

**ASSOCIATION OF WOMEN FOR
ACTION AND RESEARCH**

UEN No.: S85SS0089B

*(Registered under the Societies Act, Chapter 311 and
Charities Act, Chapter 37, Singapore)*

FINANCIAL STATEMENTS FOR THE
FINANCIAL YEAR ENDED
31 DECEMBER 2019

ASSOCIATION OF WOMEN FOR ACTION AND RESEARCH

UEN No. S85SS0089B

(Registered under the Societies Act, Chapter 311 and Charities Act, Chapter 37, Singapore)

**REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019**

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ASSOCIATION OF WOMEN FOR ACTION AND RESEARCH

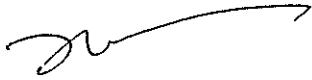
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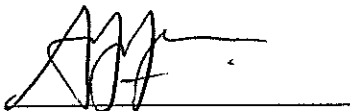
STATEMENT BY BOARD OF MANAGEMENT

We, being two of the undersigned Board of Management of Association of Women for Action and Research (the "Society") do hereby state that, in the opinion of the Board of Management, the accompanying financial statements are drawn up so as to give a true and fair view of the financial position of the Society as at 31 December 2019 and the financial performance, changes in funds and cash flows of the Society for the financial year ended on that date.

On behalf of the Board of Management



THOMAS MARGARET
President



LOW SU-IM JEAN
Treasurer

Date: 17 March 2020



INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF MANAGEMENT OF ASSOCIATION OF WOMEN FOR ACTION AND RESEARCH

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of ASSOCIATION OF WOMEN FOR ACTION AND RESEARCH (the "Society"), which comprise the statement of financial position of the Society as at 31 December 2019, and the statement of financial activities, statement of changes in funds and statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Societies Act, Chapter 311 (the "Societies Act"), the Charities Act (Chapter 37) and other relevant regulations (the "Charities Act" and Regulations) and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the Society as at 31 December 2019 and of the financial performance, changes in funds and cash flows of the Society for the financial year ended on that date.

Basis for Opinion

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

Other Information

Management is responsible for the other information. The other information comprises the Statement by Board of Management set out on page 1.

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.

Responsibilities of Management and Directors for 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, the Charities 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 statements and to maintain accountability of assets.

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

Those charged with governance responsibilities include overseeing the Society's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level 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 Society'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 Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify 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 Society 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 the board of management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

In our opinion,

- (a) the accounting and other records required by the above regulations have been properly kept by the Society in accordance with those regulations; and
- (b) the fund-raising appeals conducted by the Society during the financial year ended 31 December 2019 have been carried out in accordance with Regulation 6 of the Societies Regulations issued under the Societies Act and proper accounts and other records have been kept of the fund-raising appeals.

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

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

Helmi Talib & Co

HELMI TALIB & CO
Public Accountants and
Chartered Accountants

Singapore

Date: 17 March 2020

Partner-in-charge : Mari Jane Tiburcio
PAB No. : 01780

ASSOCIATION OF WOMEN FOR ACTION AND RESEARCH

UEN No. S85SS0089B

(Registered under the Societies Act, Chapter 311 and Charities Act, Chapter 37, Singapore)

STATEMENT OF FINANCIAL ACTIVITIES

For the financial year ended 31 December 2019

	Note	<u>2019</u> \$	<u>2018</u> \$
<u>INCOME</u>			
Income from generated funds			
- Voluntary income		2,199,329	1,586,084
- Activities for generating funds		1,367,320	879,882
Other income		71,760	48,341
Total income		<u>3,638,409</u>	<u>2,514,307</u>
<u>EXPENDITURE</u>			
Costs of generating funds		(246,484)	(127,771)
Charitable activities		(2,403,285)	(2,030,665)
Governance costs		(6,000)	(6,334)
Other expenditures		(47,657)	(48,276)
Total expenditure		<u>(2,703,426)</u>	<u>(2,213,046)</u>
Net income before transfer	6	934,983	301,261
Transfers from/(to) funds		-	-
Net income after transfer		934,983	301,261
<u>RECONCILIATION OF FUNDS</u>			
Total funds brought forward		3,990,406	3,689,145
Total funds carried forward		<u>4,925,389</u>	<u>3,990,406</u>

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

ASSOCIATION OF WOMEN FOR ACTION AND RESEARCH

UEN No. S85SS0089B

(Registered under the Societies Act, Chapter 311 and Charities Act, Chapter 37, Singapore)

STATEMENT OF FINANCIAL POSITION

For the financial year ended 31 December 2019

	Note	2019 \$	2018 \$
Assets			
Current assets			
Cash and cash equivalents	7	5,292,406	4,043,436
Receivables	8	233,524	231,244
Total current assets		<u>5,525,930</u>	<u>4,274,680</u>
Non-current assets			
Plant and equipment	9	114,791	51,848
Total non-current assets		<u>114,791</u>	<u>51,848</u>
Total assets		<u>5,640,721</u>	<u>4,326,528</u>
Liabilities and funds			
Liabilities			
Current liabilities			
Payables	10	715,332	336,122
Total current liabilities		<u>715,332</u>	<u>336,122</u>
Total liabilities		<u>715,332</u>	<u>336,122</u>
Funds			
Unrestricted funds			
Accumulated funds		3,235,124	2,646,321
Total unrestricted funds		<u>3,235,124</u>	<u>2,646,321</u>
Restricted funds			
Project Funds		1,005,075	591,330
In memory of Jagraj Verma Fund		4,571	4,571
Sexual Assault Care Centre Fund		368,411	341,999
Support Services (Helpline) Fund		312,208	406,185
Total restricted funds		<u>1,690,265</u>	<u>1,344,085</u>
Total funds		<u>4,925,389</u>	<u>3,990,406</u>
Total liabilities and funds		<u>5,640,721</u>	<u>4,326,528</u>

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

ASSOCIATION OF WOMEN FOR ACTION AND RESEARCH

UEN No. S85SS0089B

(Registered under the Societies Act, Chapter 311 and Charities Act, Chapter 37, Singapore)

