

## **RESTROOM ASSOCIATION (SINGAPORE)**

Annual Report for Year Ended 31 March 2020

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.

**Unique Entity Number (UEN)** S98SS01697J

**Registered Address** Block 2 Balestier Road  
#03-679  
Singapore 320002

**Management Committee** The Management Committee was elected at the Annual General Meeting held on 29 August 2018

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

**Advisor & Founder** Mr Jack Sim Juek Wah

**Banker** United Overseas Bank

**External Auditor** Mr Soo Hon Weng, 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 programme fees mostly from 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 2020, 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 2019 to 31 March 2020 were as follows:

<b>Name</b>	<b>Designation</b>	<b>26 Aug 2019</b>	<b>16 Mar 2020</b>
Mr Ho Chee Kit	President	Present	Present
Mr Colin See Kim Leng	Secretary	Present	Present
Mr Selvakumar Simon	Treasurer	Present	Absent
Ms Tan Puay Hoon	Member	Present	Present
Mr Martin Vincent Marini	Member	Present	Present
Mr Ng Meng Hiong	Member	Present	Absent

### **Staffing**

As at 31 March 2020, the staff strength is

Executive Director	1
Manager	1
Executive (Admin/HR/Accounts)	1
TOTAL	<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
- Innovation Guidance Project with Early Childhood Development Agency (ECDA) – Happy Toilet Hygiene projects for preschoolers through toilet decorations, toilet inspections, exhibitions and cleaner appreciations
- Happy Toilet Programme: A star-rating programme for toilets
- 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
- Singapore Management University (SMU) Toilet Cleanliness Index: Training for SMU students to conduct toilet survey of hawker centres and coffeeshops islandwide

### **Calendar of Events**

April 19 - March 20	STAR (Sustaining Toilets As Restrooms) Awards Programme
April 19 - March 20	Happy Toilets @ Preschools Programme
April 19 - March 20	Happy Toilet Programme
April - September 19	Innovation Guidance Project with ECDA
September 19	On-site Training Programme on Restroom Cleaning
November 19	LOO Awards
February 20	SMU Toilet Cleanliness Index

### **REVIEW OF FINANCIAL STATE**

Restroom Association (Singapore) recorded a profit of \$13,625 with expenditure in the financial year going towards support for the charity's programmes.

### **FUTURE PLANS AND COMMITMENTS**

RAS is executing seven 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 2020 is attached.**

**RESTROOM ASSOCIATION  
(SINGAPORE)**

[UEN. 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 2020**

---

**CONTENTS**

Statement by the Management Committee	2
Independent Auditor's Report	3
Statement of Financial Activities	6
Statement of Financial Position	9
Statement of Changes in Funds	10
Statement of Cash Flows	11
Notes to the Financial Statements	12

---

**Fiducia LLP**

(UEN. T10LL0955L)  
Public Accountants and  
Chartered Accountants of Singapore

71 Ubi Crescent  
Excalibur Centre #08-01  
Singapore 408571  
T: (65) 6846.8376  
F: (65) 6491.5218

---

**STATEMENT BY THE MANAGEMENT COMMITTEE**

The Management Committee present their statement together with the audited financial statements of **Restroom Association (Singapore)** (the "Association") for the financial year ended 31 March 2020.

In the opinion of the Management Committee,

- (a) the accompanying financial statements are drawn up so as to present fairly, in all material respects, the state of affairs of the Association as at 31 March 2020, and the results, changes in funds and cash flows of the Association for the financial year then ended; and
- (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 **24 SEP 2020**

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

On behalf of the Management Committee,



---

Ho Chee Kit  
President



---

Selvakumar Simon  
Honorary Treasurer

Singapore, **24 SEP 2020**

## Fiducia LLP

Public Accountants and  
Chartered Accountants of Singapore

71 Ubi Crescent  
Excalibur Centre #08-01  
Singapore 408571  
T: (65) 6846.8376  
F: (65) 6491.5218

Independent auditor's report to the members of:

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

[UEN. S98SS0167J]  
[IPC No. IPC000700]

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

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

### **Opinion**

We have audited the financial statements of **Restroom Association (Singapore)** (the "Association"), which comprise the statement of financial position as at 31 March 2020, 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 2020, 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 the 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.

---

## Fiducia LLP

Public Accountants and  
Chartered Accountants of Singapore

71 Ubi Crescent  
Excalibur Centre #08-01  
Singapore 408571  
T: (65) 6846.8376  
F: (65) 6491.5218

(CONT'D)

Independent auditor's report to the members of:

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

[UEN. S98SS0167J]  
[IPC No. IPC000700]

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

### **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 FRSSs, 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.
- 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.

