

SINGAPORE ASSOCIATION FOR COUSSELLING
Co. Reg. No. S83SS0024D
(Incorporated in Singapore)

FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
31 DECEMBER 2023 TOGETHER WITH
EXECUTIVE COMMITTEES' STATEMENT AND
INDEPENDENT AUDITOR'S REPORT

SINGAPORE ASSOCIATION FOR COUSSELLING

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For the financial year ended 31 December 2023

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EXECUTIVE COMMITTEES' STATEMENT

For the financial year ended 31 December 2023

The Executive Committee is pleased to present their statement to the members together with the audited financial statements of Singapore Association For Counselling (the 'Association') for the financial year ended 31 December 2023.

Opinion of the Executive Committee

In the opinion of the Executive Committee,

- (a) The financial statements of the Association are drawn up so as to give a true and fair view of the financial position of the Association as at 31 December 2023 and the statement of income and expenditure, changes in accumulated fund and cash flows of the Association for the 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.

Executive Committee

The Executive Committee of the Association in office at the date of this statement are:

A/Prof Frederick Low Poi Kee
Mr Lam Kee Soon Andy
Ms Hema Gurnani
Ms Giam Xiuhui Jenny
Ms Lim Bee Bee Carolyn
Ms Tan Li Lian Trina
Ms Xiao Li En
Ms Au Hoi Ting
Dr Chan Pei See Joyce
Ms Chang Cheng Ern Lydia (Lim C.E Lydia)
Dr Saravanakannan Ganapathi
Dr Jessica Leong – Chan Lai Cheng (co-opt)

On behalf of the Executive Committee,



A/Prof Frederick Low Poi Kee
President



Ms Trina Tan Li Lian
Hon. Treasurer

Singapore
4 March 2024

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF
SINGAPORE ASSOCIATION FOR COUNSELLING
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

Company Registration No.: S83SS0024D
(Incorporated in Singapore)

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

We have audited the financial statements of Singapore Association for Counselling (the Association), which comprise the statement of financial position of the Association as at 31 December 2023, and the statement of income and expenditure, 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 1966 and Financial Reporting Standards in Singapore (FRSs) so as to give a true and fair view of the financial position of the Association as at 31 December 2023 and of the financial performance, 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 Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the Executive Committee's statement.

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

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF
SINGAPORE ASSOCIATION FOR COUNSELLING
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

Company Registration No.: S83SS0024D
(Incorporated in Singapore)

Report on the Audit of the Financial Statements (Continued)***Responsibilities of Management and Executive Committee for the Financial Statements***

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

In preparing the financial statements, management is responsible for assessing the 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 overseeing the Association's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF
SINGAPORE ASSOCIATION FOR COUNSELLING
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

Company Registration No.: S83SS0024D
(Incorporated in Singapore)

Report on the Audit of the Financial Statements (Continued)

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 by the Societies Act to be kept by the Association have been properly kept in accordance with the provisions of the Societies Act and Regulations.



FOZL Assurance PAC

Public Accountants and

Chartered Accountants

Singapore

4 March 2024

SINGAPORE ASSOCIATION FOR COUNSELLING

Co. Reg. No. S83SS0024D

STATEMENT OF INCOME AND EXPENDITURE*For the financial year ended 31 December 2023*

(Amounts in Singapore Dollars)

	Note	2023 SGD	2022 SGD
Income	4	310,688	224,456
Other income	5	14,367	33,557
Other expenses		(238,577)	(165,986)
Surplus before tax	6	86,478	92,027
Income tax	7	(5,579)	(7,478)
Surplus for the year, representing total comprehensive surplus for the year		<u>80,899</u>	<u>84,549</u>

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

STATEMENT OF FINANCIAL POSITION

As at 31 December 2023

(Amounts in Singapore Dollars)

	Note	2023 SGD	2022 SGD
ASSETS			
Non-current assets			
Plant and equipment	8	-	2,849
Current assets			
Cash and bank balances	9	686,598	651,471
Trade receivables	10	1,600	3,824
Other receivables		1,455	837
Prepayments		4,203	6,517
Total current assets		693,856	662,649
TOTAL ASSETS		693,856	665,498
LIABILITIES			
Current liabilities			
Trade payables and other payables	11	35,163	93,283
Income tax payable		13,057	7,478
Total current liabilities		48,220	100,761
TOTAL LIABILITIES		48,220	100,761
NET ASSETS		645,636	564,737
EQUITY			
Accumulated funds		564,737	480,188
Current year surplus		80,899	84,549
TOTAL FUNDS		645,636	564,737