STATEMENT OF CHANGES IN FUNDS

For the financial year ended 31 December 2019

	Unrestricted funds	Restricted funds				Total funds
	Accumulated funds	Project Funds	In memory of Jagraj Verma Fund	Sexual Assault Care Centre Fund	Support Services (Helpline) Fund	Total restricted funds
	\$	\$	\$	\$	\$	\$
At 1 January 2018	2,165,381	483,365	4,571	479,898	555,930	1,523,764
Net income/(loss) for the financial year	563,388	92,583	-	(149,146)	(205,564)	(262,127)
Transfers from/(to)	(82,448)	15,382	-	11,247	55,819	82,448
At 31 December 2018	<u>2,646,321</u>	<u>591,330</u>	<u>4,571</u>	<u>341,999</u>	<u>406,185</u>	<u>1,344,085</u>
Net income/(loss) for the financial year	846,476	166,572	-	21,412	(99,477)	88,507
Transfers from/(to)	(257,673)	247,173	-	5,000	5,500	257,673
At 31 December 2019	<u>3,235,124</u>	<u>1,005,075</u>	<u>4,571</u>	<u>368,411</u>	<u>312,208</u>	<u>1,690,265</u>
		\$				\$
		3,689,145				3,689,145
		301,261				301,261
		-				-
		3,990,406				3,990,406
		934,983				934,983
		-				-
		4,925,389				4,925,389

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

ASSOCIATION OF WOMEN FOR ACTION AND RESEARCH

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STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2019

	Note	<u>2019</u> \$	<u>2018</u> \$
Cash flows from operating activities			
Net income for the financial year		934,983	301,261
Adjustments for			
Depreciation of plant and equipment		47,657	48,276
Interest income		(50,640)	(30,371)
Total adjustments to statement of financial activities		(2,983)	17,905
Operating cash flows before changes in working capital		932,000	319,166
Adjustments for changes in working capital			
Increase in receivables		(2,280)	(172,294)
Increase in payables		268,610	275,710
Total changes in working capital		266,330	103,416
Cash generated from operations		1,198,330	422,582
Interest income received		50,640	30,371
Net cash flows from operating activities		<u>1,248,970</u>	<u>452,953</u>
Cash flows used in investing activity			
Purchase of plant and equipment, representing cash used in investing activity		-	(2,410)
Net increase in cash and cash equivalents		1,248,970	450,543
Cash and cash equivalents at beginning of financial year		4,043,436	3,592,893
Cash and cash equivalents at end of financial year	7	<u>5,292,406</u>	<u>4,043,436</u>
Net cash flows			
Net cash flows from operating activities		<u>1,248,970</u>	<u>452,953</u>
Cash flows used in investing activity		<u>-</u>	<u>(2,410)</u>

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

ASSOCIATION OF WOMEN FOR ACTION AND RESEARCH

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

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

1 GENERAL INFORMATION

Association of Women for Action and Research (the "Society") is registered and domiciled in Singapore with its registered office and principal place of business at 5 Dover Crescent, #01-22, Singapore 130005.

The Society is a registered charity under the Charities Act, Chapter 37 since 23 March 2005 and has been accorded the status of an Institution of a Public Character ("IPC"). The current licence runs from 1 September 2018 to 31 August 2020.

The principal activities of the Society are those of promoting gender equality, in particular, equal access to opportunities for women.

The financial statements of the Society for the financial year ended 31 December 2019 were authorised for issue in accordance with a resolution of the Board of Management on the date of Statement by Board of Management.

2 BOARD OF MANAGEMENT

The Society is governed by the Board of Management. For the financial year under review, the members of the Board of Management 2018 - 2020 are as follows:

President	- Thomas Margaret	
1 st Vice President	- Jasmine Ng Kin Kia	
2 nd Vice President	- Valerie Gan Garry Hwee Kheng	
Treasurer	- Low Su-Im Jean	
Assistant Treasurer	- Goh Wei @ Wynthia Goh	
Secretary	- Shone Penelope Margaret	
Board Member	- Kartini Binte Omar	
Board Member	- Ong Soh Chin	
Co-opted Board Member	- Elisa Kang Geok Sue	(Appointed on 25 June 2019)
Immediate Past President/ Co-opted Board Member	- Teh Hooi Ling	(Co-opted as board member on 14 May 2019, after expiry of Immediate Past President term)

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Basis of preparation

The financial statements of the Society have been drawn up in accordance with the provisions of the Societies Act (Chapter 311), Charities Act (Chapter 37), and Financial Reporting Standards ("FRSs"). The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollar ("SGD" or "\$") which is the Society's functional currency. All financial information presented in Singapore Dollar has been rounded to the nearest thousand (\$'000) unless otherwise indicated.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Adoption of new and revised standards

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Society has adopted all the new and amended standards which are relevant to the Society and are effective for annual financial periods beginning on or after 1 January 2019. The adoption of these standards did not have any effect on the financial performance or position of the Society.

3.3 Standards issued but not yet effective

The Society has not adopted the following standards applicable to the Society that have been issued but not yet effective:

<u>Description</u>	<u>Effective for annual periods beginning on or after</u>
Amendments to References to the Conceptual Framework in FRS Standards	1 January 2020
Amendments to FRS 1 and : Definition of Material FRS 8	1 January 2020
Amendments to FRS 3 : Definition of a Business	1 January 2020
Amendments to FRS 9, : Interest Rate Benchmark Reform FRS 39 and FRS 7	1 January 2020
Amendments to FRS 110 and : Sale or Contribution of Assets FRS 28 : between an Investor and its Associate or Joint Venture	Date to be determined

The Board of management expects that the adoption of the standards above will have no material impact on the financial statements in the financial year of initial application.

3.4 Plant and equipment

All items of plant and equipment are initially recorded at cost. Subsequent to recognition, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated using the straight-line method to allocate depreciable amounts basis over their estimated useful lives. The estimated useful lives are as follows:

	<u>Years</u>
Office equipment and furniture	- 3
Computers	- 3
Air conditioners	- 3
Renovation	- 5 - 6

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful lives and depreciation method are reviewed at the end of each reporting period, and are adjusted prospectively, if appropriate.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in profit or loss in the year the asset is derecognised.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.5 Impairment of non-financial assets

The Society 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 Society 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 or groups of 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.

3.6 Financial instruments

(a) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when, the Society becomes a party to the contractual provisions of the instruments.

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

Trade receivables are measured at the amount of consideration to which the Society expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

Subsequent measurement

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through amortisation process.

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.6 Financial instruments (Continued)

(b) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Society becomes a party to the contractual provisions of the financial instrument. The Society determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at FVPL, directly attributable transaction costs.

Subsequent measurement

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

Derecognition

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

3.7 Impairment of financial assets

The Society recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at FVPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Society expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For receivables, the Society applies a simplified approach in calculating ECLs. Therefore, the Society does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Society has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Society considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Society may also consider a financial asset to be in default when internal or external information indicates that the Society is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Society. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.8 Cash and cash equivalents

Cash and cash equivalents comprise of cash at banks and on hand which are subject to an insignificant risk of changes in value. These also include bank overdrafts that form an integral part of the Society's cash management.

3.9 Provisions

Provisions are recognised when the Society has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be recognised to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period 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.

