My Community
(Registration No: T10SS0125C)

Statement by Executive Committee and Financial Statements

Financial Year Ended 31 March 2019

My Community (Registration No: T10SS0125C)

Statement by Executive Committee and Financial Statements

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My Community (Registration No: T10SS0125C)

Statement by Executive Committee

In the opinion of the Executive Committee,

(a) the accompanying statement of comprehensive income, statement of financial position, statement of changes in accumulated funds, statement of cash flows and notes thereto are drawn up so as to show fairly the state of affairs of the My Community (the "Society") as at 31 March 2019 and the financial transactions, changes in accumulated fund and cash flows of the Society for the financial year then ended; and

(b) proper accounts and records of the transactions and affairs of the Society are kept to show and explain all the Society's transactions and to disclose, with reasonable accuracy, the financial position of the Society at any time.

The board of Executive Committee approved and authorised these financial statements for issue.

On behalf of the Executive Committee,

....	....
Tan Jie Peng, Jasper Vice President	Chen Kim Yen Treasurer

5 September 2019

AccAssurance

AccAssurance LLP
UEN No: T12LL1249K
163A Telok Ayer Street
Singapore 068616

Independent Auditors' Report
to the Members of the My Community (Registration No: T10SS0125C)

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of My Community (the "Society"), which comprise the statement of financial position as at 31 March 2019, 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 are properly drawn up in accordance with the provisions of the Societies Act, Chapter 311 (the "Societies Act"), Charities Act, Chapter 37 (the "Charities Act") and other relevant regulations (the "Regulations") and Financial Reporting Standards in Singapore (FRSs) so as to present fairly, in all material respects, the financial position of the Society as at 31 December 2019 and of the financial transactions, changes in accumulated funds and cash flows of the Society for the financial 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 Society 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 Executive Committee but does not include the financial statements and our auditor's report thereon.

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

In connection in our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materiality 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 on the other information that we obtained prior to the date of this auditor's report, 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.

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Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Society'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 Society or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Society'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:

(a) 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.

(b) 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 Society's internal control.

(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

(d) 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 Society'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 your 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 Society to cease to continue as a going concern.

(e) 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.

We communicate with the Executive 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, the accounting and other records required by the Act to be kept by the Society have been properly kept in accordance with the provisions of the Societies Act and the Charities Act and Regulations.

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

(a) the Society has not used the donation moneys in accordance with its objectives as required under Regulation 11 of the Charities (Institutions of a Public Character) Regulations; and

(b) the Society has not complied with the requirements of Regulation 15 of the Charities (Institutions of a Public Character) Regulations.

Other Matters

The financial statements for the financial year ended 31 March 2018 were audited by other independent auditors whose report dated 16 April 2018 expressed an unqualified audit opinion on those financial statements.

AccAssurance LLP

AccAssurance LLP
Public Accountants and Chartered Accountants
Singapore

5 September 2019

Statement of Comprehensive Income
For the financial year ended 31 March 2019

	Note	2019 Accumulated funds $	2019 Restricted fund $	2019 Total funds $	2018 Accumulated and total funds $
Income	5	249,806	93,805	343,611	17,516
Less: Expenditure					
Accounting fees		(1,070)	–	(1,070)	(750)
Advertisement		(11,051)	–	(11,051)	–
Audit fees		(5,631)	–	(5,631)	(2,100)
Bank charges		(555)	(38)	(593)	(138)
Central Provident Fund contributions	6	(1,020)	–	(1,020)	–
Depreciation expenses	9	–	(6,673)	(6,673)	–
Event management		(22,192)	(16,051)	(38,243)	(51,499)
Foreign exchange gains/losses		(29)	–	(29)	–
General expenses		(14,233)	(277)	(14,510)	(1,627)
Insurance		(514)	(369)	(883)	–
Office equipment & storage		(953)	(703)	(1,656)	–
Online subscription		(5,719)	–	(5,719)	–
Printing and stationery		(9,210)	(2,776)	(11,986)	(460)
Processing & service fees		(151)	–	(151)	(46)
Rental	13	(398)	(1,887)	(2,285)	–
Salaries and bonuses	6	(8,625)	–	(8,625)	–
Skill development levy	6	(11)	–	(11)	–
Small assets expensed off		–	(910)	(910)	–
Travelling expenses		(12,700)	–	(12,700)	(6,131)
Utilities		–	(1,542)	(1,542)	–
Web host & domain		(339)	–	(339)	(172)
		(94,401)	(31,226)	(125,627)	(62,923)
Surplus/(deficit) before income tax		155,405	62,579	217,984	(45,407)
Income tax expense		–	–	–	–
Surplus/(deficit), net of tax, and total comprehensive surplus/(deficit)		155,405	62,579	217,984	(45,407)

