

## **RESTROOM ASSOCIATION (SINGAPORE)**

Annual Report for Year Ended 31 March 2019

Restroom Association (Singapore) or RAS was set up on 8 December 1998 as a society. It was registered as a charity under the Charities Act on 9 January 2004.

<b>Unique Entity Number (UEN)</b>	S98SS01697J												
<b>Registered Address</b>	Block 2 Balestier Road #03-679 Singapore 320002												
<b>Management Committee</b>	The Management Committee was elected at the Annual General Meeting held on 29 August 2018  <table><tr><td>1) Mr Ho Chee Kit</td><td>Honorary President</td></tr><tr><td>2) Mr Colin See Kim Leng</td><td>Honorary Secretary</td></tr><tr><td>3) Mr Selvakumar Simon</td><td>Honorary Treasurer</td></tr><tr><td>4) Ms Tan Puay Hoon</td><td>Committee Member</td></tr><tr><td>5) Mr Martin Vincent Marini</td><td>Committee Member</td></tr><tr><td>6) Mr Ng Meng Hiong</td><td>Committee Member</td></tr></table>	1) Mr Ho Chee Kit	Honorary President	2) Mr Colin See Kim Leng	Honorary Secretary	3) Mr Selvakumar Simon	Honorary Treasurer	4) Ms Tan Puay Hoon	Committee Member	5) Mr Martin Vincent Marini	Committee Member	6) Mr Ng Meng Hiong	Committee Member
1) Mr Ho Chee Kit	Honorary President												
2) Mr Colin See Kim Leng	Honorary Secretary												
3) Mr Selvakumar Simon	Honorary Treasurer												
4) Ms Tan Puay Hoon	Committee Member												
5) Mr Martin Vincent Marini	Committee Member												
6) Mr Ng Meng Hiong	Committee Member												
<b>Advisor &amp; Founding Member</b>	Mr Jack Sim Juek Wah												
<b>Banker</b>	United Overseas Bank												
<b>External Auditor</b>	Mr Looi Chee Bin, Fiducia LLP Certified Public Accountants, Singapore												

### **OBJECTIVE**

The two primary objects of RAS are to improve the quality of life of the people by continuously generating a high level of public awareness for the importance of a good restroom environment and to help the low income and disadvantaged. In furtherance of the first object, the Society may gather resources and promote creative development in design, usage and methods of operation to achieve the above objects; set world-class standards of excellence in restroom environment; and network with other toilet or restroom associations or bodies worldwide for ideas, social, health and cultural exchanges; liaise with Government authorities and other non-governmental organisations to organize joint activities. In furtherance of the second object, the Society may initiate training programmes and increase the employability and skills of the low income and disadvantaged.

### **POLICIES**

#### **Finance & funding**

RAS is financially supported partially by the government and through its Happy Toilet Programme, a chargeable service on the star-rating of public toilets.

#### **Conflict of Interest**

All committee members and employees are required to comply with RAS' conflict of interest policy as stated in the revised Constitution which requires each, when dealing in matters concerning RAS, to exercise his/her best care, skill and judgement for the sole benefit of RAS, and to make full disclosure of interests, relationships and holdings that could potentially result in a conflict of interest. Staff and committee members are to be excluded from discussions and approvals of transactions to which they have a conflict of interest.

### **Membership**

Membership is made up of members from individuals in Singapore. As at 31 March 2019, the society has six committee members. All committee members are not remunerated.

The committee members attended two meetings yearly including the Annual General Meeting. The attendances of the members for the two meetings from 1 April 2018 to 31 March 2019 were as follows:

<b>Name</b>	<b>Designation</b>	<b>29 Aug 2018</b>	<b>26 Feb 2019</b>
Mr Ho Chee Kit	President	Present	Present
Mr Colin See Kim Leng	Secretary	Present	Absent
Mr Selvakumar Simon	Treasurer	Absent	Absent
Ms Tan Puay Hoon	Member	Present	Absent
Mr Martin Vincent Marini	Member	Present	Present
Mr Ng Meng Hiong	Member	Present	Present

### **Staffing**

As at 31 March 2017, the staff strength is

Executive Director	1
Manager	1
Executive (Admin/HR/Accounts)	1
<b>TOTAL</b>	<b>3</b>

### **Annual Remuneration of Staff**

Annual remuneration including salary, bonus and employer's CPF contribution for the top key executive is less than \$100,000.

### **Activities and Programmes**

- STAR (Sustaining Toilets As Restrooms) Awards Programme: Education programme for primary & secondary school students
- Happy Toilets @ Preschools Programme: Education programme for pre-schoolers
- Happy Toilet Programme: A star-rating programme for toilets
- LOO (Let's Observe Ourselves) Carnivals: Carnival to raise public awareness about World Toilet Day and adoption of restroom etiquette
- LOO (Let's Observe Ourselves) Awards: An award ceremony to recognise organisations' & individuals' restroom-related contributions
- SaniGives: Initiative to raise awareness about showing kindness and recognition towards cleaning attendants.
- On-site Training Programme on Restroom Cleaning & Inspection: Training for existing cleaners and facility management professionals on proper restroom cleaning & inspection
- 4th edition Guide to Better Public Toilet Design and Maintenance: Revision to 3rd edition

### **Calendar of Events**

April 18 - March 19	STAR (Sustaining Toilets As Restrooms) Awards Programme
April 18 - March 19	Happy Toilets @ Preschools Programme
April 18 - March 19	Happy Toilet Programme
April-November 18	Guide to Better Public Toilet Design and Maintenance
May - June 18	On-site Training Programme on Restroom Cleaning
November 18	LOO Awards & Launch of Public Toilet Cleanliness Campaign
November 18 - March 19	Public Toilet Cleanliness Campaign
March 19	On-site Training Programme on Restroom Inspection

### **REVIEW OF FINANCIAL STATE**

Restroom Association (Singapore) recorded a profit of \$30,561 with expenditure in the financial year going towards support for the charity's programmes.