3.10 Government grants

Grants are not recognised until there is reasonable assurance that the grant will be received and all conditions attached to it have been met. Grants for capital expenditures are recognised in the statement of financial activities when the Society has entitlement to the income and not deferred over the useful life of the asset.

3.11 Employee benefits

(a) Defined contribution plans

As required by law, the Society contributes to the employees' Central Provident Fund ("CPF") scheme in Singapore, a defined contribution pension scheme. Contributions to CPF are recognised as compensation expenses in the same period as the employment that gives rise to the contribution.

(b) Employee leave entitlement

Employee entitlements to annual leave are recognised as a liability when they are accrued to the employees. The undiscounted liability for leave expected to be settled wholly before twelve months after the end of the reporting period is recognised for services rendered by employees up to the end of the reporting period.

3.12 Leases

These accounting policies are applied **on and after the initial application date of FRS 116, 1 January 2019:**

The Society assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As lessee

The Society applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. During the financial year, the Society's short-term leases and leases of contracts are of low value asset.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.12 Leases (Continued)

These accounting policies are applied **on and after the initial application date of FRS 116, 1 January 2019:** (Continued)

Short-term leases and leases of low-value assets

The Society applies the short-term lease recognition exemption to its short-term leases of office premise (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of photocopier machine that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

These accounting policies are applied **before the initial application date of FRS 116, 1 January 2019:**

As lessee

Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

3.13 Funds

(a) Unrestricted funds

The accumulated funds are used for the general purposes of the Society as set out in its governing document. If part of an unrestricted fund is earmarked for a particular project, it may be designated as a separate fund (known as 'Designated Fund'). The designation has an administrative purpose only, and does not legally restrict the Board of Management's discretion to apply the fund. The Society respects the donors' intended use of the funds and will endeavour to request for donors' permission should a change of use be deemed necessary.

(b) Restricted funds

Restricted funds are funds subject to specific funded programmes by government, charity bodies and donors, but still within the wider objects of the Society.

Restricted funds may only be utilised in accordance with the purposes established by the sources of such funds and are in contrast with unrestricted funds over which the Board of Management retains full control to use in achieving its institutional purposes.

The Society classifies the following funds as restricted funds:

- Project Funds
- In Memory of Jagraj Verma Fund
- Sexual Assault Care Centre Fund
- Support Services (Helpline) Fund

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.14 Income

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

Income is recognised when the Society satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of income recognised is the amount allocated to the satisfied performance obligation.

(a) Donations and sponsorships

Donations are recognised when received with unconditional entitlement to the receipts. Sponsorship-in-kinds are recognised when the fair value of the assets received can be reasonably ascertained.

(b) Fund raising

Income from special events are recognised when the event takes place.

(c) Government grants

Comprised of government subventions and grants for the programmes run by the Society. These are recognised as income according to the conditions of the funding agreements. The grants are recognised as income on a systematic basis over the period in which the Society recognises the expenses and related costs for which the grants are intended to compensate.

(d) Rendering of services

Income arising from the rendering of services which are of short-term duration is recognised when the services have been performed and rendered and satisfying the performance obligation.

(e) Other income

Comprised of government credits, refunds and reimbursements are recognised as and when received. Other income also comprises of interest earned from fixed deposits placed with banks.

3.15 Recognition of expenditures

Expenditures are recognised in the statement of financial activities once the services have been received unless the expenditure qualifies for capitalisation as assets such as plant and equipment. Expenditure on performance-related grants are recognised to the extent the specified service has been provided. Expenditures in the statement of financial activities are classified under the costs of generating funds, charitable activities' expenses and governance costs.

(a) Classification

(i) Costs of generating funds

All cost associated with generating income from all sources other than from undertaking charitable activities are included under cost of generating funds.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.15 Recognition of expenditures (Continued)

(a) Classification (Continued)

(ii) Charitable activities expenses

All resources applied in undertaking activities to meet the Society's charitable objectives are classified under charitable activities expenses.

(iii) Governance costs

This includes costs of governance arrangements that relate to the general running of the Society as opposed to the direct management functions inherent in generating funds, service delivery and programme or project work. These activities provide the governance infrastructure, which allows the charity to operate, and to generate the information required for public accountability. They include the strategic planning processes that contribute to future development of the Society.

(b) Allocation of costs

Where appropriate, expenditures that are specifically identifiable to each cost classification are allocated directly to the type of costs incurred.

3.16 Contingencies

A contingent liability is:

- (a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Society; or
- (b) a present obligation that arises from past events but is not recognised because:
 - (i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - (ii) The amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Society.

Contingent liabilities and assets are not recognised on the statement of financial position of the Society, except for contingent liabilities assumed in a business combination that are present obligations and for which the fair values can be reliably determined.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

4 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The Society made judgements, estimates and assumptions about the carrying amounts of assets and liabilities that were not readily apparent from other sources in the application of the Society's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors that are considered to be reasonable under the circumstances. Actual results may differ from the estimates.

4.1 Judgements made in applying accounting policies

Management is of the opinion that there are no significant judgements made in applying accounting estimates and policies that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4.2 Key sources of estimation uncertainty*Government funding receivables*

The Society has recognised its receivables from government agencies on the basis that the Society will meet and comply with all the regulatory requirements of the funding agreements and the full amount fund allocated will be received by the Society. The management has relied on past experiences, knowledge and judgement in making these estimates. The carrying amount of the assets arising from the government funding receivables at the end of the reporting period is disclosed in Note 8 to the financial statements.

5 RELATED PARTY DISCLOSURES

In addition to the related party information disclosed elsewhere in the financial statements, the following transactions with related parties took place at terms agreed between the parties during the financial year.

(a) Significant related party transactions

	<u>2019</u>	<u>2018</u>
	\$	\$
<i>Members of Board of Management</i>		
Training and development fees	15,360	11,070
Other activities operating expenses	5,000	150
International Travel	1,967	-
IT and computer expenses	945	-
General expenses	76	-
Expenses paid on behalf of the Society	-	4,555
Honorarium fees	-	150
	<u> </u>	<u> </u>
	<u>2019</u>	<u>2018</u>
	\$	\$
<i>Related party, Savanant Pte. Ltd.</i>		
Consultancy fees	50,598	-
General consultancy fees	6,000	18,630
Expenses paid on behalf of the Society	2,711	3,559
Training and development fees	360	5,280
IT and computer expenses	120	5,290
Honorarium fees	-	650
	<u> </u>	<u> </u>

ASSOCIATION OF WOMEN FOR ACTION AND RESEARCH

UEN No. S85SS0089B

*(Registered under the Societies Act, Chapter 311 and Charities Act, Chapter 37, Singapore)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2019***5 RELATED PARTY DISCLOSURES (Continued)****(b) Remuneration of key management personnel**

During the financial year ended 31 December 2019, there was 1 key management personnel (2018: 1). The key management personnel consists of only the executive director who has the responsibility to plan, direct and control the activities of the Society.