The accompanying notes form an integral part of these financial statements

Statement of Financial Position
As at 31 March 2019

	Note	2019	2018
		$	$
ASSETS			
Current assets			
Cash and cash equivalents	7	248,393	55,807
Other receivables	8	315	–
		248,708	55,807
Non-current assets			
Plant and equipment	9	49,736	–
Total assets		298,444	55,807
LIABILITIES			
Current liabilities			
Other payables	10	27,503	2,850
Total liabilities		27,503	2,850
Net assets		270,941	52,957
Fund			
Accumulated funds		167,368	52,957
Restricted fund	11	103,573	–
		270,941	52,957

The accompanying notes form an integral part of these financial statements

Statement of Changes in Accumulated Funds
For the financial year ended 31 March 2019

	Accumulated funds	Restricted fund	Total
	$	$	$
Current Year			
Opening balance at 1 April 2018	52,957	–	52,957
Transfer from Accumulated funds to Restricted fund (note 11)	(40,994)	40,994	–
Total comprehensive surplus for the year	155,405	62,579	217,984
Closing balance at 31 March 2019	167,368	103,573	270,941
Previous Year			
Opening balance at 1 April 2017	98,364	–	98,364
Total comprehensive deficit for the year	(45,407)	–	(45,407)
Closing balance at 31 March 2018	52,957	–	52,957

The accompanying notes form an integral part of these financial statements

Statement of Cash Flows
For the financial year ended 31 March 2019

	Note	2019 $	2018 $
Cash flows from operating activities			
Surplus/(deficit) before tax		217,984	(45,407)
Adjustment for:			
Depreciation expense		6,673	–
Operating cash flows before changes in working capital		224,657	(45,407)
Other receivables		(315)	–
Other payables		24,653	750
Net cash flows from operations		248,995	(44,657)
Income taxes paid		–	–
Net cash flows from/(used in) operating activities		248,995	(44,657)
Cash flows from investing activities			
Purchase of plant and equipment		(56,409)	–
Net cash flow from investing activities		(56,409)	–
Cash flows from financing activities			
Cash restricted in use	7	(67,624)	–
Net cash flow from financing activities		(67,624)	–
Cash and Cash Equivalents			
Net increase in cash and cash equivalents		124,962	(44,657)
Beginning of financial year		55,807	100,464
End of financial year	7	180,769	55,807

The accompanying notes form an integral part of these financial statements

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 information

My Community ("Society") is registered under the Societies Act, Chapter 311 in Singapore. The address of its registered office is Block 46-3 Commonwealth Drive 01-388, Singapore 140463.

The principal objectives of the Society are as follows:

(a) To research, document and preserve social memories of the community;

(b) To organise activities and programmes which promote the arts, culture and heritage of the community;

(c) To advocate for greater community involvement in cultural management and urban governance; and

(d) To instil residents and visitors with a sense of pride and belonging for the community.

2. Significant accounting policies

Basis of preparation

These financial statements have been prepared in accordance with Singapore Financial Reporting Standards ("FRS") and Interpretations to FRS ("INT FRS"). The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

These financial statements are presented in Singapore dollar, which is the Society's functional currency.

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Society's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. 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.

Changes and adoption of financial reporting standards

On 1 April 2018, the Society adopted the new or amended FRS and INT FRS that are mandatory for application from that date. Changes to the Society's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The adoption of these new or amended FRS and INT FRS did not result in material changes to the Society's policies and did not require any material modification of the measurement methods or the presentation in the financial statements.