### **FUTURE PLANS AND COMMITMENTS**

RAS is executing eight programmes and projects which are interwoven to achieve its vision of a gracious society embracing excellence in restroom culture. The RAS is adopting a four-pronged approach which is also its mission of building an excellent restroom culture by:

1. Encouraging owners to provide quality restrooms
2. Lobbying the cleaning industry to meet the right standards
3. Educating socially responsible users
4. Recognising organisations and individuals for their contributions

The seven programmes/projects were as follows:

- (i) The LOO Campaign @ Hawker Centres, Eco-Assessor Programme (EAP) and Happy Toilet Programme (HTP) support the first two approaches
- (ii) The Happy Toilets @ Preschools Programme (HTPP) and Sustaining Toilets As Restrooms (STAR) Awards Programme for primary and secondary schools support the first three approaches
- (iii) The LOO (Let's Observe Ourselves) Awards supports the last approach
- (iv) Feedback System & Websites invite the public to submit nominations for the LOO Awards and provide feedback including some educational information for the public

### **STATEMENT OF ACCOUNTS**

Statement of accounts for the financial year **ended 31 March 2019 is attached.**

**RESTROOM ASSOCIATION  
(SINGAPORE)**

[Unique Entity No. S98SS0167J]

[IPC No. IPC000700]

[Registered under the Societies Act, Chapter 311  
in the Republic of Singapore]

**AUDITED FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED  
31 MARCH 2019**

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**Fiducia LLP**

(UEN. T10LL0955L)

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**STATEMENT BY MANAGEMENT COMMITTEE**

In the opinion of the Management Committee,

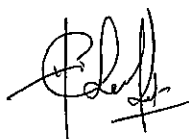
- (a) the financial statements are drawn up so as to present fairly, in all material respects, the state of affairs of the **Restroom Association (Singapore)** (the "Association") as at 31 March 2019, and the results, changes in fund and cash flows of the Association for the financial year then ended.
- (b) 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.

The Management Committee, comprising the following, authorised the issue of these financial statements on

Ho Chee Kit	President
Colin See Kim Leng	Honorary Secretary
Selvakumar Simon	Honorary Treasurer
Marini Martin Vincent	Committee Member
Tan Puay Hoon	Committee Member
Ng Meng Hiong	Committee Member

(Appointed on 23 July 2018)

On behalf of the Management Committee,



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Ho Chee Kit  
President



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Selvakumar Simon  
Honorary Treasurer

Singapore,

**15 AUG 2019**

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## Fiducia LLP

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Independent auditor's report to the members of:

### **RESTROOM ASSOCIATION (SINGAPORE)**

[Unique Entity No. S98SS0167J]  
[IPC No. IPC000700]

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## **Report on the Audit of the Financial Statements**

### **Opinion**

We have audited the accompanying financial statements of **Restroom Association (Singapore)** (the "Association"), which comprise the statement of financial position as at 31 March 2019, and the statement of financial activities, statement of changes in funds and statement of cash flows of the Association 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"), the Charities Act, Chapter 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 2019, and the results, changes in funds and cash flows of the Association 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 Association in accordance with the Accounting and Corporate Regulatory ("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 audit opinion.

### **Other information**

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

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(CONT'D)

Independent auditor's report to the members of:

### **RESTROOM ASSOCIATION (SINGAPORE)**

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### **Responsibilities of Management and Those Charged with Governance 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.

Those charged with governance are responsible for 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.

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Independent auditor's report to the members of:

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#### **Auditor's Responsibilities for the Audit of the Financial Statements (Cont'd)**

- 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.
- 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 those charged with governance 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 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.



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### **Report on other Legal and Regulatory Requirements (Cont'd)**