**Restroom Association (Singapore)**  
[UEN. S98SS0167J]  
[IPC No. IPC000700]

*Audited Financial Statements*  
*Financial Year Ended 31 March 2020*

## Fiducia LLP

Public Accountants and  
Chartered Accountants of Singapore

71 Ubi Crescent  
Excalibur Centre #08-01  
Singapore 408571  
T: (65) 6846.8376  
F: (65) 6491.5218

(CONT'D)

Independent auditor's report to the members of:

**RESTROOM ASSOCIATION (SINGAPORE)**  
[UEN. S98SS0167J]  
[IPC No. IPC000700]

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

### Auditor's Responsibilities for the Audit of the Financial Statements (Cont'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 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.

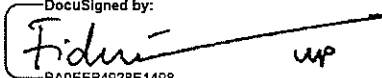
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### 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.

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.

DocuSigned by:  
  
BA0EEB4928E1498...  
**Fiducia LLP**  
Public Accountants and  
Chartered Accountants  
Singapore, 24 SEP 2020  
Partner-in-charge: Soo Hon Weng  
PAB No.: 01089



**STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020**

	Note	2020 S\$	2019 S\$
<b>INCOME</b>			
<b>Income from generating funds</b>			
Voluntary income			
- Tax exempt donations			
o Individuals	5	4,595	5,003
o Organisations	5	11,085	20,470
- Government grants	6	141,205	143,611
		<u>156,885</u>	<u>169,084</u>
<b>Income from charitable activities</b>			
- Project and service fees		112,396	90,881
<b>Other income</b>		8,175	7,166
<b>Total Income</b>		<u>277,456</u>	<u>267,131</u>
<b>LESS: EXPENDITURES</b>			
<b>Cost of charitable activities</b>			
Depreciation	9	15,591	1,240
Manpower costs			
- Salaries and bonus		164,992	146,870
- CPF and SDL contributions		21,967	19,411
- Medical claims		1,446	1,640
- Staff training		0	1,059
- Transportation and travel		2,880	2,880
Interest expense on lease liabilities		1,822	0
Publicity expenses		36,532	28,530
Rental		0	16,692
Restroom auditing costs		1,800	1,800
Subscription charges		144	0
Telecommunications		2,037	2,216
Utilities and conservancy		3,638	3,740
Website expenses		1,306	1,412
		<u>254,155</u>	<u>227,490</u>
<b>Governance and administrative costs</b>			
Audit fees		2,050	2,050
Bank charges		94	54
General expenses		1,145	756
Office cleaner		895	735
Office expenses		464	473
Printing, stationery and postage		249	340
Professional fees		3,700	3,700
Repairs & Maintenance		620	336
Stamp duty		0	207
Miscellaneous		459	429
		<u>9,676</u>	<u>9,080</u>
<b>Total Expenditures</b>		<u>263,831</u>	<u>236,570</u>
<b>NET INCOME FOR THE FINANCIAL YEAR</b>		<u>13,625</u>	<u>30,561</u>

The accompanying notes form an integral part of these financial statements

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020**

	Note	<b>UNRESTRICTED FUNDS</b>		<b>RESTRICTED</b>	<b>TOTAL FUNDS</b>
		<i>General fund</i>	<i>Designated fund</i>	<b>FUND</b>	
		Accumulated fund S\$	Appreciation fund S\$	Care and Share Matching Fund S\$	
<b>INCOME</b>					
<b>Income from generating funds</b>					
Voluntary income					
- Tax exempt donations					
o Individuals	5	0	4,595	0	4,595
o Organisations	5	11,085	0	0	11,085
- Government grants	6	137,958	0	3,247	141,205
		149,043	4,595	3,247	156,885
<b>Income from charitable activities</b>					
- Project and service fees		112,396	0	0	112,396
<b>Other income</b>		8,175	0	0	8,175
<b>Total Income</b>		269,614	4,595	3,247	277,456
<b>LESS: EXPENDITURES</b>					
<b>Cost of charitable activities</b>					
Depreciation	9	15,591	0	0	15,591
Manpower costs					
- Salaries and bonus		164,992	0	0	164,992
- CPF and SDL contributions		21,967	0	0	21,967
- Medical claims		1,446	0	0	1,446
- Transportation and travel		2,880	0	0	2,880
Interest expenses on lease liabilities		1,822	0	0	1,822
Publicity expenses		32,532	4,000	0	36,532
Restroom auditing costs		1,800	0	0	1,800
Subscription charges		144	0	0	144
Telecommunications		2,037	0	0	2,037
Utilities and conservancy		3,638	0	0	3,638
Website expenses		1,306	0	0	1,306
		250,155	4,000	0	254,155
<b>Governance and administrative costs</b>					
Audit fees		2,050	0	0	2,050
Bank charges		94	0	0	94
General expenses		1,145	0	0	1,145
Office cleaner		895	0	0	895
Office expenses		464	0	0	464
Printing and postage		249	0	0	249
Professional fees		3,700	0	0	3,700
Repairs & Maintenance		620	0	0	620
Miscellaneous		459	0	0	459
		9,676	0	0	9,676
<b>Total Expenditures</b>		259,831	4,000	0	263,831
<b>NET INCOME FOR THE FINANCIAL YEAR</b>		9,783	595	3,247	13,625

