
As at 1 April	-	-
Addition	13,097	-
Interest expenses on lease liability	286	-
Payment of lease liability	(1,143)	-
As at 31 March	<u>12,240</u>	<u>-</u>

The total cash outflow for lease in 2021 was SGD1,143 which includes redemptions of principal and interest payments.

Maturity of the lease liability is analysed as follows:-

	2021 SGD	2020 SGD
Within one year	1,950	-
Between 2 and 5 years	10,290	-
	<u>12,240</u>	<u>-</u>

8. **OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS**

	2021 SGD	2020 SGD
Interest receivable	-	49
Rental deposits	7,384	6,490
Prepaid operating expenses	3,844	3,675
Other receivables	855	1,460
	<u>12,083</u>	<u>11,674</u>

9. **FIXED DEPOSITS**

The fixed deposits bear interest ranging from 0.27% to 1.00% (2020: 0.70% to 1.45%) per annum and have maturity period ranging from 12 to 24 months (2020: 10 to 24 months).

10. **OTHER PAYABLES AND ACCRUALS**

	2021 SGD	2020 SGD
Accrued operating expenses	26,690	38,127
Other payables	17,622	9,552
	<u>44,312</u>	<u>47,679</u>

11. EMPLOYEE BENEFITS EXPENSE

	2021 SGD	2020 SGD
Salaries, allowances and bonuses	326,751	378,247
Employer's CPF and other contributions	29,473	39,025
	<u>356,224</u>	<u>417,272</u>

Included in the above is key management personnel compensation as follows: -

	2021 SGD	2020 SGD
Salaries, allowances and bonuses	<u>91,462</u>	<u>101,261</u>
<u>Number of key management in remuneration bands:-</u>		
Less than SGD100,000	1	-
SGD100,001 - SGD150,000	-	1
More than SGD200,001	-	-
	<u>1</u>	<u>1</u>

12. TAXATION

The Association is a registered as a Charity under the Charities Act, Chapter 37 and is exempt from income tax under Section 13(1)(zm) of the Income Tax Act.

13. GOVERNMENT GRANT RECEIVED

	2021 SGD	2020 SGD
Care and Share	-	334,977
Jobs Support Scheme	51,864	-
Wage Credit Scheme	7,314	-
Other government grant income	13,470	12,586
As at 31 March	<u>72,648</u>	<u>347,563</u>

14. CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the statement of cash flows comprise cash at bank and on hand.

This section is intentionally left blank

15. FUND-RAISING INCOME AND EXPENDITURE

	Total proceeds from fund-raising events SGD	Total sponsorship SGD	Total fund- raising expenses SGD	Net fund- raising income SGD
For the year ended 31 March 2021				
<u>Donations received through:</u>				
Commercial fund-raisers	206,956	-	(62,087)	144,869
Help the disabled community	12,779	-	-	12,779
	<u>219,735</u>	<u>-</u>	<u>(62,087)</u>	<u>157,648</u>

The 30/70 fund-raising efficiency ratio:

$$\frac{(E+S)}{(R+S)} \times 100\% = \underline{28\%}$$

E – Represents total fund-raising expenses incurred during the year.

R – Represents proceeds from fundraising received during the year.

S – Represents total sponsorship received during the year

	Total proceeds from fund-raising events SGD	Total sponsorship SGD	Total fund- raising expenses SGD	Net fund- raising income SGD
For the year ended 31 March 2020				
<u>Donations received through:</u>				
Commercial fund-raisers	218,050	-	(65,415)	152,635

The 30/70 fund-raising efficiency ratio:

$$\frac{(E+S)}{(R+S)} \times 100\% = \underline{30\%}$$

E – Represents total fund-raising expenses incurred during the year.

R – Represents proceeds from fundraising received during the year.

S – Represents total sponsorship received during the year

16. RESERVE POLICY

The Association's objectives when managing reserve are:-

- To safeguard the Association's ability to continue as going concern;
- To support the Association's stability and growth;
- To provide fund for the purpose of strengthening the Association's risk management capability.

16. RESERVE POLICY (CONTINUED)

The reserve position of the Association as at the year end is as follows-

	2021 SGD	2020 SGD
Unrestricted fund	1,292,915	996,379
Restricted funds		
- Asset capitalisation reserve	4,175	11,721
- Care and Share grant fund	(169,565)	(136,484)
	<u>1,127,525</u>	<u>871,616</u>
Ratio of unrestricted funds to annual operating expenditure	<u>7</u>	<u>5</u>

The reserve that the Association has set aside provide financial stability and the means for the development of its principal activities. The Association intends to maintain its reserve at a level which is at least equivalent to one year's expenses to ensure the continued running and smooth operation of the Association. The intended use of the reserve is for the operational needs of the Association.