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

SINGAPORE ASSOCIATION FOR COUNSELLING

Co. Reg. No. S83SS0024D

STATEMENT OF CHANGES IN FUND*For the financial year ended 31 December 2023*

(Amounts in Singapore Dollars)

	2023	2022
	SGD	SGD
Balance at the beginning of the year	564,737	480,188
Surplus for the year	80,899	84,549
Balance at the end of the year	<u>645,636</u>	<u>564,737</u>

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

STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2023

(Amounts in Singapore Dollars)

	2023 SGD	2022 SGD
Cash flows from operating activities		
Surplus before tax	86,478	92,027
Adjustments:		
Depreciation of property, plant and equipment	2,849	949
Changes in working capital:		
Trade receivables	700	2,807
Other receivables and prepayments	1,696	(5,984)
Trade and other payables	(51,017)	36,133
Cash generated from operations	36,706	125,932
Tax paid	(5,579)	(7,478)
Net cash from operating activities	<u>35,127</u>	<u>118,454</u>
Cash flows from investing activities		
Purchase of plant and equipment	-	(3,798)
Net cash flows used in investing activities	<u>-</u>	<u>(3,798)</u>
Net increase in cash and cash equivalents	35,127	114,656
Cash and cash equivalents at beginning of year	<u>651,471</u>	<u>536,815</u>
Cash and cash equivalents at end of year	<u>686,598</u>	<u>651,471</u>

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

(Amounts in Singapore Dollars)

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

1. GENERAL INFORMATION

Singapore Association for Counselling (the "Association") is a professional body representing the interests of counsellors and psychotherapists in Singapore. The address of the Association's registered office is 190 Clemenceau Avenue #06-01, Work Central Offices Singapore 239924.

The principles activities of the Association is generating knowledge sharing and establishing best practice standards, to generate continued growth of the profession to meet the interests of clients.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements are prepared in accordance with the historical cost convention, except as disclosed in the accounting policies below and are drawn up in accordance with the Singapore Financial Reporting Standards ("FRS").

The preparation of the financial statements in conformity with FRS 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 that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates. There were no significant critical accounting estimates and assumptions used, or critical judgment applied.

2.2 Adoption of new and revised standards

On 1 January 2023, the Association adopted the new or amended FRS and Interpretations of FRS ("INT FRS") that are mandatory for application from that date. 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 Association's accounting policies and had no material effect on the amounts reported for the current financial years.

2.3 Standard issued but not yet effective

New standards, amendments to standards and interpretations that have been issued at the end of reporting period but are not yet effective for the financial year ended 31 December 2023 have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Association.

NOTES TO THE FINANCIAL STATEMENTS*For the financial year ended 31 December 2023*

(Amounts in Singapore Dollars)

2.3 Standard issued but not yet effective (Continued)

<u>Description</u>	<u>Effective for annual periods beginning on or after</u>
Amendments to FRS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to FRS 1 Presentation of Financial Statements and FRS Practice Statement 2: Disclosure of Accounting Policies	1 January 2023
Amendments to FRS 8 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates	1 January 2023
Amendments to FRS 12 Income Taxes: Deferred Tax relate to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to FRS 116 Leases: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to FRS 1 Presentation of Financial Statements: Non-current Liabilities with Covenants	1 January 2024
Amendments to FRS 110 Consolidated Financial Statements and FRS 28 Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Date to be determined

The Executive Committee expect that the adoption of the other standards and interpretations above will have no material impact on the financial statements in the period of initial application.

2.4 Foreign currency transactions and balances

The financial statements are presented in Singapore Dollars 'SGD', which is the functional currency of the Association.

Transactions in a currency other than the functional currency ("foreign currency") are measured in the respective functional currency of the Association and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

2.5 Plant and equipment

All items of plant and equipment are initially recorded at cost. The cost of an item of plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. The cost of an item of plant and equipment including subsequent expenditure is recognised as an asset if, and only if, 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. When significant parts of plant and equipment is required to be replaced in intervals, the Association recognises such parts as individual assets with specific lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance expenses are recognised in income and expenditure when incurred.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

(Amounts in Singapore Dollars)

2.5 Plant and equipment (Continued)

After initial recognition, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment loss.