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

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

**STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2020**

	Note	2020 S\$	2019 S\$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	7	163,780	156,265
Trade and other receivables	8	15,267	8,930
		<u>179,047</u>	<u>165,195</u>
<b>Non-current assets</b>			
Property, plant and equipment	9	<u>27,090</u>	<u>111</u>
<b>Total assets</b>		<u>206,137</u>	<u>165,306</u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Other payables and accruals	11	11,242	11,736
Lease liabilities	12	<u>15,670</u>	<u>0</u>
		<u>26,912</u>	<u>11,736</u>
<b>Non-Current liabilities</b>			
Lease liabilities	12	<u>12,303</u>	<u>0</u>
<b>Total liabilities</b>		<u>39,215</u>	<u>11,736</u>
<b>NET ASSETS</b>		<u>166,922</u>	<u>153,570</u>
<b>Unrestricted funds</b>			
General fund : Accumulated fund	13	162,244	150,033
Designated fund : Appreciation fund	13	<u>4,678</u>	<u>4,083</u>
		<u>166,922</u>	<u>154,116</u>
<b>Restricted funds</b>			
Care and Share Matching Fund	13	<u>0</u>	<u>(546)</u>
<b>TOTAL FUNDS</b>		<u>166,922</u>	<u>153,570</u>

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

---

**STATEMENT OF CHANGES IN FUNDS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020**

	Note	<b>UNRESTRICTED FUNDS</b>		<b>RESTRICTED FUND</b>	<b>TOTAL FUNDS</b>
		<i>General fund</i> Accumulated fund	<i>Designated fund</i> Appreciation fund	Care and Share Matching Fund	
<b>2020</b>					
Balance as at 1 April 2019, as previously reported		150,033	4,083	(546)	153,570
Effect of adopting FRS 116 Leases	2.1	(273)	0	0	(273)
Balance as at 1 April 2019, after adopting FRS 116		149,760	4,083	(546)	153,297
Net income		9,783	595	3,247	13,625
Transfer between funds	13 (b)	2,701	0	(2,701)	0
Balance at end of year		<u>162,244</u>	<u>4,678</u>	<u>0</u>	<u>166,922</u>
		<b>UNRESTRICTED FUNDS</b>		<b>RESTRICTED FUND</b>	<b>TOTAL FUNDS</b>
		<i>General fund</i> Accumulated fund	<i>Designated fund</i> Appreciation fund	Care and Share Matching Fund	
<b>2019</b>					
Balance at beginning of financial year		119,627	2,800	582	123,009
Net income / (expenditure)		30,406	1,283	(1,128)	30,561
Balance at end of year		<u>150,033</u>	<u>4,083</u>	<u>(546)</u>	<u>153,570</u>

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

---

**STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020**

	Note	2020 S\$	2019 S\$
<b>Cash flows from operating activities</b>			
Net income for the financial year		13,625	30,561
Adjustments for:			
- Depreciation	9	15,591	1,240
- Interest expense on lease liabilities		1,822	0
Operating cash flow before changes in working capital		31,038	31,801
Changes in working capital:			
- Trade and other receivables		(6,337)	9,258
- Other payables and accruals		(494)	(1,783)
<b>Net cash generated from operating activities</b>		<u>24,207</u>	<u>39,276</u>
<b>Cash flows from financing activities</b>			
Interest paid		(1,822)	0
Payment of principal portion of lease liabilities		(14,870)	0
Net cash used in financing activities		<u>(16,692)</u>	<u>0</u>
<b>Net increase in cash and cash equivalents</b>		7,515	39,276
Cash and cash equivalents at beginning of financial year		<u>156,265</u>	<u>116,989</u>
<b>Cash and cash equivalents at end of financial year</b>	7	<u>163,780</u>	<u>156,265</u>
<b>Cash and cash equivalents comprise:</b>			
Cash on hand		300	300
Cash at bank		163,480	155,965
		<u>163,780</u>	<u>156,265</u>

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

---

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020**

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 Financial Reporting Standards in Singapore ("FRSs") and 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 judgment 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 judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

The 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 2019**

On 01 April 2019, the Association adopted the new or amended FRSs and Interpretations of FRSs ("INT FRSs") that are relevant and mandatory to its operations and effective on 1 April 2019. Changes to the Association's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRSs and INT FRSs.