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

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



**Fiducia LLP**  
Public Accountants and  
Chartered Accountants

Singapore, **15 AUG 2019**

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019**

	Note	2019 S\$	2018 S\$
<b>INCOME</b>			
<b>Income from generating funds</b>			
Voluntary income			
- Tax exempt donations			
o Individuals	5	5,003	6,035
o Organisations	5	20,470	11,200
- Non-tax exempt donations		0	569
- Government grants	6	143,611	139,623
- Other grants		0	1,600
		<u>169,084</u>	<u>159,027</u>
<b>Income from charitable activities</b>			
- Project and service fees		<u>90,881</u>	<u>87,795</u>
<b>Other income</b>		<u>7,166</u>	<u>9,288</u>
<b>Total Income</b>		<u>267,131</u>	<u>256,110</u>
<b>LESS: EXPENDITURES</b>			
<b>Cost of charitable activities</b>			
Depreciation	9	1,240	1,675
Manpower costs			
- CPF and SDL contribution		19,411	19,091
- Medical claims		1,640	733
- Salaries and bonus		146,870	145,162
- Staff training		1,059	0
- Transportation and travel		2,880	2,923
Publicity expenses		28,530	47,017
Rental		16,692	16,692
Restroom auditing costs		1,800	1,800
Telecommunications		2,216	2,267
Utilities and conservancy		3,740	3,529
Website expenses		1,412	5,000
		<u>227,490</u>	<u>245,889</u>
<b>Governance and administrative costs</b>			
Audit fees		2,050	2,050
Bank charges		54	56
General expenses		756	628
Office cleaner		735	810
Office expenses		473	567
Printing, stationery and postage		340	291
Professional fees		3,700	3,700
Repairs & Maintenance		336	0
Stamp duty		207	0
Travelling		0	1,286
Miscellaneous		429	403
		<u>9,080</u>	<u>9,791</u>
<b>Total Expenditures</b>		<u>236,570</u>	<u>255,680</u>
<b>NET INCOME FOR THE FINANCIAL YEAR</b>		<u>30,561</u>	<u>430</u>

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

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019**

	Note	<b>UNRESTRICTED FUNDS</b>		<b>RESTRICTED FUNDS</b>		<b>TOTAL FUNDS</b>
		<i>General fund</i>	<i>Designated fund</i>	<i>Care and Share Matching Fund</i>	<i>SHARE as One</i>	
		Accumulated fund	Appreciation fund	Fund	One	
		S\$	S\$	S\$	S\$	S\$
<b>INCOME</b>						
<b>Income from generating funds</b>						
Voluntary income						
- Tax exempt donations						
o Individuals	5	0	5,003	0	0	5,003
o Organisations	5	20,470	0	0	0	20,470
- Non-tax exempt donations		0	0	0	0	0
- Government grants	6	143,611	0	0	0	143,611
- Other grants		0	0	0	0	0
		164,081	5,003	0	0	169,084
<b>Income from charitable activities</b>						
- Project and service fees		90,881	0	0	0	90,881
<b>Other income</b>		7,166	0	0	0	7,166
<b>Total Income</b>		262,128	5,003	0	0	267,131
<b>LESS: EXPENDITURES</b>						
<b>Cost of charitable activities</b>						
Depreciation	9	112	0	1,128	0	1,240
Manpower costs						
- CPF and SDL contribution		19,411	0	0	0	19,411
- Medical claims		1,640	0	0	0	1,640
- Salaries and bonus		146,870	0	0	0	146,870
- Staff training		1,059	0	0	0	1,059
- Transportation and travel		2,880	0	0	0	2,880
Publicity expenses		24,810	3,720	0	0	28,530
Rental		16,692	0	0	0	16,692
Restroom auditing costs		1,800	0	0	0	1,800
Telecommunications		2,216	0	0	0	2,216
Utilities and conservancy		3,740	0	0	0	3,740
Website expenses		1,412	0	0	0	1,412
		222,642	3,720	1,128	0	227,490
<b>Governance and administrative costs</b>						
Audit fees		2,050	0	0	0	2,050
Bank charges		54	0	0	0	54
General expenses		756	0	0	0	756
Office cleaner		735	0	0	0	735
Office expenses		473	0	0	0	473
Printing and postage		340	0	0	0	340
Professional fees		3,700	0	0	0	3,700
Repairs & Maintenance		336	0	0	0	336
Stamp duty		207	0	0	0	207
Travelling		0	0	0	0	0
Miscellaneous		429	0	0	0	429
		9,080	0	0	0	9,080
<b>Total Expenditures</b>		231,722	3,720	1,128	0	236,570
<b>NET INCOME FOR THE FINANCIAL YEAR</b>		30,406	1,283	(1,128)	0	30,561

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

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018**

	Note	UNRESTRICTED FUNDS		RESTRICTED FUNDS		TOTAL FUNDS
		General fund Accumulated fund S\$	Designated fund Appreciation fund S\$	Care and Share Matching Fund S\$	SHARE as One S\$	
<b>INCOME</b>						
<b>Income from generating funds</b>						
Voluntary income						
- Tax exempt donations						
o Individuals	5	0	6,035	0	0	6,035
o Organisations	5	11,200	0	0	0	11,200
- Non-tax exempt donations		569	0	0	0	569
- Government grants	6	132,517	0	2,106	5,000	139,623
- Other grants		1,600	0	0	0	1,600
		145,886	6,035	2,106	5,000	159,027
<b>Income from charitable activities</b>						
- Project and service fees		87,795	0	0	0	87,795
<b>Other income</b>		9,288	0	0	0	9,288
<b>Total Income</b>		242,969	6,035	2,106	5,000	256,110
<b>LESS: EXPENDITURES</b>						
<b>Cost of charitable activities</b>						
Depreciation	9	113	0	1,562	0	1,675
Manpower costs						
- CPF and SDL contribution		19,091	0	0	0	19,091
- Medical claims		733	0	0	0	733
- Salaries and bonus		145,162	0	0	0	145,162
- Transportation and travel		2,923	0	0	0	2,923
Publicity expenses		31,707	6,560	8,750	0	47,017
Rental		16,692	0	0	0	16,692
Restroom auditing costs		1,800	0	0	0	1,800
Telecommunications		2,267	0	0	0	2,267
Utilities and conservancy		3,529	0	0	0	3,529
Website expenses		0	0	0	5,000	5,000
		224,017	6,560	10,312	5,000	245,889
<b>Governance and administrative costs</b>						
Audit fees		2,050	0	0	0	2,050
Bank charges		56	0	0	0	56
General expenses		628	0	0	0	628
Office cleaner		810	0	0	0	810
Office expenses		567	0	0	0	567
Printing and postage		291	0	0	0	291
Professional fees		3,700	0	0	0	3,700
Travelling		1,286	0	0	0	1,286
Miscellaneous		403	0	0	0	403
		9,791	0	0	0	9,791
<b>Total Expenditures</b>		233,808	6,560	10,312	5,000	255,680
<b>NET INCOME FOR THE FINANCIAL YEAR</b>		9,161	(525)	(8,206)	0	430