2. Significant accounting policies (continued)

Future changes in financial reporting standards

Certain new and amended FRS and INT FRS which have been published (at the date of authorisation of these financial statements) but not effective for the reporting financial year, are relevant to the Society. These new and amended FRS and INT FRS are set out below.

FRS No.	Title	Effective date for periods beginning on or after
FRS 116	Leases	1 January 2019
FRS 109	Prepayment features with negative compensation	1 January 2019
Amendments to FRS 28	Long-term interests in associates and joint ventures	1 January 2019
INT FRS 123	Uncertainty over Income Tax Treatments	1 January 2019
Amendments to FRS 103	Previously held interest in a joint operation	1 January 2019
Amendments to FRS 12	Income tax consequences of payments on financial instruments classified as equity	1 January 2019
Amendments to FRS 23	Borrowing costs eligible for capitalisation	1 January 2019
Amendments to FRS 19	Plan Amendment, Curtailment or Settlement	1 January 2019
FRS 117	Insurance Contracts	1 January 2021
Amendments to FRS 110 and FRS 28	Sale or contribution of assets between an investor and its associate or joint venture	To be determined

The Society did not early adopt these new and amended FRS and INT FRS.

The directors expect that the adoption of these new and amended FRS and INT FRS will have no material impact on the financial statements in the period of initial application except for the following:

FRS 116 – Leases:

For Lessee:

FRS 116 eliminates the lessee's classification of leases as either operating leases or finance leases and introduces a single lessee accounting model. Applying the new model, a lessee is required to recognise right-of-use (ROU) assets and lease liabilities for all leases with terms of more than 12 months, unless the underlying assets are of low value. Subsequent to initial recognition, a lessee depreciates ROU assets over the shorter of the useful life of the ROU assets or the lease term. A lessee also recognises interest expense on the lease liabilities.

For Lessor:

FRS 116 substantially carries forward the lessor accounting requirements in *FRS 17: Leases*. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for these two types of leases using the FRS 17 operating lease and finance lease accounting models respectively. However, FRS 116 requires more extensive disclosures to be provided by a lessor.

2. Significant accounting policies (continued)

Future changes in financial reporting standards (continued)

FRS 116 – Leases (continued):

When effective, FRS 116 replaces existing lease accounting guidance, including FRS 17, *INT FRS 104: Determining whether an Arrangement contains a Lease, INT FRS 15: Operating Leases – Incentives, and INT FRS 27: Evaluating the Substance of Transactions Involving the Legal Form of a Lease.*

FRS 116 is effective for annual periods beginning on or after 1 January 2019, with early adoption permitted if *FRS 115: Revenue from Contracts with Customers* is also applied.

Both lessor and lessee are required to retrospectively apply FRS 116 requirements upon application. However, FRS 116 provides an option for a modified retrospective approach and certain practical expedients.

The Society is currently assessing the impact of FRS 116 and plans to adopt this new standard on the required effective date.

Revenue recognition

Revenue from services is recognised when the Company satisfies a performance obligation (PO) by transferring control of a promised service to the customer. The amount of revenue recognised is the amount of the transaction price allocated to the satisfied PO. The transaction price is allocated to each PO in the contract on the basis of the relative standalone selling prices of the promised services. The individual standalone selling price of services is determined based on the residual portion of the transaction price after allocating the transaction price to services with observable stand-alone selling prices.

In determining the transaction price, the Company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any). In allocating the transaction price, the Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated.

(a) *Donations:* Revenue from donations are accounted for when received.

(b) *Event income:* Revenue from events are recognised when the right to receive payment is established.

(c) *Government and other grants:* Grants from the Government and other organisations are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Company will comply with all the attached conditions. The grants receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Grants relating to expenses are shown separately as other income. Grants relating to assets are deducted against the carrying amount of the assets.

2. Significant accounting policies (continued)

Employee compensation

Defined contribution plans: Defined contribution plans are post-employment benefit plans under which the Society pays fixed contributions into separate entities, such as the Central Provident Fund and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in income and expenditure account in the periods during which services are rendered by employees.