Except for the adoption of FRS 116 Leases, the adoption of these new or amended FRSs and INT FRSs did not result in substantial changes to the Association's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

#### **Adoption of FRS 116 Leases**

##### When the Association is the lessee

Prior to the adoption of FRS 116, non-cancellable operating lease payments were not recognised as liabilities in the statement of financial position. These payments were recognised as rental expenses over the lease term on a straight-line basis.

The Association's accounting policy on leases after the adoption of FRS 116 is as disclosed in Note 2.14.

On initial application of FRS 116, the Association has elected to apply the following practical expedients:

- i) For all contracts entered into before 1 April 2019 and that were previously identified as leases under FRS 17 *Leases*, INT FRS 104 *Determining whether an Arrangement contains a Lease*, the Association has not reassessed if such contracts contain leases under FRS 116; and
- ii) On a lease-by-lease basis, the Association has:
  - a) applied a single discount rate to a portfolio of leases with reasonably similar characteristics;
  - b) relied on previous assessments on whether leases are onerous as an alternative to performing an impairment review;
  - c) accounted for operating leases with a remaining lease term of less than 12 months as at 1 April 2019 as short-term leases;
  - d) excluded initial direct costs in the measurement of the right-of-use ("ROU") asset at the date of initial application; and
  - e) used hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

There were no onerous contracts as at 1 April 2019.



**2. Significant accounting policies (Cont'd)****2.1 Basis of preparation (Cont'd)****Adoption of FRS 116 Leases (Cont'd)**When the Association is the lessee (Cont'd)

For leases previously classified as operating leases on 1 April 2019, the Association has applied the following transition provisions:

- (i) On a lease-by-lease basis, the Association chose to measure its ROU assets (except for ROU assets which meet the definition of investment property) at a carrying amount as if FRS 116 had been applied since the commencement of the lease but discounted using the incremental borrowing rate at 1 April 2019.
- (ii) Recognised its lease liabilities by discounting the remaining lease payments as at 1 April 2019 using the incremental borrowing rate for each individual lease or, if applicable, the incremental borrowing rate for each portfolio of leases with reasonably similar characteristic.
- (iii) The difference between the carrying amounts of the ROU assets and lease liabilities as at 1 April 2019 is adjusted directly to respective opening unrestricted and restricted funds. Comparative information is not restated.
- (iv) For leases previously classified as finance leases, the carrying amount of the leased asset and finance lease liabilities as at 1 April 2019 are determined as the carrying amount of the ROU assets and lease liabilities.

The effects of adoption of FRS 116 on the Association's financial statements as at 1 April 2019 are as follows:

	1 April 2019 S\$ (As previously reported)	FRS 116 adjustments S\$	1 April 2019 S\$ (As restated)
<b><u>Statement of financial position</u></b>			
<b><u>Non-current assets</u></b>			
Property, plant and equipment	27,090	42,570	69,660
<b><u>Current liabilities</u></b>			
Lease liabilities	0	(14,870)	(14,870)
<b><u>Non-current liabilities</u></b>			
Lease liabilities	0	(27,973)	(27,973)
<b><u>Funds</u></b>			
General fund: Accumulated fund	(150,033)	273	(149,760)

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

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

#### **Adoption of FRS 116 Leases (Cont'd)**

##### When the Association is the lessee (Cont'd)

An explanation of the differences between the operating lease commitments previously disclosed in the Association's financial statements as at 31 March 2019 and the lease liabilities recognised in the statement of financial position as at 1 April 2019 are as follows :

	S\$
Operating lease commitment disclosed as at 31 March 2019	45,903
Less: Discounting effect using weighted average incremental borrowing rate of 5.25%	<u>(3,060)</u>
Lease liabilities recognised as at 1 April 2019	<u>42,843</u>

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

The Association has not adopted the following relevant new/ revised FRSs, INT FRSs and amendments to FRSs that were issued but not yet effective:

Descriptions	Annual periods commencing on
Amendments to: - References to the Conceptual Framework in FRS Standards - Illustrative examples, implementation guidance and FRS practice statements - FRS 103 : Definition of a Business - FRS 1 and FRS 8: Definition of Material - FRS 109, FRS 39 and FRS 107: Interest Rate Benchmark Reform	1 January 2020
Amendments to: - FRS 116 : Covid-19 – Related Rent Concessions	1 June 2020
FRS 117 Insurance contracts	1 January 2021
Amendments to: - FRS 1 : Classification of Liabilities as Current or Non-current	1 January 2022

The management expects that the adoption of the revised standards and interpretations will have no material impact on the financial statements in the period of initial application.

---

## **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 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.

#### **2.2.3 Other income**

Other income is recognised when incurred.

### **2.3 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.

### **2.4 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.

#### **2.4.1 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.

#### **2.4.2 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.

---

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

### **2.5 Property, plant and equipment**

#### **2.5.1 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.

#### **2.5.2 Depreciation**

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

	Useful lives
Computers	3 years
Furniture and fittings	3 years
Office equipment	3 years
Renovation	3 years
Rights of use asset – Office Unit	Over the remaining lease term

Fully depreciated assets are retained in the financial statements until they are no longer in use.