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

**STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2019**

	Note	2019 S\$	2018 S\$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	7	156,265	116,989
Trade and other receivables	8	<u>8,930</u>	<u>18,188</u>
		<u>165,195</u>	<u>135,177</u>
<b>Non-current assets</b>			
Property, plant and equipment	9	<u>111</u>	<u>1,351</u>
<b>Total assets</b>		<u>165,306</u>	<u>136,528</u>
<b>LIABILITY</b>			
<b>Current liabilities</b>			
Other payables	10	<u>11,736</u>	<u>13,519</u>
<b>Total liability</b>		<u>11,736</u>	<u>13,519</u>
<b>NET ASSETS</b>		<u>153,570</u>	<u>123,009</u>
<b>Unrestricted funds</b>			
General fund : Accumulated fund	11	150,033	119,627
Designated fund : Appreciation fund	11	<u>4,083</u>	<u>2,800</u>
		<u>154,116</u>	<u>122,427</u>
<b>Restricted funds</b>			
Care and Share Matching fund	11	(546)	582
SHARE as one fund	11	<u>0</u>	<u>0</u>
		<u>(546)</u>	<u>582</u>
<b>TOTAL FUNDS</b>		<u>153,570</u>	<u>123,009</u>

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

**STATEMENT OF CHANGES IN FUNDS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019**

	Note	Balance at beginning of financial year S\$	Net income / (expenditure) for the financial year S\$	Balance at the end of financial year S\$
<b>2019</b>				
<b>Unrestricted funds</b>				
General fund – accumulated fund		119,627	30,406	150,033
Designated fund – Appreciation fund		<u>2,800</u>	<u>1,283</u>	<u>4,083</u>
		<u>122,427</u>	<u>31,689</u>	<u>154,116</u>
<b>Restricted funds</b>				
Care and Share Matching fund		582	(1,128)	(546)
SHARE as One		<u>0</u>	<u>0</u>	<u>0</u>
		<u>582</u>	<u>(1,128)</u>	<u>(546)</u>
Total Funds	11	<u>123,009</u>	<u>30,561</u>	<u>153,570</u>
		Balance at beginning of financial year S\$	Net income for the financial year S\$	Balance at the end of financial year S\$
<b>2018</b>				
<b>Unrestricted funds</b>				
General fund – accumulated fund		110,466	9,161	119,627
Designated fund – Appreciation fund		<u>3,325</u>	<u>(525)</u>	<u>2,800</u>
		<u>113,791</u>	<u>8,636</u>	<u>122,427</u>
<b>Restricted funds</b>				
Care and Share Matching fund		8,788	(8,206)	582
SHARE as One		<u>0</u>	<u>0</u>	<u>0</u>
		<u>8,788</u>	<u>(8,206)</u>	<u>582</u>
Total Funds	11	<u>122,579</u>	<u>430</u>	<u>123,009</u>

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

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**STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019**

	Note	2019 S\$	2018 S\$
<b>Cash flows from operating activities</b>			
Net income for the financial year		30,561	430
Adjustments for:			
- Depreciation	9	<u>1,240</u>	<u>1,675</u>
Operating cash flow before changes in working capital		31,801	2,105
Changes in working capital:			
- Trade and other receivables		9,258	(7,572)
- Other payables		<u>(1,783)</u>	<u>3,489</u>
<b>Net cash generated from/ (used in) operating activities</b>		<u>39,276</u>	<u>(1,978)</u>
<b>Cash flows from investing activity</b>			
Purchases of property, plant and equipment representing net cash used in investing activity	9	<u>0</u>	<u>(336)</u>
<b>Net increase/ (decrease) in cash and cash equivalents</b>		39,276	(2,314)
Cash and cash equivalents at beginning of financial year		<u>116,989</u>	<u>119,303</u>
<b>Cash and cash equivalents at end of financial year</b>	7	<u>156,265</u>	<u>116,989</u>

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

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## **NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019**

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

### **1. General information**

Restroom Association (Singapore) (the "Association") was established on 8 December 1988. It operates in the Republic of Singapore.

It is a charity registered under the Charities Act, Chapter 37 since 9 January 2004. The Association has been accorded Institutions of a Public Character ("IPC") status for period from 1 November 2018 to 31 October 2021.

The registered office and principal place of operation of the Association is at 2 Balestier Road, #03-679, Singapore 320002.

The objectives of the Association are:

- a) To improve the quality of life of the people by continuously generating a high level of public awareness for the importance of a good restroom environment.