Bonus and profit sharing: The Society recognises a liability and an expense for bonuses and profit-sharing when there is a contractual obligation to pay or when there is a past practice that has created a constructive obligation to pay.

Annual leave entitlements: Employee entitlements to annual leave are 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 financial year end.

Income taxes

The Society was registered as a charity with the Commissioner of Charities on 12 August 2015 and is exempted from tax on income and gains falling within section 13U (1) of the Income Tax Act to the extent that these are applied to its charitable objects.

Cash and cash equivalents

Cash and cash equivalents comprise of cash balances and call deposits with original maturities of three months or less. For the purpose of the statement of cash flows, pledged deposits are excluded whilst bank overdrafts that are repayable on demand and that form an integral part of the Society's cash management are included in cash and cash equivalents.

Financial assets

Classification and initial recognition:

Financial assets are classified, at initial recognition, as subsequently measured at:

(i) Amortised cost;

(ii) Fair value through other comprehensive income (FVOCI); and

(iii) Fair value through profit or loss (FVTPL).

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Society's business model for managing them. In order for a financial asset to be classified and measured at amortised cost or FVOCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. The Society's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date (i.e. the date that the Society commits to purchase or sell the asset).

2. Significant accounting policies (continued)

Financial assets (continued)

Subsequent measurement:

(a) *Amortised cost (debt instruments)*: The Society measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. The Society's financial assets at amortised cost includes other receivables classified under current assets, except for those expected to be realised later than 12 months after the financial reporting date which are classified as non-current assets.

(b) *FVOCI*: At the financial reporting date, there was no financial asset classified in this category.

(c) *FVOCI*: At the financial reporting date, there was no financial asset classified in this category.

Impairment:

The Society applies the simplified approach to provide for expected lifetime losses (ECL) for all trade receivables. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECL. These are ECL that result from all possible default events over the expected life of these financial assets.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of these assets.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Society determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Derecognition:

A financial asset (or a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

(i) The rights to receive cash flows from the asset have expired; or

(ii) The Society has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Society has transferred substantially all the risks and rewards of the asset, or (b) the Society has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

2. Significant accounting policies (continued)

Financial assets (continued)

Derecognition (continued):

When the Society has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Society continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Society also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Society has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Society could be required to repay.

Plant and equipment

Items of plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. The cost of an item of plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Cost also includes borrowing costs and any fair value gains or losses on qualifying cash flow hedges of plant and equipment that are transferred from the hedging reserve.

The Company's policy is to capitalise those plant and equipment whose costs are individually more than $1,000.

Depreciation is based on the cost of an asset less its residual value. Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of plant and equipment. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately. Depreciation methods, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

The estimated useful lives for the current and comparative years are as follows:

Renovations	2 years
Office equipment	3 years

On disposal of an item of plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss. Any amount in revaluation reserve relating to that asset is transferred to retained profits directly.

2. Significant accounting policies (continued)

Leases

Management determines whether an arrangement is or contains a lease at its inception. A specific asset is the subject of a lease if fulfilment of the arrangement is dependent on the use of that specified asset, normally represented by the right to control the use of the underlying asset.

Leases where substantially all risks and rewards incidental to ownership are retained by the lessors are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessors) are recognised in income and expenditure account on a straight-line basis over the period of the lease. Contingent rents are recognised as an expense in income and expenditure account when incurred.

When a lease is terminated before the lease period expires, any payment made (or received) by the Society as penalty is recognised as an expense (or income) when termination takes place.

Impairment of non-financial assets

Plant and equipment:

Plant and equipment are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets.

If this is the case, the recoverable amount is determined for the cash-generating-units ("CGU") to which the asset belongs. If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss, unless the asset is carried at revalued amount, in which case, such impairment loss is treated as a revaluation decrease. An impairment loss for an asset other than goodwill is reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss, unless the asset is carried at revalued amount, in which case, such reversal is treated as a revaluation increase. However, to the extent that an impairment loss on the same revalued asset was previously recognised as an expense, a reversal of that impairment is also credited to profit or loss.