The residual values, estimated 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.

#### **2.5.3 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 repair and maintenance expenses are recognised in the statement of financial activities when incurred.

#### **2.5.4 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 when incurred.

---

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

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

Property, plant and equipment and right-of use assets 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 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, 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 (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in the statement of financial activities, 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 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 amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset is recognised in the statement of financial activities, unless the asset is carried at revalued amount, in which case, such reversal is treated as a revalued increase.

### **2.7 Financial assets**

#### **(a) Classification and measurement**

The Association classifies its financial assets into the measurement category of amortised cost.

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 asset.

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

#### 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.

#### At subsequent measurement

Debt instruments of the Association mainly comprise of cash and cash equivalents, trade and other receivables.

The Association managed these groups of financial assets by collecting the contractual cash flow and these cash flows represented solely payment of principal and interest. Accordingly, these groups of financial assets are measured at amortised cost subsequent to initial recognition.

---

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

**2.7 Financial assets (Cont'd)**

(a) Classification and measurement (Cont'd)

At subsequent measurement (Cont'd)

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

(b) Impairment

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

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

For cash and bank balances and other receivables, 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.

(c) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Association commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Association has transferred substantially all risks and rewards of ownership.

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in the statement of financial activities.

**2.8 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. Significant accounting policies (Cont'd)**

### **2.9 Financial liabilities**

Financial liabilities are recognised when the Association becomes a party to the contractual agreements of the instrument and are classified according to the substance of the contractual arrangements entered into. All interest related charges are recognised in the statement of financial activities. Financial liabilities include "Other payables and accruals" and "Lease liabilities" in the statement of financial position.

Financial liabilities which are due to be settled within 12 months after the reporting date are presented as current liabilities in the statement of financial position even though the original term was for a period longer than 12 months and an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the reporting date and before the financial statements are authorised for issue. Other financial liabilities due to be settled more than 12 months after the reporting date are presented as non-current liabilities in the statement of financial position.

Financial liabilities are derecognised when the obligations under the liability is discharged or cancelled or expired. When existing financial liabilities are replaced by another from the same lender on substantially different terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognised in the statement of financial activities.

#### **2.10 Other payables and accruals**

Other payables, excluding accruals, are recognised at their transaction price, excluding transaction costs, if any, both at initial recognition and at subsequent measurement. Transaction costs will be recognised as expenditure in the statement of financial activities as incurred.

Accruals are recognised at the best estimate of the amount payable and are normally settled within 12 months after the end of the financial reporting date.

#### **2.11 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 of the obligation can be reliably estimated.

#### **2.12 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.

#### **2.13 Borrowing costs**

All borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in the statement of financial activities in the period in which they are incurred. Borrowing costs are recognised in the statement of financial activities using the effective interest method. Borrowing costs may include interest in respect of lease liability recognised in accordance with FRS 116.

---

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

### **2.14 Leases**

- (a) These following accounting policies are applied before the initial application date of FRS 116, 1 April 2019:

When the Association is the lessee:

Leases where substantially all risks and rewards incidental to ownership are retained by the lessors are classified as operating leases. Payments made under operating lease (net of any incentives received from the lessors) are recognised in the statement of financial activities on a straight-line basis over the period of the lease.

Contingent rents are recognised as expense in the statement of financial activities when incurred.

- (b) These accounting policies are applied on and after the initial application date of FRS 116, 1 April 2019:

When the Association is the lessee:

The Association applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Association recognises lease liabilities representing the obligations to make lease payments and right-of-use assets representing the right to use the underlying leased assets.

At the inception of the contract, the Association assesses if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

- **Right-of-use ("ROU") assets**

The Association recognised a right-of-use asset and lease liabilities at the date which the underlying asset is available for use. Right-of-use assets are measured at cost which comprises the initial measurement of lease liabilities adjusted of any lease payments made at or before the commencement date and lease incentive received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

These right-of-use assets is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Right-of-use assets (except for those which meet the definition of an investment property) are presented within "Property, plant and equipment" as disclosed in Note 9. The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in Note 2.6.



---

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

### **2.14 Leases (Cont'd)**

- (b) These accounting policies are applied on and after the initial application date of FRS 116, 1 April 2019 (cont'd):

When the Association is the lessee (cont'd):

- **Lease liabilities**

The initial measurement of lease liability is measured at the present value of the lease payments discounted using the implicit rate in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Association shall use its incremental borrowing rate.