In furtherance, the Association may gather resources and promote creative development in design, usage and methods of operation to achieve the above objects; set world-class standards of excellence in restroom environment; network with other toilet or restroom associations or bodies worldwide for ideas, social, health and cultural exchanges; and liaise with Government authorities and other non-governmental organisations to organise joint activities.

- b) To help the low income and disadvantaged.

In furtherance, the Association may initiate training programmes and increase the employability and skills of the low income and disadvantaged.

### **2. Significant accounting policies**

#### **2.1 Basis of preparation**

The financial statements have been prepared in accordance with Singapore Financial Reporting Standard ("FRSs") and the disclosure requirements of the Societies Act Chapter 311 and Charities Act, Chapter 37. The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of these financial statements in conformity with FRSs requires management to exercise its judgement in the process of applying the Association'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.

These financial statements are presented in Singapore Dollar (S\$), which is the Association's functional currency.



## **2. Significant accounting policies (Cont'd)**

### **2.1 Basis of preparation (Cont'd)**

#### **Interpretations and amendments to published standards effective in 2018**

On 1 April 2018, the Association adopted the new or amended FRS and Interpretations of FRS ("INT FRS") that are mandatory for application for the financial year. Changes to the Association'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 substantial changes to the accounting policies of the Association and had no material effect on the amounts reported for the current or prior financial years.

#### **Standards issued but not yet effective**

The Association has not adopted the following standards that have been issued but not yet effective:

<b>Descriptions</b>	<b>Annual periods commencing on</b>
FRS 116 Leases  Amendments to: <ul style="list-style-type: none"> <li>- FRS 28 Investments in associates (Long term interests in associates and joint venture)</li> <li>- FRS 19 Employee benefits (Plan amendments, curtailment or settlement)</li> <li>- FRS 109 Financial Instruments (Prepayment features with negative compensation)</li> </ul>	1 January 2019
Amendments to: <ul style="list-style-type: none"> <li>- FRS 103 Business Combinations (Definition of a business)</li> </ul>	1 January 2020
FRS 117 Insurance contracts	1 January 2021

#### **New or amended Standards and Interpretations effective after 1 April 2018 (Cont'd)**

Except for FRS 116, the management believe that the adoption of the other standards and interpretations do not have material impact on the financial statements in the period of the initial application. The nature of the impending changes in accounting policy on adoption of the FRS116 described below.

#### **FRS 116 Leases**

FRS 116 requires lessees to recognise most leases on statement of financial position to reflect the rights to use the leased assets and the associated obligations for lease payments as well as the corresponding interest expense and depreciation charges. The standard includes two recognition exemptions for lessees - leases of 'low value' assets and short-term leases. The new standard is effective for annual periods beginning on or after 1 April 2019. The Association is currently assessing the impact of the new standard and plans to adopt the new standard on the required effective date. The Association expects the adoption of the new standard will result in increase in total assets and total liabilities, EBITDA.

## **2. Significant accounting policies (Cont'd)**

### **2.2 Income recognition**

Revenue is measured based on the consideration to which the Association expects to be entitled in exchange for transferring promised services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Association satisfies a performance obligation by transferring a promised service to the customer, which is when the customer obtains control of the service. A performance obligation may be satisfied at a point in time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

#### **2.2.1 Projects and services**

Income from projects and services is recognised at a point in time in which the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be performed.

#### **2.2.2 Government grants**

Grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Association will comply with all attached conditions. Grants, relating to cost, are deferred and recognised in the Statement of Financial Activities over the period necessary to match them with the costs they are intended to compensate.

#### **2.2.3 Donations**

Donations are recognised and accrued in the Statement of Financial Activities as and when they are committed. Uncommitted donations are recognised on receipt basis. Donations-in-kind are recognised when the fair value of the assets received can be reasonably ascertained.

#### **2.2.4 Other income**

Other income is recognised when incurred.

### **2.3 Cost and expense recognition**

All costs and expenses are accounted for on accrual basis, aggregated under the respective areas. Direct costs are attributed to the activity where possible. Where costs are not wholly attributable to an activity, they are apportioned on a basis consistent with the use of resources.

#### **2.3.1 Cost of charitable activities**

Cost of charitable activities comprises all costs incurred in the pursuit of the charitable objects of the Association. The total costs of charitable expenditure are apportionment of overhead and shared costs.

#### **2.3.2 Governance and administrative costs**

Governance costs include the costs of governance arrangement, which relate to the general running of the Association, providing governance infrastructure and ensuring public accountability. These costs include costs related to constitutional and statutory requirements and an apportionment of overhead and shared costs.

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## **2. Significant accounting policies (Cont'd)**

### **2.4 Property, plant and equipment**

#### **2.4.1 Measurement**

All property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of property, plant and equipment includes its purchase price and any costs that are 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.

Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal and restoration is included as a consequence of acquiring or using the property, plant and equipment.

#### **2.4.2 Depreciation**

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives. The estimated useful lives are as follows:

	Useful lives
Computers	3 years
Furniture and fittings	3 years
Office equipment	3 years
Renovation	3 years

The residual values, useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each reporting date. The effects of any revision are recognised in statement of financial activities when the changes arise.

#### **2.4.3 Subsequent expenditure**

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Association and the cost of the item can be measured reliably. All other repairs and maintenance expenses are recognised in statement of financial activities when incurred.

#### **2.4.4 Disposal**

On disposal of an item of property, plant and equipment, the difference between the net disposal proceeds and its carrying amount is recognised in the statement of financial activities.