The Management Committee will review on a semi-annual basis the amount of reserve that is required to ensure that it is adequate to fulfill the Association's continuing obligations.

17. SIGNIFICANT RELATED PARTY TRANSACTIONS

For the purpose of these financial statements, parties are considered to be related to the Association if the Association has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decision, or vice versa, or where the Association and the party are subject to common control or common significant influence. Related parties may be individuals or other entities. There are no related party transactions during the year.

The Association is governed by the Management Committee which is the final authority and is overall responsible for the policy making and determination of all activities. The members of the Management Committee are volunteers and receive no monetary remuneration for their contribution. All volunteers of the Association received no monetary remuneration.

The Association employs an executive director who is a key officer. This remuneration of the executive director is in her capacity as the association employee and this is disclosed as key management in Note 11 to the financial statements.

18. CONFLICT OF INTEREST

All Management Committee and staffs of the Association are required to comply with the conflict of interest policy.

A conflict of interest may arise when the Management Committee or staffs have a personal direct or indirect interest in the suppliers or service providers that submit quotations or a tender. Accordingly, they are to evaluate whether he or she has a direct or vested interest in the relevant suppliers or service providers. Full disclosure of the interest shall be made on a "Declaration of Interest Form" and these interested persons are not to be involved in the approving of that procurement. In this case, the procurement shall be made by the next level of authority in accordance with the Limits of Authority set by the Association.

19. FINANCIAL RISK MANAGEMENT

The Association's operations carry certain financial risk. The Association's overall risk management approach is to moderate the effects of such volatility on its financial results. There are no changes on the Association's objectives, policies or processes relating to the management of the Association's financial risk during the year.

a) Market risk

i) Foreign exchange risk

The Association is not exposed to foreign currency risk. All transactions are carried out in local currency.

ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because changes in market interest rates.

The Association is exposed to interest rate risk through the impact of interest rate changes on its fixed deposits.

Changes in market interest rates of 1% on interest bearing financial assets and financial liabilities as at year end will have effect on the financial statements as follows:

	2021 SGD	2020 SGD
Profit before taxation	3,458	3,438
Equity	<u>-</u>	<u>-</u>

The above analysis assumes all other variables are held constant.

b) Credit risk

The Association is not exposed to any substantial credit risk in that other parties will not be able to meet their obligations to the Association.

The maximum exposure to credit risk is represented by the carrying amount of financial assets which are mainly other receivables and bank balances. Cash is placed with credit worthy financial institution.

Impairment of financial assets

The Association has applied the simplified approach by using the provision matrix to measure the lifetime expected credit losses for trade receivables.

To measure the expected credit losses, these receivables have been grouped based on shared credit risk characteristics and days past due. In calculating the expected credit loss rates, the association considers historical loss rates for each category of customers, and adjusted for forward-looking macroeconomic data.

Receivables are written off when there is no reasonable expectation of recovery, such as debtor failing to engage in a repayment plan with the association.

19. FINANCIAL RISK MANAGEMENT (CONTINUED)

b) Credit risk (Continued)

Financial assets that are neither past due nor impaired

Trade receivables that are neither past due nor impaired are substantially companies with good collection track record or that the recoverability is not in doubt. Bank deposits, are mainly transacted with banks of high credit ratings assigned by international credit rating agencies.

Financial assets that are past due and/ or impaired

There is no financial assets that is past due and/ or impaired.

c) Fair value risk

The fair value of the Association's financial assets and financial liabilities reported in the statement of financial position approximately their carrying value.

d) Liquidity risk

The Association manages its liquidity risk by monitoring and maintaining a level of cash and bank balance deemed adequate by the management to finance the Association's operation and mitigate the effects of fluctuations of cash flows.

The table below analyses the maturity profile of the financial liabilities based on contractual undiscounted cash flows:-

	Less than 1 year SGD	Between 2 and 5 years SGD	Total SGD
As at 31 March 2021			
Other payables	17,622	-	17,622
Lease liability	2,286	10,959	13,245
	<u>28,147</u>	<u>10,959</u>	<u>39,106</u>
As at 31 March 2020			
Other payables	<u>9,552</u>	<u>-</u>	<u>9,552</u>

e) Derivative instruments

The Association does not utilise any derivative instruments.

The responsibility for managing the above risks is vested in the Management Committee.