In calculating the present value of lease payments, the Association uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

Lease payments include the following:

- Fixed payment (including in-substance fixed payments), less any lease incentives receivables;
- Variable lease payment that are based on an index or rate, initially measured using the index or rate as at the commencement date;
- Amount expected to be payable under residual value guarantees;
- The exercise price of a purchase option if it is reasonably certain to exercise the option; and
- Payment of penalties for terminating the lease, if the lease term reflects the Association exercising that option.

For contract that contain both lease and non-lease components, the Association allocates the consideration to each lease component on the basis of the relative stand-alone price of the lease and non-lease component. The Association has elected to not separate lease and non-lease component for property lease and account these as one single lease component.

Lease liability is measured at amortised cost using the effective interest method. Lease liability shall be remeasured when:

- There is a change in future lease payments arising from changes in an index or rate;
- There is a changes in the Association's assessment of whether it will exercise an extension option; or
- There is modification in the scope or the consideration of the lease that was not part of the original term.

Lease liability is remeasured with a corresponding adjustment to the right-of-use asset, or is recorded in the statement of financial activities if the carrying amount of the right-of-use asset has been reduced to zero.

The Association's lease liabilities are disclosed in Note 12.

---

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

### **2.14 Leases (Cont'd)**

- (b) These accounting policies are applied on and after the initial application date of FRS 116, 1 April 2019 (cont'd):

When the Association is the lessee (cont'd):

- Short-term and low-value leases

The Association has elected to not recognised right-of-use assets and lease liabilities for short-term leases that have lease term of 12 months or less from the commencement date and do not contain a purchase option and leases of low value leases, except for sublease arrangements. Lease payments relating to these leases are expensed in the statement of financial activities on a straight-line basis over the lease term.

- Variable lease payments

Variable lease payments that are not based on an index or a rate are not included as part of the measurement and initial recognition of the lease liability. The Association shall recognise those lease payments in the statement of financial activities in the periods that triggered those lease payments.

### **2.15 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.

### **2.16 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 statement of financial position date.

### **2.17 Events after the reporting date**

Post year-end events that provide additional information about the Association's position at the reporting date (adjusting events) are reflected in the financial statements. Post year-end events that are not adjusting events are disclosed in the notes to the financial statements when material.

### **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 and assumptions

Management is of the opinion that there are no key sources of estimation uncertainty estimate 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.

#### Critical judgements in applying the entity's accounting policies

The key assumptions concerning the future and other key sources of estimation uncertainty at the date of the statement of financial position, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

#### *Expected credit losses (ECLs) on trade receivables*

ECLs are unbiased probability-weighted estimates of credit losses which are determined by evaluating a range of possible outcomes and taking into account past events, current conditions and assessment of future economic conditions.

The Association has used relevant historical information and loss experience to determine the probability of default of the instruments and incorporated forward looking information, including significant changes in external market indicators which involved significant estimates and judgements.

In determining the ECL of trade receivables, the Association has used one year of historical losses data to determine the loss rate and applied an adjustment against the historical loss rate based on the change in Gross Domestic Product and unemployment rate to reflect the current and forward looking information. As at the reporting date, the ECLs for trade receivables are S\$3,326 (2019: S\$3,326).

### **4. Income tax**

The Association is registered as a charity registered under Charities Act, Chapter 37. As an approved charity, it is exempt from income tax under the provisions of Section 13 of the Income Tax Act, Chapter 134.

**5. Tax deductible receipts**

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

	2020 S\$	2019 S\$
<b>Statement of financial activities – Unrestricted funds</b>		
General fund – Accumulated fund		
- Donations from organisations	11,085	20,470
Designated fund – Appreciation fund		
- Donations from individuals	4,595	5,003
	<u>15,680</u>	<u>25,473</u>

**6. Government grants**

	2020 S\$	2019 S\$
Care and Share Matching grant	3,247	0
Community Chest Covid-19 grant	3,000	0
Grant from National Environment Agency	134,958	143,611
	<u>141,205</u>	<u>143,611</u>

**7. Cash and cash equivalents**

	2020 S\$	2019 S\$
Cash on hand	300	300
Cash at bank	163,480	155,965
	<u>163,780</u>	<u>156,265</u>

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

**8. Trade and other receivables**

	2020 S\$	2019 S\$
Trade receivables		
- Outside parties	16,932	10,595
Less: Allowance for impairment	(3,326)	(3,326)
Net trade receivables	<u>13,606</u>	<u>7,269</u>
Other receivables		
- Deposits recoverable	1,661	1,661
	<u>15,267</u>	<u>8,930</u>