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## **2. Significant accounting policies (Cont'd)**

### **2.5 Impairment of non-financial assets**

Property, 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 of assets, 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 flows that are largely independent of those from other assets. If this is the case, recoverable amount is determined for the cash-generating unit (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 is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in statement of financial activities.

An impairment loss for an asset is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. 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 depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset is recognised in statement of financial activities.

### **2.6 Financial assets**

2.6.1 The accounting for financial assets before 1 April 2018 under FRS 39 are as follows:

#### Loans and receivables

Cash and bank deposits  
Trade and other receivables

Bank balances, trade and other receivables and deposits are initially recognised at fair value plus transaction cost and subsequently carried at amortised cost using the effective interest method, less accumulated impairment losses.

The Association assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired and recognises an allowance for impairment when such evidence exists. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default or significant delay in payments are objective evidence that these financial assets are impaired.

The carrying amount of these assets are reduced through the use of an impairment allowance account which is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

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## **2. Significant accounting policies (Cont'd)**

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

2.6.2 The accounting for financial assets from 1 April 2018 under FRS 109 are as follows:

The Association classifies its financial assets into the following measurement categories:

- Amortised cost
- Fair value through other comprehensive income (FVOCI); and
- Fair value through profit or loss (FVPL)

The classification of debt instruments depends on the Association's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial assets.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

The Association reclassifies debt instruments when and only when its business model for managing those assets changes.

(i) At initial recognition

At initial recognition, the Association measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial assets. Transaction costs of financial assets carried at fair value through profit or loss are expensed in Statement of financial activities.

(ii) At subsequent measurement

Debt measurement

Debt instruments of the Association mainly comprise of cash and bank deposits.

There are three prescribed subsequent measurement categories, depending on the Association's business model in managing the assets and the cash flow characteristics of the assets. The Association managed these groups of financial assets by collecting the contractual cash flows and these cash flows represent solely payment of principal and interest. Accordingly, these groups of financial assets are measured at amortised cost subsequent to initial recognition.

A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in statement of financial activities when the asset is derecognised or impaired. Interest income from these financial assets is recognised using the effective interest rate method.

The Association assesses on forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost.

For trade receivables, the Association applied the simplified approach permitted by the FRS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

## **2. Significant accounting policies (Cont'd)**

### **2.6 Financial assets (Cont'd)**

#### *(iii) At subsequent measurement (Cont'd)*

##### Debt measurement (Cont'd)

For cash and bank deposits, the general 3 stage approach is applied. Credit loss allowance is based on 12-month expected credit loss if there is no significant increase in credit risk since initial recognition of the assets. If there is a significant increase in credit risk since initial recognition, lifetime expected credit loss will be calculated and recognised.

### **2.7 Cash and cash equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand and deposits with financial institutions which are subject to an insignificant risk of change in value.

### **2.8 Financial liabilities**

Financial liabilities are recognised when, and only when, the Association becomes a party to the contractual provisions of the financial instrument. The Association determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at FVPL, directly attributable transaction costs.

After initial recognition, financial liabilities that are not carried at FVPL are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in statement of financial activities when the liabilities are derecognised, and through the amortisation process.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in statement of financial activities.

### **2.9 Other payables**

Other payables represent liabilities for goods and services provided to the Association prior to the end of the financial year that are unpaid. They are classified as current liabilities if payment is due within one year or less. Otherwise, they are presented as non-current liabilities.

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

### **2.10 Provisions for other liabilities and charges**

Provisions for other liabilities and charges are recognised when the Association 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.

### **2.11 Fair value estimation of financial assets and liabilities**

The carrying amounts of current financial assets and liabilities, carried at amortised cost, are assumed to approximate their fair values due to their short-term nature.

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## **2. Significant accounting policies (Cont'd)**

### **2.12 Funds**

Fund balances are restricted by outside sources are so indicated and are distinguished from unrestricted funds allocated to specific purposes, if any, by action of the Management Committee. Externally restricted funds may only be utilised in accordance with the purposes for which they are established. The Management Committee retains full control over the use of unrestricted funds for any of the Association's purposes.

### **2.13 Operating lease**

Payments made under operating leases (net of any incentives received from the lessor) are recognised in statement of financial activities on a straight-line basis over the period of the lease.

Contingent rents are recognised as an expense in profit or loss when incurred.

### **2.14 Employee compensation**

#### Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Association pays fixed contributions into separate entities such as the Central Provident Fund ("CPF"), on a mandatory, contractual or voluntary basis. The Association has no further payment obligations once the contributions have been paid. The Association's contribution to defined contribution plans are recognised as employee compensation expense when they are due.

#### Employee leave entitlement

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 reporting date.

## **3. Critical accounting estimates, assumptions and judgments**

Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### Critical accounting estimates, assumptions and critical judgements in applying the entity's accounting policies

Management is of the opinion that there are no key sources of estimation uncertainty estimate and judgement made at the end of the financial year that has a significant effect on the amounts of assets and liabilities within the next financial year.

#### 4. Income tax

The Association is registered as a charity organisation under Charities Act, Chapter 37. As an approved charity, it is exempt from income tax under Section 13(1) of the Income Tax Act.