2. Significant accounting policies (continued)

Financial liabilities

Classification and initial recognition:

Financial liabilities are classified, at initial recognition, as:

(i) Fair value through profit or loss (FVTPL); and

(ii) Amortised cost.

All financial liabilities are recognised initially at fair value and, in the case of financial liabilities at amortised costs, net of directly attributable transaction costs.

The Society's financial liabilities include other payables classified under current liabilities, except for those expected to be realised later than 12 months after the financial reporting date which are classified as non-current liabilities.

Subsequent measurement:

(a) *FVTPL*: At the financial reporting date, there was no financial liability classified in this category.

(b) *Amortised cost*: Financial liabilities that are not held-for-trading or designated as at FVTPL are subsequently measured at amortised cost using the effective interest method (EIR). The EIR method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The EIR is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the EIR, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Derecognition:

The Society derecognises financial liabilities when, and only when, the Society's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Provisions

Provisions are recognised when the Society 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 measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised in the income and expenditure account as finance expense. Changes in the estimated timing or amount of the expenditure or discount rate are recognised in income and expenditure account when the changes arise.

3. Critical judgements, estimates and assumptions

There were no critical judgements made in the process of applying the accounting policies that have the most significant effect on the amounts recognised in the financial statements. There were no key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the financial year, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the in the future financial years.

4. Related parties

Related parties:

Related parties are the members of the Society.

There are no related parties' transactions for the financial years ended 31 March 2018 and 31 March 2019.

Key management remuneration:

	2019	2018
	$	$
President of the Society	7,020	–

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Society, directly or indirectly. These are the Executive Committee of the Society.

Number of key management in remuneration band:

	2019	2018
Not more than $100,000	1	–

5. Income

	2019			2018
	Accumulated funds	Restricted fund	Total funds	Accumulated and total funds
	$	$	$	$
Donations	108,488	–	108,488	9,820
Events income	11,510	–	11,510	–
Government and other grants	129,151	93,800	222,951	–
Miscellaneous income	657	5	662	7,696
	249,806	93,805	343,611	17,516
Tax-exempt receipts issued for donations collected (a)	11,050	–	11,050	300

(a) The Company was registered as an Institution of Public Character ("IPC") with the Commissioner of Charities on 13 December 2016. The Company enjoys a concessionary tax treatment whereby qualifying donors are granted 2.5 times tax deduction made to the Company for the financial year ended 31 March 2019. This tax status is valid until 12 December 2019 under the Charities (Institutions of a Public Character) Regulations 2007 of the Charities Act (Chapter 37).

6. Employee benefits expense

	2019	2018
	$	$
Salaries and bonuses	8,625	–
Central Provident Fund contributions	1,020	–
Skill development levy	11	–
	9,656	–

7. Cash and cash equivalents

	2019 $	2018 $
Not restricted in use	180,769	55,807
Restricted in use	67,624	–
	248,393	55,807

The above balance is non-interest bearing.

	2019 $	2018 $
Amounts as shown above	248,393	55,807
Cash restricted in use	(67,624)	–
Cash and cash equivalents in the statement of cash flows	180,769	55,807

Cash restricted in use at 31 March 2019 are the bank balances of the Restricted fund (see Note 11).

8. Other receivables

	2019 $	2018 $
Deposits	315	–

9. Plant and equipment

	Renovations $	Office equipment $	Total $
Cost:			
At 1 April 2017 and 31 March 2018	–	–	–
Additions	51,727	4,682	56,409
At 31 March 2019	51,727	4,682	56,409
Accumulated depreciation:			
At 1 April 2017 and 31 March 2018	–	–	–
Depreciation	6,466	207	6,673
At 31 March 2019	6,466	207	6,673
Net book value:			
At 1 April 2017 and 31 March 2018	–	–	–
At 31 March 2019	45,261	4,475	49,736

Depreciation expense is charged to the Restricted fund.

10. Other payables

	2019 $	2018 $
Accrued operating expenses	27,503	2,850

11. Restricted fund

	2019 $	2018 $
Cultural Matching Fund	103,573	–

Restricted fund comprises of the Government grants received from Cultural Matching Fund ("CMF"), net of incidental expenses incurred.