	<u>2019</u>	<u>2018</u>
	\$	\$
Salaries and other short-term employee benefits	118,492	105,185
Employer's CPF contribution	15,315	15,975
Annual remuneration	<u>133,807</u>	<u>121,160</u>
	No. of staff	
Breakdown by remuneration band	<u>2019</u>	<u>2018</u>
Above \$100,000	<u>2</u>	<u>1</u>

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ASSOCIATION OF WOMEN FOR ACTION AND RESEARCH

UEN No. S85SS0089B

(Registered under the Societies Act, Chapter 311 and Charities Act, Chapter 37, Singapore)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

6 DETAILED STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted Funds		Restricted Funds			Total restricted Funds	Total Funds
	Accumulated Funds	Project Funds	In memory of Jagraj Verma Fund	Sexual Assault Care Centre Fund	Support Services (Helpline) Fund		
	\$	\$	\$	\$	\$	\$	\$
2019 INCOME							
Income from generating funds							
<u>Voluntary income</u>							
Tax deductible donations	310,823	446,166	-	168,226	147,014	761,406	1,072,229
Non-tax deductible donations	48,504	3,214	-	4,238	305	7,757	56,261
Grants							
- Care and Share	-	705,365	-	-	-	705,365	705,365
- Tote Board Social Service Fund	-	-	-	97,194	97,194	194,388	194,388
- Other grants	58,806	-	-	-	-	-	58,806
Membership subscriptions	14,210	-	-	-	-	-	14,210
Sponsorship-in-kind	98,070	-	-	-	-	-	98,070
	<u>530,413</u>	<u>1,154,745</u>	<u>-</u>	<u>269,658</u>	<u>244,513</u>	<u>1,668,916</u>	<u>2,199,329</u>
<u>Activities for generating funds</u>							
Counselling and training contribution	655,898	12,810	-	10,659	42,304	65,773	721,671
Fund raising activities							
- Time Traveller's Ball 2019 event (tax deductible donations)	481,877	-	-	-	-	-	481,877
- Time Traveller's Ball 2019 event (non-tax deductible donations)	143,164	-	-	-	-	-	143,164
- Revolution Ball 2018 event (non-tax deductible donations)	2,000	-	-	-	-	-	2,000
Activities income	4,497	14,111	-	-	-	14,111	18,608
	<u>1,287,436</u>	<u>26,921</u>	<u>-</u>	<u>10,659</u>	<u>42,304</u>	<u>79,884</u>	<u>1,367,320</u>
Other income							
Interest on fixed deposits	50,640	-	-	-	-	-	50,640
Other income	20,415	705	-	-	-	705	21,120
	<u>71,055</u>	<u>705</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>705</u>	<u>71,760</u>
TOTAL INCOME	<u>1,888,904</u>	<u>1,182,371</u>	<u>-</u>	<u>280,317</u>	<u>286,817</u>	<u>1,749,505</u>	<u>3,638,409</u>
EXPENDITURE							
Costs of generating funds							
<u>Costs of generating activities</u>							
Time Traveller's Ball 2019 event expenses	(142,314)	-	-	-	-	-	(142,314)
Voluntary operating expenses	(5,458)	-	-	(642)	-	(642)	(6,100)
	<u>(147,772)</u>	<u>-</u>	<u>-</u>	<u>(642)</u>	<u>-</u>	<u>(642)</u>	<u>(148,414)</u>
<u>Costs of generating voluntary income</u>							
Costs of sponsorship-in-kind	(98,070)	-	-	-	-	-	(98,070)
	<u>(245,842)</u>	<u>-</u>	<u>-</u>	<u>(642)</u>	<u>-</u>	<u>(642)</u>	<u>(246,484)</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

6 DETAILED STATEMENT OF FINANCIAL ACTIVITIES (Continued)

	Unrestricted Funds		Restricted Funds			Total Funds
	Accumulated Funds	Project Funds	In memory of Jagraj Verma Fund	Sexual Assault Care Centre Fund	Support Services (Helpline) Fund	
	\$	\$	\$	\$	\$	\$
2019						
EXPENDITURE (Continued)						
Charitable activities expenses						
Staff costs						
Staff salaries, bonus and CPF	(532,763)	(755,317)	-	(220,571)	(326,161)	(1,834,812)
Training and development fees	(18,150)	(2,320)	-	-	-	(20,470)
Intern allowance	(4,783)	(7,987)	-	(1,961)	(1,485)	(16,216)
Staff insurance	(3,017)	(401)	-	(2,403)	(2,403)	(8,224)
Staff welfare	(3,678)	(515)	-	(1,184)	(1,844)	(7,221)
Staff training	(19,991)	-	-	-	-	(19,991)
Medical fees	(1,441)	(200)	-	(1,231)	(1,342)	(4,214)
	<u>(583,823)</u>	<u>(766,740)</u>	<u>-</u>	<u>(227,350)</u>	<u>(333,235)</u>	<u>(1,911,148)</u>
Facilities costs						
Office operating expenses	(10,490)	(4,849)	-	(9,055)	(10,121)	(34,515)
Rental of premises, equipment and miscellaneous	(17,148)	(2,293)	-	(4,081)	(4,081)	(27,603)
IT and computer expenses	(7,563)	(979)	-	(96)	(2,211)	(10,849)
Library	(88)	(13)	-	(76)	(349)	(526)
	<u>(35,289)</u>	<u>(8,134)</u>	<u>-</u>	<u>(13,308)</u>	<u>(16,762)</u>	<u>(73,493)</u>
Programme costs						
Other activities operating expenses	(22,366)	(112,709)	-	-	(750)	(135,825)
Counselling	-	-	-	(7,260)	(27,050)	(34,310)
Transportation and travel	(14,850)	(5,628)	-	(2,933)	(1,395)	(24,806)
Refreshment	(1,915)	(6,169)	-	(569)	(521)	(9,174)
	<u>(39,131)</u>	<u>(124,506)</u>	<u>-</u>	<u>(10,762)</u>	<u>(29,716)</u>	<u>(204,115)</u>
Other operating expenses						
Care and share disbursement	-	(58,407)	-	-	-	(58,407)
General consultancy	(37,293)	(4,520)	-	(1,800)	(1,800)	(45,413)
Honorarium	(2,550)	(1,690)	-	-	-	(4,240)
Bank charges	(10,520)	(1,566)	-	(715)	(541)	(13,342)
Commission expenses	(78,814)	-	-	-	-	(78,814)
Insurance	(1,238)	(177)	-	(1,061)	(1,061)	(3,537)
General meeting	(315)	(45)	-	(270)	(270)	(900)
Entertainment	(1,049)	(38)	-	-	-	(1,087)
Advertising	(225)	-	-	-	-	(225)
Merchandise	(2,377)	-	-	-	-	(2,377)
General expenses	(719)	(68)	-	(212)	(138)	(1,137)
Membership and subscription	(184)	(26)	-	(158)	(158)	(526)
Marketing and publicity	(959)	(1,925)	-	(827)	(813)	(4,524)
	<u>(136,243)</u>	<u>(68,462)</u>	<u>-</u>	<u>(5,043)</u>	<u>(4,781)</u>	<u>(214,529)</u>
	<u>(794,486)</u>	<u>(967,842)</u>	<u>-</u>	<u>(256,463)</u>	<u>(384,494)</u>	<u>(2,403,285)</u>
Governance costs						
Audit fees	(2,100)	(300)	-	(1,800)	(1,800)	(6,000)
Other expenditure						
Depreciation of plant and equipment	-	(47,657)	-	-	-	(47,657)
TOTAL EXPENDITURE	<u>(1,042,428)</u>	<u>(1,015,799)</u>	<u>-</u>	<u>(258,905)</u>	<u>(386,294)</u>	<u>(2,703,426)</u>
NET INCOME/(LOSS) FOR THE FINANCIAL YEAR	<u>846,476</u>	<u>166,572</u>	<u>-</u>	<u>21,412</u>	<u>(99,477)</u>	<u>934,983</u>