#### 5. Tax deductible receipts

Tax deductible receipts issued by the Association for donations received during the financial year, pursuant to its Institutions of a Public Character ("IPC") status, are recorded as follows:

	2019 S\$	2018 S\$
<b>Statement of financial activities – Unrestricted funds</b>		
General fund – Accumulated fund		
- Donations from organisations	20,470	11,200
Designated fund – Appreciation fund		
- Donations from individuals	5,003	6,035
	<u>25,473</u>	<u>17,235</u>

#### 6. Government grants

	2019 S\$	2018 S\$
Care and Share Matching grant	0	2,106
SHARE as One grant	0	5,000
Grant from National Environment Agency	<u>143,611</u>	<u>132,517</u>
	<u>143,611</u>	<u>139,623</u>

#### 7. Cash and cash equivalents

	2019 S\$	2018 S\$
Cash on hand	300	300
Cash at bank	<u>155,965</u>	<u>116,689</u>
	<u>156,265</u>	<u>116,989</u>

At the reporting date, the carrying amounts of cash and cash equivalents approximated their fair values.



**8. Trade and other receivables**

	2019 S\$	2018 S\$
Trade receivables		
- Outside parties	10,595	19,853
Less: Allowance for impairment	(3,326)	(3,326)
Net trade receivables	<u>7,269</u>	<u>16,527</u>
Other receivables		
- Deposits	<u>1,661</u>	<u>1,661</u>
	<u>8,930</u>	<u>18,188</u>

The movement of allowance for impairment of trade receivables is as follows:

	2019 S\$	2018 S\$
Beginning and end of financial year	<u>3,326</u>	<u>3,326</u>

Trade receivables are interest-free and are generally collectible upon presentation of invoice.

Other receivables are unsecured, interest-free and are repayable on demand.

At the reporting date, the carrying amounts of trade and other receivables approximated their fair values.

**9. Property, plant and equipment**

<b>2019</b>	Balance at beginning of financial year S\$	Additions S\$	Balance at end of financial year S\$
<b>At cost</b>			
Computers	23,050	0	23,050
Furniture and fittings	2,532	0	2,532
Office equipment	7,204	0	7,204
Renovation	8,305	0	8,305
	<u>41,091</u>	<u>0</u>	<u>41,091</u>
<b>Accumulated depreciation</b>	Balance at beginning of financial year S\$	Depreciation S\$	Balance at end of financial year S\$
Computers	21,699	1,240	22,939
Furniture and fittings	2,532	0	2,532
Office equipment	7,204	0	7,204
Renovation	8,305	0	8,305
	<u>39,740</u>	<u>1,240</u>	<u>40,980</u>
<b>Carrying amount</b>	Balance at beginning of financial year S\$		Balance at end of financial year S\$
Computers	1,351		111
Furniture and fittings	0		0
Office equipment	0		0
Renovation	0		0
	<u>1,351</u>		<u>111</u>

**9. Property, plant and equipment (Cont'd)**

<b>2018</b>	Balance at beginning of financial year S\$	Additions S\$	Balance at end of financial year S\$
<b>At cost</b>			
Computers	22,714	336	23,050
Furniture and fittings	2,532	0	2,532
Office equipment	7,204	0	7,204
Renovation	8,305	0	8,305
	<u>40,755</u>	<u>336</u>	<u>41,091</u>
<b>Accumulated depreciation</b>			
	Balance at beginning of financial year S\$	Depreciation S\$	Balance at end of financial year S\$
Computers	20,024	1,675	21,699
Furniture and fittings	2,532	0	2,532
Office equipment	7,204	0	7,204
Renovation	8,305	0	8,305
	<u>38,065</u>	<u>1,675</u>	<u>39,740</u>
<b>Carrying amount</b>			
	Balance at beginning of financial year S\$		Balance at end of financial year S\$
Computers	2,690		1,351
Furniture and fittings	0		0
Office equipment	0		0
Renovation	0		0
	<u>2,690</u>		<u>1,351</u>

Included in the property, plant and equipment are the following computers were purchased through the Care and Share Matching fund:

	Note	2019 S\$	2018 S\$
<b>Computers</b>			
<b>At cost</b>			
Beginning of the financial year		8,933	8,933
Additions		<u>0</u>	<u>0</u>
End of financial year		<u>8,933</u>	<u>8,933</u>
<b>Accumulated depreciation</b>			
Beginning of financial year		7,805	6,243
Depreciation charge		<u>1,128</u>	<u>1,562</u>
End of financial year		<u>8,933</u>	<u>7,805</u>
<b>Carrying amount</b>	11	<u>0</u>	<u>1,128</u>

## 10. Other payables

	2019 S\$	2018 S\$
Accruals	11,026	13,449
Other creditors	710	70
	<u>11,736</u>	<u>13,519</u>

At the reporting date, the carrying amounts of other payables approximated their fair values.

## 11. Funds

Funds comprise unrestricted and restricted funds.

### a) Unrestricted funds

#### (i) General fund – Accumulated Fund

This fund represents accumulated surplus and is for the purpose of meeting operating expenses incurred by the Association.

#### (ii) Designated fund- Appreciation Fund

This fund represents tax-exempt donations – individuals, are for purchasing NTUC Fair Price vouchers and refreshment that are presented to restroom cleaning attendants to recognise their efforts and help them to cope with rising living costs.