The incomes and expenditures of this restricted fund had been recorded in the Accumulated funds during the previous financial years. During the financial year ended 31 March 2019, the Executive Committee formalised CMF as a restricted fund.

Net assets of the Restricted fund are represented by:

	2019 $
Current assets	
Cash and cash equivalents	67,624
Other receivables	315
	67,939
Non-current assets	
Plant and equipment	49,736
Total assets	117,675
Current liabilities	
Other payables	14,102
Net assets	103,573

12. Financial risk management

Classification of financial instruments and fair value measurements:

The Society's financial instruments at the financial year end are set out below.

	2019 $	2018 $
Financial assets		
Cash and cash equivalents	248,393	55,807
Other receivables, at amortised cost	315	–
	248,708	55,807
Financial liabilities		
Other payables, at amortised cost	27,503	2,850

12. Financial risk management (continued)

Classification of financial instruments and fair value measurements (continued):

The carrying amounts of financial assets and financial liabilities at amortised cost are assumed to approximate their fair values. There are no significant fair value measurements recognised in the statement of financial position.

Financial risk factors:

The Society is exposed to credit risk and liquidity risk in its normal course of its activities. The overall risk management strategy is to minimise any adverse effects from the unpredictability of financial markets on its financial performance.

Risk management framework:

Key management personnel who are the Executive Committee of the Society are responsible to develop and monitor the risk management policies. Management has certain practices for the management of financial risks. However, these are not documented in formal written documents. The following guidelines are followed: All financial risk management activities are carried out and monitored by senior management staff. All financial risk management activities are carried out following good market practices.

There have been no changes to the exposure to risk, objectives, policies, and processes for managing the risk and the methods used to measure the risk.

Credit risk:

Credit risk is the risk of financial loss to the Society if a counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Society's other receivables and cash and cash equivalents.

The carrying amount of financial assets in the statement of financial position represents the Society's maximum exposure to credit risk, before taking into account any collateral held and financial guarantee provided. The Society does not hold any collateral or obtain any financial guarantee in respect of its financial assets

Credit exposure to an individual counterparty is restricted by credit limits that are approved by management based on credit evaluation efforts, and the payment profile and credit exposure of these counterparties are continuously monitored. For bank deposits, credit risk is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies. The other receivables at 31 March 2019 are refundable deposits.

There are no impaired amounts for other receivables at the relevant financial year ends.

Liquidity risk:

Liquidity risk is the risk that the Society will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

Management continuously monitors the maturity of financial liabilities against the Society's liquidity reserve comprising of cash and cash equivalents to ensure that there will always be, as far as possible, sufficient liquidity to meet its liabilities when due.

12. Financial risk management (continued)

Liquidity risk (continued):

The non-derivative financial liabilities of the Society at the financial year end are analysed below into their relevant maturity groupings. The amounts disclosed below are undiscounted cash flows based on the earliest possible contractual maturity except for those due within 1 year as the impact of discounting is not expected to be significant.

	Less than 1 year $
At 31 March 2019	
Other payables	27,503
At 31 March 2018	
Other payables	2,850

Management does not expect the above cash flows to occur significantly earlier than their maturity groupings or at significantly different amount.

Foreign currency risk:

Foreign currency risk is the risk that changes in foreign exchange rates will have an adverse effect of the Society's profits and value of its holdings of financial instruments.

The Society does not have any significant foreign currency risk as the business is primarily transacted in Singapore dollar, the functional currency of the Society.

Interest rate risk:

Interest rate risk is the risk that changes in interest rates will have an adverse effect of the Society's profit and value of its holdings of financial instruments.

The interest rate risk exposure is not considered to be significant as the interest bearing balances of the financial instruments of the Society is not significant.

13. Operating lease payments commitments

The future minimum lease payables under non-cancellable operating leases contracted for at the financial year end but not recognised as liabilities, are as follows:

	2019 $	2018 $
Not later than one year	2,202	–
Rental expense for the financial year	2,285	–

Operating lease payments are for rentals payable for museum. The lease from the owner is one year commencing from 1 July 2018. The lease rental terms are subject to an escalation clause and such increases are not included in the above amounts.