All plant and equipment are depreciated using the straight-line method to write-off the cost of the assets over their estimated useful lives as follows:

	<u>Useful lives</u> <u>(Years)</u>
Computer	3
Systems & Software	1

The estimated useful life and depreciation method are reviewed, and adjusted as appropriate, at each reporting date to ensure that the amount, method and period of depreciation are consistent with the expected pattern of economic benefits from items of property, plant and equipment. Fully depreciated assets are retained in the financial statements until they are no longer in use.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The gain or loss on retirement or disposal is determined as the difference between any sales proceeds and the carrying amounts of the asset and is recognised in the income and expenditure.

2.6 Impairment of non-financial assets

The Association assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists (or, where applicable, when an annual impairment testing for an asset is required), the Association makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in profit or loss.

A previously recognised impairment loss is reversed 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. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

(Amounts in Singapore Dollars)

2.7 Financial instruments

Financial assets and liabilities

Initial recognition and measurement

Other financial assets and financial liabilities are recognised on the statement of financial position when, and only when, the Association becomes a party to the contractual provisions of the financial instrument.

Other financial assets or financial liabilities are initially recognised at fair value plus, in the case of financial assets or liabilities not at fair value through profit or loss, directly attributable transaction costs.

Classification and subsequent measurement

Financial assets

Financial assets are classified and subsequently measured at amortised cost or fair value on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets, at the following categories:

- Amortised costs

Financial assets are not reclassified after initial recognition unless the Association changes its business model for managing financial assets, in which case such reclassification will be applied prospectively from the reclassification date.

Financial assets at amortised costs

Unless designated at Fair value through profit or loss (FVPL), financial assets are measured at amortised costs if:

- It is held within a business model with an objective to hold the assets to collect contractual cash flows; and
- Its contractual cash flows comprise of solely principal and interest on the principal amount outstanding

These assets, mainly other receivables, cash and cash equivalents, are subsequently measured at amortised costs using the effective interest rate method, which is reduced by impairment losses. Interest income, foreign exchange differences, and impairment are recognised in income and expenditure. Any gain or loss on derecognition is recognised in income and expenditure.

Financial liabilities

Financial liabilities are subsequently measured at amortised costs unless it is held for trading (including derivative liabilities), or designated as financial liabilities at FVPL on initial recognition to significantly reduce accounting mismatch or when a group of financial liabilities are managed whose performance is evaluated on a fair value basis.

Financial liabilities at amortised costs are subsequently measured at amortised costs using the effective interest rate method. Interest expense and foreign exchange differences are recognised in income and expenditure. These financial liabilities mainly comprise other payables.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

(Amounts in Singapore Dollars)

2.7 Financial instruments (Continued)

Derecognition

Financial assets

Financial assets are derecognised when the contractual rights to receive cash flows from the financial assets have expired or have been transferred and the Association has transferred substantially all the risks and rewards of ownership or in which the Association neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial assets. On derecognition of a financial asset in its entirety, the difference between the carrying amount measured at the derecognition date and the sum of the consideration received is recognised in income and expenditure.

All regular way purchases and sales of financial assets are recognised or derecognised on the trade date, i.e., the date that the Association commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of the assets within the period generally established by regulation or convention in the marketplace concerned.

Financial liabilities

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires. The Association also derecognise the financial liabilities when its terms are modified and the cash flows of the modified liability are substantially different, in which case, a new financial liability on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount of the financial liabilities extinguished, or transferred and the consideration paid (including non-cash transferred or liabilities assumed) is recognised in income and expenditure.

Offsetting

Financial assets and liabilities are offset and the net amount reported on the statement of financial position when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Impairment of financial assets

The Association applies impairment model in FRS 109 to measure the Expected Credit Losses (ECL) of the following categories of assets:

- Financial assets at amortised costs (including trade receivables)

ECLs are probability-weighted estimates of credit losses, which are measured at the present value of all cash shortfalls (difference between the cash flows due to the Association in accordance with the contracts and the cash flows that the Association expects to receive), discounted at effective interest rate of the financial asset. The expected cash flows include cash flows from the sale of collaterals held, if any, or other credit enhancements that are integral to the contractual terms.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

(Amounts in Singapore Dollars)

2.7 Financial instruments (Continued)

Impairment of financial assets (Continued)

Simplified approach

The Association applies simplified approach to all trade receivables. Impairment loss allowance is measured at Life time ECL, which represents ECLs that result from all possible default events over the expected life of a financial instrument ('life-time ECL'). The Association has established a provision matrix that is based on historical credit loss experience, adjusted for forward-looking factors specific to those customers and the economic environment.