### b) Restricted funds

#### (i) *Care and Share Matching Fund*

Care and Share Matching fund is a grant from Ministry of Social and Family Development ("MSF"), based on qualifying donations, to develop the charitable agency's capabilities and capacity in the provision of social services and programmes for its beneficiaries. The unused funds for projects that are withdrawn or terminated prematurely may be clawed back if the new proposed projects were not being approved by MSF.

#### Net assets of the Care and Share Matching fund

	Note	2019 S\$	2018 S\$
<b>Total restricted fund</b>		<u>(546)</u>	<u>582</u>
<b>Represented by:</b>			
Cash and bank balances		(546)	(546)
Property, plant and equipment	9	<u>0</u>	<u>1,128</u>
		<u>(546)</u>	<u>582</u>

**11. Funds (Cont'd)**

b) Restricted fund (Cont'd)

(ii) SHARE as One

SHARE as One represents grant received in the previous financial year from National Council of Social Service ("NCSS") in support of volunteer outreach and management of the Association.

Net assets of SHARE of One fund

	2019 S\$	2018 S\$
<b>Total restricted fund</b>	<u>0</u>	<u>0</u>
<b>Represented by:</b>		
Cash and bank balances	0	2,500
Other payables	<u>0</u>	<u>(2,500)</u>
	<u>0</u>	<u>0</u>

**12. Operating lease commitments**

As at the reporting date, the Association has commitment for future minimum lease payments under non-cancellable operating leases as follows:

	2019 S\$	2018 S\$
Not later than one year	16,692	12,519
Later than one year but not later than five years	<u>29,211</u>	<u>0</u>
	<u>45,903</u>	<u>12,519</u>

The above operating lease commitments are based on known rental rates as at the reporting date and do not include any revision in rates which may be determined by the lessor.

**13. Related party transactions**

The Association had no significant transactions with related parties during the financial year.

The Management Committee Members did not receive any remuneration during the financial year.

**14. Management of conflict of interest**

There is no paid staff on the Association's Management Committee.

Committee members are required to disclose any interest that they may have, whether directly or indirectly, that the Association may enter into or in any organisations that the Association has dealings with or is considering dealing with, and any personal interest accruing to him as one of the Association's supplier, user of services or beneficiary. Should there be any potential conflict of interest, the affected Management Committee member may not vote on the issue that was the subject matter of the disclosure. Detailed minutes will be taken on the disclosure as well as the basis for arriving at the final decision in relation to the issue at stake.

## 15. Key management personnel compensation

Key personnel comprised of members of the Management Committee and senior management of the Association. The remuneration of key management personnel is determined by the Management Committee. The annual remuneration of key management personnel are classified as follows:

	2019 S\$	2018 S\$
Staff salaries & bonus	74,737	73,871
Employer's CPF contribution	12,715	11,975
	<u>87,452</u>	<u>85,846</u>

Key management personnel compensation for the financial year is as follows:

	2019 S\$	2018 S\$
Number of key management in remuneration bands		
S\$50,001 to S\$100,000	<u>1</u>	<u>1</u>

## 16. Reserve policy and position

The Association's reserve position for financial year ended 31 March 2019 and 2018 is as follows:

		2019 S\$'000	2018 S\$'000	Increase/ (decrease) %
A	Unrestricted Funds			
	Accumulated general funds	150	119	26
B	Restricted or Designated Funds			
	Designated Funds	4	3	33
	Restricted Funds	(1)	1	-200
C	Endowment Funds	0	0	
D	Total Funds	153	123	24
E	Total Annual Operating Expenditure	237	256	7
F	Ratio of Funds to Annual Operating Expenditure (A/E)	0.63	0.46	

Reference:

- C. An endowment fund consists of assets, funds or properties, which are held in perpetuity, which produce annual income flow for a foundation to spend as grants.
- D. Total Funds include unrestricted, restricted / designated and endowment funds.
- E. Total Annual Operating Expenditure includes expenses related to Cost of Charitable Activities and Governance and Administration costs.

The Association's Reserve Policy is as follows:

*The Association's objective on managing general fund is to safeguard the Association's ability to continue as a going concern, so that they can continue to provide services for the benefit of its members.*

*The Association monitors general fund on a prudent basis and they do not utilise any external debt from financial institutions. The capital structure of the Association consists of cash and cash equivalents and general fund.*

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**18. Financial risk management (cont'd)**

*Credit risk (Cont'd)*

The Management Committee is of the opinion that the allowance for impairment of trade receivables is adequate.

The credit risk on liquid funds is limited because the counter parties are banks with high credit rating assigned by international credit agencies.

*Liquidity risk*

Liquidity risk reflects the risk that the Association will have insufficient resources to meet its financial liabilities as and when they fall due.

The Association manages its liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate by the Management Committee to fund the Association's activities. It places its cash with creditworthy institutions.

The Association's liabilities at the reporting date are all payable within one year based on contractual undiscounted payments.

	2019	2018
	S\$	S\$
<u>Payable within one year</u>		
<i>Financial Liabilities</i>		
Other payables	<u>11,736</u>	<u>13,519</u>

*Interest rate risk*

Changes in interest rates do not have a material impact on the Association as it does not have any interest-bearing liabilities.

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

**Fair value**

The carrying amounts of the financial assets and liabilities recorded in the financial statements of the Association approximate their fair values due to short term in nature.

**19. Authorisation of financial statements**

The financial statements were authorised for issue in accordance with a resolution of the Management Committee on **15 AUG 2019**