ASSOCIATION OF WOMEN FOR ACTION AND RESEARCH

UEN No. S85SS0089B

(Registered under the Societies Act, Chapter 311 and Charities Act, Chapter 37, Singapore)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

6 DETAILED STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted Funds		Restricted Funds				Total Funds
	Accumulated Funds \$	Project Funds \$	In memory of Jagraj Verma Fund \$	Sexual Assault Care Centre Fund \$	Support Services (Helpline) Fund \$	Total restricted Funds \$	\$
2018							
INCOME							
Income from generating funds							
<u>Voluntary income</u>							
Tax deductible donations	136,425	388,782	-	51,594	44,540	484,916	621,341
Non-tax deductible donations	17,611	22,093	-	7,932	1,866	31,891	49,502
Grants							
- Care and Share	-	510,485	-	-	-	510,485	510,485
- Tote Board Social Service Fund	-	-	-	94,628	94,628	189,256	189,256
- Other grants	177,250	5,000	-	-	22,500	27,500	204,750
Membership subscriptions	10,000	-	-	-	-	-	10,000
Sponsorship-in-kind	750	-	-	-	-	-	750
	<u>342,036</u>	<u>926,360</u>	<u>-</u>	<u>154,154</u>	<u>163,534</u>	<u>1,244,048</u>	<u>1,586,084</u>
<u>Activities for generating funds</u>							
Counselling and training contribution	300	362,835	-	8,168	38,601	409,604	409,904
Fund raising activities							
- Revolution Ball 2018 event (tax deductible donations)	386,504	-	-	-	-	-	386,504
- Revolution Ball 2018 event (non-tax deductible donations)	82,424	-	-	-	-	-	82,424
Activities income	-	1,050	-	-	-	1,050	1,050
	<u>469,228</u>	<u>363,885</u>	<u>-</u>	<u>8,168</u>	<u>38,601</u>	<u>410,654</u>	<u>879,882</u>
Other income							
Interest on fixed deposits	30,371	-	-	-	-	-	30,371
Other income	15,907	2,063	-	-	-	2,063	17,970
	<u>46,278</u>	<u>2,063</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,063</u>	<u>48,341</u>
TOTAL INCOME	<u>857,542</u>	<u>1,292,308</u>	<u>-</u>	<u>162,322</u>	<u>202,135</u>	<u>1,656,765</u>	<u>2,514,307</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

6 DETAILED STATEMENT OF FINANCIAL ACTIVITIES (Continued)

	Unrestricted Funds		Restricted Funds			Total Funds
	Accumulated Funds	Project Funds	In memory of Jagraj Verma Fund	Sexual Assault Care Centre Fund	Support Services (Helpline) Fund	
	\$	\$	\$	\$	\$	\$
2018						
EXPENDITURE						
Costs of generating funds						
<u>Costs of generating activities</u>						
Revolution Ball 2018 event expenses	(123,533)	-	-	-	-	(123,533)
Voluntary operating expenses	(1,672)	(1,353)	-	(18)	(445)	(3,488)
	(125,205)	(1,353)	-	(18)	(445)	(127,021)
<u>Costs of generating voluntary income</u>						
Costs of sponsorship-in-kind	(750)	-	-	-	-	(750)
	(125,955)	(1,353)	-	(18)	(445)	(127,771)
Charitable activities expenses						
<u>Staff costs</u>						
Staff salaries, bonus and CPF	(113,021)	(711,814)	-	(256,293)	(298,674)	(1,379,802)
Training and development fees	-	(26,184)	-	-	-	(26,184)
Intern allowance	(1,027)	(10,337)	-	(2,488)	(2,608)	(16,460)
Staff insurance	(1,869)	(624)	-	(1,870)	(1,869)	(6,232)
Staff welfare	(1,477)	(972)	-	(971)	(282)	(3,702)
Medical fees	(641)	(214)	-	(641)	(641)	(2,137)
	(118,035)	(750,145)	-	(262,263)	(304,074)	(1,434,517)
<u>Facilities costs</u>						
Office operating expenses	(9,164)	(8,928)	-	(11,181)	(11,641)	(40,914)
Rental of premises, equipment and miscellaneous	(4,209)	(7,383)	-	(4,154)	(4,344)	(20,090)
IT and computer expenses	(3,165)	(1,378)	-	(344)	(2,959)	(7,846)
Library	-	(191)	-	-	(236)	(427)
	(16,538)	(17,880)	-	(15,679)	(19,180)	(69,277)
<u>Programme costs</u>						
Other activities operating expenses	(2,574)	(308,063)	-	-	(50)	(310,687)
Counselling	-	-	-	(9,150)	(22,710)	(31,860)
Transportation and travel	(647)	(20,839)	-	(3,723)	(1,138)	(26,347)
Refreshments	(3,099)	(8,434)	-	(1,483)	(1,859)	(14,875)
	(6,320)	(337,336)	-	(14,356)	(25,757)	(383,769)
<u>Other operating expenses</u>						
Care and share disbursement	(11,521)	(25,053)	-	(10,947)	(51,819)	(99,340)
General consultancy	(6,088)	(1,475)	-	(4,214)	(2,214)	(13,991)
Honorarium	(50)	(10,850)	-	-	(25)	(10,925)
Bank charges	(4,356)	(1,053)	-	(684)	(497)	(6,590)
Commission expenses	-	(4,925)	-	-	-	(4,925)
Insurance	(940)	(314)	-	(941)	(941)	(3,136)
General meeting	(401)	(134)	-	(401)	(402)	(1,338)
Entertainment	(1,121)	-	-	-	-	(1,121)
Merchandise	(102)	(468)	-	-	-	(570)
General expenses	(162)	(216)	-	(20)	(157)	(555)
Membership and subscription	(45)	(15)	-	(45)	(285)	(390)
Marketing and publicity	-	(218)	-	-	(3)	(221)
	(24,786)	(44,721)	-	(17,252)	(56,343)	(143,102)
	(165,679)	(1,150,082)	-	(309,550)	(405,354)	(2,030,665)