General approach

The Association applies general approach on all other financial instruments and financial guarantee contracts, and recognise a 12-month ECL on initial recognition. 12-months ECL are ECLs that result from possible default events within 12 months after the reporting date or up to the expected life of the instrument, if shorter.

Impairment loss allowance or reversals are recognised in income and expenditure. Loss allowance on financial assets at amortised cost and contract assets are deducted from the gross carrying amount of those asset.

Fair value estimation of financial assets and liabilities

The fair values of financial instruments traded in the active markets (such as exchange traded and over-the-counter securities and derivatives) are based on quoted market prices at the reporting date. The quoted market prices used for financial assets are the current bid prices.

2.8 Cash and cash equivalent

Cash and cash equivalents comprise cash at bank which are subject to an insignificant risk of changes in value.

2.9 Provisions

General

A provision is recognised when the Association has a present obligation, legal or constructive, as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. Where the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

(Amounts in Singapore Dollars)

2.10 Revenue from contracts with customers

The Association recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customers, at an amount that reflects the consideration to which the Association expects to be entitled in exchange for those goods or services. Unless otherwise mentioned, the Association concludes that it is acting as a principal in the provision of goods or services in its contracts with customers.

2.11 Other income

Interest income is recognised on a time proportion basis, taking into account the principal amounts outstanding and the effective interest rates applicable.

2.12 Employees' benefits

(i) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Association has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

(ii) Retirement benefits

The Association makes contribution to the Central Provident Fund (CPF) Scheme in Singapore, a defined contribution pension scheme.

Obligations for contributions to defined contribution retirement plans are recognised as an expense in the period in which the related service is performed.

2.13 Income tax

(a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authority. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the end of the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

(Amounts in Singapore Dollars)

2.13 Income tax (Continued)

(b) Deferred tax (Continued)

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.14 Related parties

A related party is defined as follows:

- (a) A person or a close member of that person's family is related to the Association if that person:
 - (i) Has control or joint control over the Association;
 - (ii) Has significant influence over the Association; or
 - (iii) Is a member of the key management personnel of the Association or of a parent of the Association.
- (b) An entity is related to the Association if any of the following conditions applies:
 - (i) The entity and the Association are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Association or an entity related to the Association.
 - (vi) The entity is controlled or jointly controlled by a person identified in (a);
 - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
 - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

3. CRITICAL JUDGEMENTS IN APPLYING THE COMPANY'S ACCOUNTING POLICIES

Estimates, assumptions and judgements 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.

(i) Critical accounting estimates and assumptions

The Association makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(ii) Critical judgements in applying the entity's accounting policies

There are no judgements made by management in the process of applying the Association's accounting policies that have the most significant effect on the amounts recognised in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

(Amounts in Singapore Dollars)

4. REVENUE

	2023 SGD	2022 SGD
Membership subscription	233,485	181,100
Course recognition fees	26,715	13,396
Organised event fees	21,513	-
Advertising income	28,975	29,960
	<u>310,688</u>	<u>224,456</u>

5. OTHER INCOME

	2023 SGD	2022 SGD
Interest received - fixed deposits	7,283	171
Government grants	6,861	33,386
Others	223	-
	<u>14,367</u>	<u>33,557</u>

6. SURPLUS BEFORE TAX

Surplus for the year has been arrived after charging/ (crediting):

	2023 SGD	2022 SGD
Accounting fees	9,895	8,890
Internet and website expenses	8,762	8,538
Rental expenses	40,786	6,867
Salaries	93,363	74,583
Contributions to central provident fund	15,874	12,681
Event and meeting expenses	11,391	34,748
Publication expenses	<u>29,700</u>	<u>-</u>

7. INCOME TAX

The major components of income tax expense for the years ended 31 December 2023 and 2022 were:

	2023 SGD	2022 SGD
Current income tax		
- Current year	<u>5,579</u>	<u>7,478</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

(Amounts in Singapore Dollars)

7. INCOME TAX (CONTINUED)

The reconciliation of the tax expense and the product of accounting surplus multiplied by the applicable rate is as follows:

	2023 SGD	2022 SGD
Surplus before income tax	86,478	92,027
Tax at the applicable tax rate of 17%	14,701	15,645
Tax effect of:		
- Non-deductible expenses	484	161
- Full/partial exemption of income	(8,007)	(8,328)
- Tax concessions	(1,579)	-
- Others	(20)	-
Income tax expense	5,579	7,478