## 8. Trade and other receivables (Cont'd)

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

	2020 S\$	2019 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>2020 At cost</b>	Balance at 01.04.2019 S\$	Effect of adopting FRS 116 Leases S\$	Balance at 01.04.2019 (restated) S\$	Additions S\$	Balance at 31.03.2020 S\$
Computers	23,050	0	23,050	0	23,050
Furniture and fittings	2,532	0	2,532	0	2,532
Office equipment	7,204	0	7,204	0	7,204
Renovation	8,305	0	8,305	0	8,305
Rights of use assets – Office unit	0	46,440	46,440	0	46,440
	<u>41,091</u>	<u>46,440</u>	<u>87,531</u>	<u>0</u>	<u>87,531</u>
<b>Accumulated depreciation</b>	Balance at 01.04.2019 S\$	Effect of adopting FRS 116 Leases S\$	Balance at 01.04.2019 (restated) S\$	Depreciation charge S\$	Balance at 31.03.2020 S\$
Computers	22,939	0	22,939	111	23,050
Furniture and fittings	2,532	0	2,532	0	2,532
Office equipment	7,204	0	7,204	0	7,204
Renovation	8,305	0	8,305	0	8,305
Rights of use assets – Office unit	0	3,870	3,870	15,480	19,350
	<u>40,980</u>	<u>3,870</u>	<u>44,850</u>	<u>15,591</u>	<u>60,441</u>
<b>Carrying amount</b>	Balance at 01.04.2019 S\$				Balance at 31.03.2020 S\$
Computers	111				0
Furniture and fittings	0				0
Office equipment	0				0
Renovation	0				0
Rights of use assets – Office unit	0				27,090
	<u>111</u>				<u>27,090</u>

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

	Balance at beginning of financial year S\$	Additions S\$	Balance at end of financial year S\$
<b>2019</b>			
<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>

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

	2020 S\$	2019 S\$
<b>Computers</b>		
<b>At cost</b>		
Beginning and end of the financial year	<u>8,933</u>	<u>8,933</u>
<b>Accumulated depreciation</b>		
Beginning of financial year	8,933	7,805
Depreciation charge	<u>0</u>	<u>1,128</u>
End of financial year	<u>8,933</u>	<u>8,933</u>
<b>Carrying amount</b>	<u>0</u>	<u>0</u>

**10. Leases – The Association as a lessee**

**Nature of the Association's leasing activities**

*Office unit*

The Association leases office space for the purpose of office operation.

(a) Carrying amount

ROU assets classified within Property, plant and equipment

	31.03.2020 S\$	01.04.2019 S\$
Office unit	<u>27,090</u>	<u>42,570</u>

(b) Depreciation charged

	2020 S\$
Office unit	<u>15,480</u>

(c) Interest expense on lease liabilities

	2020 S\$
Office unit	<u>1,822</u>

(d) Total cash outflow for office unit lease in 2020 was \$16,692.

**11. Other payables and accruals**

	2020 S\$	2019 S\$
Other creditors	70	710
Accruals	<u>11,172</u>	<u>11,026</u>
	<u>11,242</u>	<u>11,736</u>

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

## 12. Lease liabilities

	2020 S\$	2019 S\$
Current	15,670	0
Non-current	<u>12,303</u>	<u>0</u>
	<u>27,973</u>	<u>0</u>

A reconciliation of liabilities arising from financing activities is as follows:

	01.04.2019 S\$	Cash flows S\$	Non – cash change Accretion of interest S\$	Other S\$	31.03.2020 S\$
Lease Liabilities					
- Current	14,870	(16,692)	1,822	15,670	15,670
- Non-current	<u>27,973</u>	<u>0</u>	<u>0</u>	<u>(15,670)</u>	<u>12,303</u>
	<u>42,843</u>	<u>(16,692)</u>	<u>1,822</u>	<u>0</u>	<u>27,973</u>

## 13. 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 for purchasing NTUC Fair Price vouchers and refreshment that are presented to restroom cleaning attendance 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.

The transfer to general fund from Care and Share, restricted funds was to reimburse expenses paid for by the general fund in 2019. The transfer amount reconciled to the amount as stated in the submission of the Care and Share utilisation report.



### 13. Funds (Cont'd)

#### b) Restricted funds (Cont'd)

##### (i) Care and Share Matching Fund (Cont'd)

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

	Note	2020 S\$	2019 S\$
<b>Total restricted fund</b>		<u>0</u>	<u>(546)</u>
<b>Represented by:</b>			
Cash and bank balances		<u>0</u>	<u>(546)</u>

### 14. Operating lease commitments

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

	2020 S\$	2019 S\$
Not later than one year	0	16,692
More than one year but more than five years	<u>0</u>	<u>29,211</u>
	<u>0</u>	<u>45,903</u>

As disclosed in Note 2.1, the Association has adopted FRS 116 on 1 April 2019. These lease payments have been recognised as ROU assets and lease liabilities on the statement of financial position as at 31 March 2020.