ASSOCIATION OF WOMEN FOR ACTION AND RESEARCH

UEN No. S85SS0089B

(Registered under the Societies Act, Chapter 311 and Charities Act, Chapter 37, Singapore)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

6 DETAILED STATEMENT OF FINANCIAL ACTIVITIES (Continued)

	Unrestricted Funds	Restricted Funds				Total Funds	
	Accumulated Funds \$	Project Funds \$	In memory of Jagraj Verma Fund \$	Sexual Assault Care Centre Fund \$	Support Services (Helpline) Fund \$	Total restricted Funds \$	\$
2018							
EXPENDITURE (Continued)							
Governance costs							
Audit fees	(1,900)	(634)	-	(1,900)	(1,900)	(4,434)	(6,334)
Other expenditure							
Depreciation of plant and equipment	(620)	(47,656)	-	-	-	(47,656)	(48,276)
TOTAL EXPENDITURE	(294,154)	(1,199,725)	-	(311,468)	(407,699)	(1,918,892)	(2,213,046)
NET INCOME/(LOSS) FOR THE FINANCIAL YEAR	563,388	92,583	-	(149,146)	(205,564)	(262,127)	301,261

ASSOCIATION OF WOMEN FOR ACTION AND RESEARCH

UEN No.: S85SS0089B

(Registered under the Societies Act, Chapter 311 and Charities Act, Chapter 37, Singapore)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

7 CASH AND CASH EQUIVALENTS

	<u>2019</u>	<u>2018</u>
	\$	\$
Fixed deposits	2,773,552	1,973,978
Cash at banks	1,906,079	1,610,274
Short-term deposits	611,775	458,184
Cash on hand	1,000	1,000
	<u>5,292,406</u>	<u>4,043,436</u>

Cash at banks are held in interest bearing accounts and earn interest at a rate of 0.01% (2018: 0.01%) per annum.

Short-term deposits have a maturity of 1 month (2018: 1 month) and earn interest at a rate of 0.05% (2018: 0.05%) per annum.

Unused funds are placed out in Singapore Dollar denominated fixed deposits with a local financial institution. Fixed deposits earn interest at rates ranging from 1.10% to 2.00% (2018: 1.18% to 1.83%) per annum and mature between March 2020 to November 2020.

For the purpose of the statement of cash flows, cash and cash equivalents are comprised of the balances as shown above.

Cash and cash equivalents are denominated in Singapore Dollar.

8 RECEIVABLES

	<u>2019</u>	<u>2018</u>
	\$	\$
Government funding receivables	102,370	147,676
Third parties	91,567	58,085
Interest receivables – fixed deposits	25,949	7,035
Prepayments	7,387	12,397
Deposits	6,251	6,051
	<u>233,524</u>	<u>231,244</u>
Total receivables (excluding prepayments)	226,137	218,847
Add: Cash and cash equivalents (Note 7)	5,292,406	4,043,436
Total financial assets carried at amortised cost	<u>5,518,543</u>	<u>4,262,283</u>

Receivables are denominated in Singapore Dollar.

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ASSOCIATION OF WOMEN FOR ACTION AND RESEARCH

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(Registered under the Societies Act, Chapter 311 and Charities Act, Chapter 37, Singapore)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

9 PLANT AND EQUIPMENT

	Office equipment and furniture \$	Computers \$	Air conditioners \$	Renovation \$	Total \$
Cost					
At 1 January 2018	3,638	3,691	1,862	280,301	289,492
Additions	-	-	-	2,410	2,410
At 31 December 2018 and 1 January 2019	3,638	3,691	1,862	282,711	291,902
Additions	-	-	-	110,600	110,600
At 31 December 2019	3,638	3,691	1,862	393,311	402,502
Accumulated depreciation					
At 1 January 2018	3,638	3,691	1,242	183,207	191,778
Charge for the financial year	-	-	620	47,656	48,276
At 31 December 2018 and 1 January 2019	3,638	3,691	1,862	230,863	240,054
Charge for the financial year	-	-	-	47,657	47,657
At 31 December 2019	3,638	3,691	1,862	278,520	287,711
Net carrying amount					
At 31 December 2018	-	-	-	51,848	51,848
At 31 December 2019	-	-	-	114,791	114,791

The additions in the current year relate to amount of \$110,600, a non-cash item which relates to reinstatement provision required under the Society's operating lease on its office premises. A corresponding credit was recorded as a provision for reinstatement cost in Note 10.

10 PAYABLES

	<u>2019</u> \$	<u>2018</u> \$
Contract liabilities	462,969	244,382
Accruals	141,763	91,740
Provision for reinstatement cost	110,600	-
	<u>715,332</u>	<u>336,122</u>
Total payables	715,332	336,122
Less: Provision for reinstatement cost	(110,600)	-
Total financial liabilities carried at amortised cost	<u>604,732</u>	<u>336,122</u>

Contract liabilities relate to grant or donations received for future accounting periods or the donor has imposed conditions which must be met before the Society has unconditional entitlement.

Payables are denominated in Singapore Dollar.

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ASSOCIATION OF WOMEN FOR ACTION AND RESEARCH

UEN No.: S85SS0089B

(Registered under the Societies Act, Chapter 311 and Charities Act, Chapter 37, Singapore)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

11 FUNDS***Unrestricted funds – Accumulated funds***

Accumulated funds are expendable at the discretion of the Board in furtherance of the Society's objectives and purposes.