8. PROPERTY, PLANT AND EQUIPMENT

	Computer Equipment SGD	Systems & Software SGD	Total SGD
<u>Cost</u>			
At 1 January 2022	2,189	21,300	23,489
Additions	3,798	-	3,798
At 31 December 2022 / 31 December 2023	5,987	21,300	27,287
<u>Accumulated depreciation</u>			
At 1 January 2022	2,189	21,300	23,489
Depreciation for the year	949	-	949
At 31 December 2022 / 1 January 2023	3,138	21,300	24,438
Depreciation for the year	2,849	-	2,849
	5,987	21,300	27,287
<u>Net Book Value</u>			
At 31 December 2023	-	-	-
At 31 December 2022	2,849	-	2,849

9. CASH AND CASH EQUIVALENTS

	2023 SGD	2022 SGD
Cash at bank	479,448	651,471
Fixed deposits	207,150	-
	686,598	651,471

NOTES TO THE FINANCIAL STATEMENTS*For the financial year ended 31 December 2023*

(Amounts in Singapore Dollars)

10. TRADE RECEIVABLES

	2023 SGD	2022 SGD
Trade receivables	1,960	4,306
Less: Allowance for doubtful debts	(360)	(482)
	<u>1,600</u>	<u>3,824</u>

11. TRADE PAYABLES AND OTHER PAYABLES

	2023 SGD	2022 SGD
Trade payables	1,031	3,811
Other payables:		
- Accrued expenses	12,314	52,760
- Unearned course recognition fees	19,958	32,674
- Members subscriptions paid in advance	781	980
- Sundry creditors	1,079	3,058
	<u>35,163</u>	<u>93,283</u>

12. FINANCIAL INSTRUMENTS**Financial risk management objectives and policies**

The Association has documented financial risk management policies. These policies set out the Association's overall business strategies and its risk management philosophy. The Association's overall financial risk management programme seeks to minimise potential adverse effects of financial performance of the Association. The Executive Committee provides written principles for overall financial risk management and written policies covering specific areas, such as market risk (including foreign exchange risk, interest rate risk, and equity price risk), liquidity risk and credit risk. Such written policies are reviewed annually by the Executive Committee and periodic reviews are undertaken to ensure that the Association's policy guidelines are complied with. Risk management is carried out by the Executive Committee.

It is the Association's policy not to trade in derivative contracts.

The Association manages its capital to ensure that entities within the Association will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The Executive Committee reviews the capital structure on an annual basis. The Association will balance its overall capital structure through the payment of dividends, new share issues as well as the issue of new debt or the redemption of existing debts.

As at 31 December 2023, the Association is not subject to externally imposed capital requirements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

(Amounts in Singapore Dollars)

12. FINANCIAL INSTRUMENTS (CONTINUED)

Financial risk management objectives and policies (Continued)

(i) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Association. For other financial assets, the Association adopts the policy of dealing only with high credit quality counterparties, or investing in debt instruments which are considered to be low risk.

Expected Credit Losses

The Association manages credit loss based on Expected Credit Losses (ECL) model.

The management assess that there are no material ECL on cash and cash equivalents and other receivables.

(ii) Liquidity risk

The Association monitors its liquidity risk and maintains a level of bank balances deemed adequate by management to finance the Association's operations and to mitigate the effects of fluctuations in cash flows. There are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due.

All financial liabilities are non-interest bearing and repayable on demand or due within 1 year from the reporting date.

Capital risk management policies and objectives

The Executive Committee review its capital structure annually to ensure that the Association will be able to continue as a going concern, by relying on the financial support from its holding Association. The amount of capital will be regularly reviewed by the Executive Committee to ensure that they are adequate to fulfil continuing obligations.

The capital structure of the Association comprises only of issued capital and retained earnings. The Association's overall strategy remains unchanged since incorporation.

13. FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying amounts of bank balances, trade and other receivables, trade and other payable are reasonable approximation of fair values due to the relatively short-term maturity of these financial instruments.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2023
(Amounts in Singapore Dollars)

14. CATEGORIES OF FINANCIAL INSTRUMENTS

At the reporting date, the aggregate carry amount of financial assets at amortised cost and financial liabilities at amortised cost were as follows:

	2023 SGD	2022 SGD
Financial assets at measured at amortised cost:		
Trade and other receivables	3,055	4,661
Cash and cash equivalent	686,598	651,471
	<u>689,653</u>	<u>656,132</u>
Financial liabilities measured at amortised cost:		
Trade and other payables	<u>36,687</u>	<u>93,283</u>