### 15. 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.

### 16. 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.

## 17. Key management personnel compensation

Key management personnel comprised 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:

	2020 S\$	2019 S\$
Staff salaries & bonus	83,960	74,737
Employer's CPF contribution	14,282	12,715
	<u>98,242</u>	<u>87,452</u>

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

	2020 S\$	2019 S\$
Number of key management in remuneration bands		
S\$50,001 to S\$100,000	<u>1</u>	<u>1</u>

## 18. Reserve policy and position

The Association's reserve position for financial year ended 31 March 2020 and 2019 is as follows:

		2020 S\$'000	2019 S\$'000	Increase/ (decrease) %
A	Unrestricted Funds			
	Accumulated general funds	162	150	8
B	Restricted or Designated Funds			
	Designated Funds	5	4	25
	Restricted Funds	0	(1)	(100)
C	Endowment Funds	0	0	0
D	Total Funds	167	153	9
E	Total Annual Operating Expenditure	264	237	11
F	Ratio of Funds to Annual Operating Expenditure (A/E)	0.63	0.65	

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.*

## 19. Financial Instruments

The financial assets and liabilities of the Association as at the reporting date are as follows:

	2020 S\$	2019 S\$
<b><u>Financial Assets</u></b>		
Cash and bank balances	163,780	156,265
Trade and other receivables	<u>15,267</u>	<u>8,930</u>
	<u>179,047</u>	<u>165,195</u>
<b><u>Financial Liability</u></b>		
Other payables and accruals	11,242	11,736
Lease liabilities	<u>27,973</u>	<u>0</u>
	<u>39,215</u>	<u>11,736</u>

## 20. Financial risk management

The Association is primarily funded by government grant, donations, and project income.

The Association has limited exposure to the following risk due to its charitable activities:

### *Credit risk*

Credit risk refers to risk that counterparty will default on their obligations to repay amounts owing to the Association resulting in a loss to the Association.

The carrying amounts of trade and other receivables and cash and cash equivalents represent the Association's maximum exposure to credit risk.

The Association adopts the following policy to mitigate the credit risk.

The Association adopts a policy of closer monitoring on trade receivables collectability and to approach external funding to support/sponsor for those client having payment difficulty.

The table below details the credit quality of the Association's financial assets, as well as maximum exposure to credit risk rating categories:

	Note	12-month or lifetime ECL	Gross carrying amount S\$	Less allowance S\$	Net carrying amount S\$
<b>31 March 2020</b>					
Trade receivables	8	Lifetime ECL (simplified)	16,932	(3,326)	13,606
Other receivables	8	12-month ECL	<u>1,661</u>	<u>0</u>	<u>1,661</u>
			<u>18,593</u>	<u>(3,326)</u>	<u>15,267</u>

## 20. Financial risk management (Cont'd)

### *Credit risk (Cont'd)*

	Note	12-month or lifetime ECL	Gross carrying amount S\$	Less allowance S\$	Net carrying amount S\$
<b>31 March 2019</b>					
Trade receivables	8	Lifetime ECL (simplified)	10,595	(3,326)	7,269
Other receivables	8	12-month ECL	1,661	0	1,661
			<u>12,256</u>	<u>(3,326)</u>	<u>8,930</u>

Trade receivables are unsecured and the analysis of their aging, net of allowance is follows:

	2020 S\$	2019 S\$
Current	8,536	2,110
Less than 30 days	4,134	4,758
30 to 90 days	320	241
More than 90 days	616	160
	<u>13,606</u>	<u>7,269</u>

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 table below summarises the Association's expected contractual undiscounted cash outflows of financial liabilities, including interest payments:

	Within one year S\$	Later than one year but not later than five years S\$	Total S\$
<b>2020</b>			
<b>Financial liabilities, at amortised cost</b>			
Other payables	11,242	0	11,242
Lease liabilities	16,692	12,519	29,211
	<u>27,934</u>	<u>12,519</u>	<u>40,453</u>

**20. Financial risk management (Cont'd)**

*Liquidity risk (Cont'd)*

	Within one year S\$	Later than one year but not later than five years S\$	Total S\$
<b>2019</b>			
<b>Financial liabilities, at amortised cost</b>			
Other payables	11,736	0	11,736

*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.

**21. 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.

**22. Events after the reporting period**

An outbreak of COVID-19 (Coronavirus Disease 2019) had been reported in China on 31 December 2019. At the date of the financial statements, the outbreak has spread to the rest of the world. The Branch operates in Singapore affected by the outbreak, and as such, is affected by the Government's response and actions taken to contain this outbreak. The Association is encouraged by the support measures introduced by the Singapore Government to help cushion the cash flows impact on the Association.

Given the unpredictability associated with the COVID-19 outbreak and any further contingency measures that may be put in place by the Government and various private corporations which might have an adverse impact on the Association's funding, the potential financial impact of the COVID-19 outbreak on the Association's 2021 financial statements could not be reasonably quantified at this juncture.

**23. Authorisation of financial statements**

The financial statements were authorised for issue in accordance with a resolution of the Management Committee on **24 SEP 2020**.