	At the beginning of financial year \$	Income \$	Expenditure \$	Transfers from/(to) \$	At the end of financial year \$
2019					
Main Fund	2,010,828	493,069	(332,467)	415,900	2,587,330
Catalyse Consulting	194,076	662,685	(525,565)	5,850	337,046
International Women's Day	(2,370)	-	-	2,370	-
AWARE SAGA	-	56,110	(36,372)	-	19,738
Time Traveller's Ball 2019	-	675,040	(148,024)	(236,006)	291,010
Revolution Ball 2018	443,787	2,000	-	(445,787)	-
Total funds	2,646,321	1,888,904	(1,042,428)	(257,673)	3,235,124
2018					
Main Fund	1,741,184	286,864	(164,893)	147,673	2,010,828
Catalyse Consulting	-	-	-	194,076	194,076
International Women's Day	-	1,750	(4,120)	-	(2,370)
Revolution Ball 2018	-	568,928	(125,141)	-	443,787
Love Ball 2017	257,494	-	-	(257,494)	-
World Ball 2016	166,703	-	-	(166,703)	-
Total funds	2,165,381	857,542	(294,154)	(82,448)	2,646,321

Restricted funds – Project funds

	At the beginning of financial year \$	Income \$	Expenditure \$	Transfers from/(to) \$	At the end of financial year \$
2019					
Aim for Zero	161,034	16,891	(78,741)	-	99,184
Building Dreams Project	24,852	80,650	(35,977)	-	69,525
Care and Share	142,918	705,365	(499,200)	-	349,083
Lee Foundation (Research)	-	-	-	-	-
Power Fund	-	7,500	(29,579)	22,079	-
Civil Society Capacity Fund	-	3,021	(8,459)	5,438	-
MIS Research	-	204,100	(73,032)	-	131,068
Superwomen in Concert	-	13,419	(5,166)	10,000	18,253
Research & Advocacy	3,225	110,165	(140,444)	207,156	180,102
SELF	15,000	-	-	-	15,000
S.H.E. Project	165,929	23,880	(118,609)	2,500	73,700
Support Group	19,304	16,925	(26,534)	-	9,695
We Can	59,068	455	(58)	-	59,465
Total funds	591,330	1,182,371	(1,015,799)	247,173	1,005,075

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NOTES TO THE FINANCIAL STATEMENTS

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11 FUNDS (Continued)**Restricted funds – Project funds**

	At the beginning of financial year	Income	Expenditure	Transfers from/(to)	At the end of financial year
2018					
Aim for Zero	-	27,830	(12,866)	146,070	161,034
Building Dreams Project	54,747	23,310	(56,310)	3,105	24,852
Catalyse Consulting	56,508	357,145	(228,839)	(184,814)	-
Care and Share	41,403	510,485	(401,684)	(7,286)	142,918
CEDAW	-	-	(35)	35	-
JP Morgan ElderCare Project	132,400	-	(132,400)	-	-
Lee Foundation (Research)	52,154	16,644	(104,348)	35,550	-
Power Fund	-	167,500	(190,222)	22,722	-
Research & Advocacy	-	3,500	(275)	-	3,225
SELF	15,000	-	-	-	15,000
S.H.E. Project	-	180,000	(14,071)	-	165,929
Support Group	38,071	2,925	(21,692)	-	19,304
We Can	93,082	2,969	(36,983)	-	59,068
Total funds	483,365	1,292,308	(1,199,725)	15,382	591,330

Restricted funds – fund descriptions

Restricted funds comprise of the following:

(a) Project Fund: Aim for Zero

Aim for Zero is used to fund the Society's initiative to promote zero tolerance to sexual assault and harassment through research, advocacy, education and community engagement.

(b) Project Fund: Building Dreams Project

In collaboration with Daughters of Tomorrow ("DOT"), the Building Dreams Project aims to support and empower lower income women by providing them with back to work support, skills development, employment-bridging and emotional support. This project also includes research and advocacy to campaign for more support for this group.

(c) Project Fund: Catalyse Consulting

Catalyse Consulting, formerly known as AWARE Training Institute Fund, is used to provide training and consultancy to organisations, to further the Society's objectives, and to generate revenue for the Society. This fund is one of the Society's streams of revenue and has no restrictions on the allocation and utilisation of the funds received.

(d) Project Fund: Care and Share

The Care and Share fund is a dollar for dollar matching grant provided by the Government. It is restricted and should be use for infrastructural capability and capacity building and new programme development of the social service sector.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

11 FUNDS (Continued)

Restricted funds – fund descriptions (Continued)

Restricted funds comprise of the following: (Continued)

(e) Project Fund: Civil Society Capacity Fund

The Civil Society Capacity Fund is used to organise a forum called “Apa Itu Activist? 2019”. This Forum is co-organised by AWARE, Community for Advocacy & Political Education and several civil society members. It was held in November 2019 and aimed to take stock of civil society in Singapore and develop practices to facilitate meaningful change in the nation’s political climate. It also served as an avenue for activists from a variety of causes to start important conversations and facilitate meaningful change together.

(f) Project Fund: MIS Research

The MIS Research provides funding for a research study in establishing the minimum amounts of money that different types of household need to live in Singapore for purposes of studying financial adequacy and vulnerability, including the gender dimensions of this issue.

(g) Project Fund: Power Fund

The Power Fund provides financial and capacity-building support to emerging organisations, and new initiatives of established organisations that work with marginalised women and girls.

(h) Project Fund: Superwomen in Concert

Superwomen in Concert is part of AWARE’s 35th anniversary celebration in this year, where Singapore’s biggest female entertainer will come together in one fund-raising concert. Proceeds will benefit AWARE’s Women’s Helpline and Sexual Assault Care Centre services - integral parts of the NGO’s wide-reaching work towards gender equality.

(i) Project Fund: Research & Advocacy

Research and Advocacy fund is used to fund the Society’s research, advocacy and communications work in furtherance of its objectives.

(j) Project Fund: SELF

SELF fund constitutes monies awarded by the National Council of Social Services to the Society to develop a phone app, “SELF”, designated to protect against verbal abuse.

(k) Project Fund: S.H.E. Project

S.H.E. Project is used to fund the Society’s S.H.E. programme to provide support, housing and empowerment for lower income mothers and their families.

(l) Project Fund: Support Group

The Support Group funds various support groups for women, including women contemplating or undergoing divorce and victims of sexual assault.

(m) Project Fund: We Can

We Can fund is used to carry out the We Can! End All Violence against Women campaign that is aimed at educating and mobilising individuals to commit and take steps to end violence against women.

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11 FUNDS (Continued)

Restricted funds – fund descriptions (Continued)

Restricted funds comprise of the following: (Continued)

(n) In Memory of Jagraj Verma Fund

This is a restricted fund donated by the friends and family members of the late Jagraj Verma. The fund is to be used in programmes to educate, empower and support women.

(o) Sexual Assault Care Centre Fund

Sexual Assault Care Centre Fund, formerly known as Sexual Assault Befriender Service, is used to fund the Society's Sexual Assault Care Centre. This care centre provides comprehensive services, including drop-in centre, helpline, counselling, case management, legal advice and befriender services to victims of sexual assault and harassment.