20. FINANCIAL INSTRUMENTS

Classification of financial instruments

Financial assets and financial liabilities are measured on an ongoing basis either at fair value or at amortised cost. The significant accounting policies in Note 2 describe how the classes of financial instruments are measured, and how income and expenses, including fair value gains and losses, are recognised. The following table analyses the financial assets and financial liabilities in the statement of financial position by the class of financial instrument to which they are assigned, and therefore by the measurement basis:-

	Financial assets at amortised cost SGD	Financial liabilities at amortised cost SGD	Total SGD
As at 31 March 2021			
<u>Assets</u>			
Other receivables	8,239	-	8,239
Fixed deposits	345,844	-	345,844
Cash at bank and on hand	390,566	-	390,566
Total financial assets	<u>744,649</u>	<u>-</u>	<u>744,649</u>
Total non-financial assets			452,340
Total assets			<u>1,196,989</u>
<u>Liabilities</u>			
Other payables	-	(17,622)	(17,622)
Lease liability	-	(12,240)	(12,240)
Total financial liabilities	<u>-</u>	<u>(29,862)</u>	<u>(29,862)</u>
Total non-financial liabilities			(39,602)
Total liabilities			<u>(69,464)</u>

This section is intentionally left blank

20. FINANCIAL INSTRUMENTS (CONTINUED)

Classification of financial instruments (Continued)

	Financial assets at amortised cost SGD	Financial liabilities at amortised cost SGD	Total SGD
As at 31 March 2020			
<u>Assets</u>			
Other receivables	7,999	-	7,999
Fixed deposits	343,821	-	343,821
Cash at bank and on hand	346,532	-	346,532
Total financial assets	<u>698,352</u>	<u>-</u>	<u>698,352</u>
Total non-financial assets			220,943
Total assets			<u>919,295</u>
<u>Liabilities</u>			
Other payables	-	(9,552)	(9,552)
Total financial liabilities	<u>-</u>	<u>(9,552)</u>	<u>(9,552)</u>
Total non-financial liabilities			(38,127)
Total liabilities			<u>(47,679)</u>

21. FUND RISK MANAGEMENT

The Association's objectives when managing capital are to safeguard the association's ability to continue as a going concern in order to accomplish the Association's objectives. The Management Committee regularly reviews and monitors its fund position to ensure that the Association activities and growth are prudently funded. The Association seeks to maintain a positive net current asset position and fund surplus position.

	2021 SGD	2020 SGD
Current assets	1,173,272	897,927
Current liabilities	<u>(59,174)</u>	<u>(47,679)</u>
Net current assets	<u>1,114,098</u>	<u>850,248</u>
Total assets	1,196,989	919,295
Total liabilities	<u>(69,464)</u>	<u>(47,679)</u>
Fund surplus	<u>1,127,525</u>	<u>871,616</u>

There are no changes on the Association's objectives, policies or processes relating to the management of the association's capital structure during the year.

The Association is not subject to any externally imposed capital management and is not in breach of any debts covenant made with its lenders.

22. PRIOR YEAR ADJUSTMENTS

Bicentennial Community Fund grant of SGD195,900 for year 2020 was omitted. The effect is as follows:-

	As previously stated SGD	As restated SGD
STATEMENT OF FINANCIAL POSITION		
As at 31 March 2020		
<u>Current assets</u>		
Government grant receivable	-	195,900
STATEMENT OF COMPREHENSIVE INCOME		
For the year ended 31 March 2020		
<u>Income</u>		
Bicentennial Community Fund	-	195,900
STATEMENT OF CASH FLOWS		
For the year ended 31 March 2020		
<u>Cash flows from operating activities</u>		
Adjustment for:		
Bicentennial Community Fund	-	195,900
Working capital changes:		
Other receivables	10,908	8,697

This section is intentionally left blank

23. COMPARATIVES FIGURES

The following comparative figures have been reclassified to conform with current year's presentation:-

	Before reclassification 2020 SGD	Reclassification 2020 SGD	After reclassification 2020 SGD
STATEMENT OF CASH FLOWS			
For the year ended 31 March 2020			
<u>Cash flows from operating activities</u>			
Adjustment for:			
Care and share grant	-	(334,977)	(334,977)
Other government grant income	-	(12,586)	(12,586)
Working capital changes:			
Other receivables	10,908	(2,211)	8,697
<u>Cash flows from investing activity</u>			
Interest income received	2,710	(2,710)	-
<u>Cash flows from financing activities</u>			
Government grant received	-	347,563	347,563
Cash and cash equivalents as at 1 April	632,345	(338,900)	293,445
Cash and cash equivalents as at 31 March	<u>690,353</u>	<u>(343,821)</u>	<u>346,532</u>