(p) Support Services (Helpline) Fund

Support Services (Helpline) Fund is used to provide an array of services that support women through crisis, including a crisis helpline, legal advice and counselling.

12 INCOME TAX

The Society is registered as a charity organisation under the Charities Act, Chapter 37. As an approved charity, it is exempted from income tax under Section 13(1) of the Income Tax Act, Chapter 134.

13 TAX EXEMPT RECEIPTS

The Society enjoys a concessionary tax treatment whereby qualifying donors are granted enhanced tax deduction for the donations made to the Society. The tax deduction is 2.5 times effective 1 January 2016 until 31 December 2018. This has been extended for another three (3) years until 31 December 2021.

During the financial year ended 31 December 2019, the Society issued tax deductible receipts for donations received amounting to \$1,554,106 (2018: \$1,007,845).

14 OPERATING LEASE COMMITMENTS

As disclosed in Note 3.2 to the financial statements, the Society has adopted all the new and amended standards which are relevant to the Society during the financial year, which includes FRS 116, Leases which is effective beginning on 1 January 2019. However, since the Society's leases are either short-term lease or lease of low-value asset, the adoption of FRS 116 did not have a material impact on the Society's statements of financial position and financial activities for the financial year or to the Society's operating, investing and financing cash flows. Please see Note 3.12 for the accounting policy.

The Society has entered into an operating lease arrangement on a photocopier machine. This has a tenure of 5 years. The lease includes an automatic renewal clause for extending the lease period for a further 5 years.

The rental expense for the photocopier machine recognised in the statement of financial activities for the financial year amounted to \$3,274 (2018: \$3,403).

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

14 OPERATING LEASE COMMITMENTS (Continued)

Future minimum rental under non-cancellable operating lease payable as of 31 December are as follows:

	<u>2019</u>	<u>2018</u>
	\$	\$
Not later than one financial year	3,274	3,403
Later than one financial year but not more than five	13,851	5,052
	<u>17,125</u>	<u>8,455</u>

15 BASIS OF ALLOCATION OF EXPENDITURE

During the year, unless otherwise determined by the Board, the overheads of the Society (excluding staff salaries and benefits) that are not related to Society's office at 5 Dover Crescent as allocated between the following funds, as follows:

	<u>2019</u>	<u>2018</u>
	<u>% of allocation</u>	<u>% of allocation</u>
Main Fund	30	30
Sexual Assault Care Centre Fund	30	30
Support Services (Helpline) Fund	30	30
Catalyse Consulting	5	5
Research and Advocacy	5	5
	<u>100</u>	<u>100</u>

Overheads or common expenditure include the following expenditure:

- (i) Audit fees
- (ii) Board meeting refreshment
- (iii) General expenses
- (iv) Membership
- (v) Newspaper and magazines
- (vi) Photocopying usage
- (vii) Postage, printing and stationery
- (viii) Repair and maintenance
- (ix) Insurance Public/Fire
- (x) Staff Insurance
- (xi) Dental & Medical Expenses

During the financial year, unless otherwise determined by the Board, the overheads of the Society (excluding staff salaries and benefits) are allocated between the following funds, as follows:

	<u>2019</u>	<u>2018</u>
	<u>% of allocation</u>	<u>% of allocation</u>
Main Fund	30	30
Sexual Assault Care Centre Fund	30	30
Support Services (Helpline) Fund	30	30
Research and Advocacy	10	5
Catalyse Consulting	-	5
	<u>100</u>	<u>100</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

15 BASIS OF ALLOCATION OF EXPENDITURE (Continued)

Overheads or common expenditure include the following expenditure:

- (i) Rental of premises and facilities
- (ii) Telecommunication expenses
- (iii) Utilities

Staff salaries and benefits are allocated based on the estimated time spent on the programmes, projects or departments.

16 FINANCIAL RISK MANAGEMENT

The Society's activities expose it to a variety of financial risks from its operations and the use of financial instruments. The key financial risks include credit risk and liquidity risk. The Society has no interest rate risk, foreign currency risk and market price risk.

There has been no change to the Society's exposures to these financial risks or the manner in which it manages and measures the risks.

The policies for managing these risks are summarised below:

Credit risk

Credit risk refer to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Society. The Society's exposure to credit risk arises primarily from receivables. For other financial assets that is cash and cash equivalents, the Society minimises credit risk by dealing exclusively with reputable financial institutions with high credit ratings.

The Society considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The Society has determined the default event on a financial asset to be when the counterparty fails to make contractual payments, within 90 days when they fall due, which are derived based on the Society's historical information.

To minimise credit risk, the Society has developed and maintained the Society's credit risk gradings to categorise exposures according to their degree of risk of default. The credit rating information is supplied by publicly available financial information and the Society's own trading records to rate its major customers and other debtors. The Society considers available reasonable and supportive forwarding-looking information which includes the following indicators:

- Internal credit rating;
- External credit rating;
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations;
- Actual or expected significant changes in the operating results of the debtor;
- Significant increases in credit risk on other financial instruments of the same debtor; or
- Significant changes in the expected performance and behavior of the debtor, including changes in the payment status of debtors in the group and changes in the operating results of the debtor.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making contractual payment.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

16 FINANCIAL RISK MANAGEMENT (Continued)

Credit risk (Continued)

The Society determined that its financial assets are credit-impaired when:

- There is significant difficulty of the debtor;
- A breach of contract, such as a default or past due event; or
- It is becoming probable that the debtor will enter bankruptcy or other financial reorganisation.

The Society categorises receivable for potential write-off when a debtor fails to make contractual payments more than 120 days past due. Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Society. Where loans and receivables have been written off, the Society continues to engage enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

The following are credit risk management practices and quantitative and qualitative information about amounts arising from expected credit losses for receivables.

Receivables

The Society's other receivables comprise mainly of government funding receivables and receivables from third parties. These receivables are considered to be low credit risk as these have low risk of default and the counterparties have a strong capacity to meet its contractual cash flow obligation if demanded in the near term. Accordingly, the Society measured the impairment loss allowance using 12-month ECL and determined that the ECLs is insignificant.

Liquidity risk

Liquidity risk is the risk that the Society will be unable to meet its short-term obligations and this arises due to shortage of funds.

Management monitors and ensures that the Society maintains a level of cash and cash equivalents deemed adequate to finance the Society's operations.

At the end of the reporting period, the Society has non-derivative financial liabilities that are payables amounting to \$604,732 (2018: \$336,122) which will mature within 1 year or less, or repayable on demand.

17 FAIR VALUES

The fair values of financial assets and financial liabilities reported in the statement of financial position approximates carrying amounts of those assets and liabilities, as these are short term in nature.

During the financial year, no amount (2018: NIL) has been recognised in profit or loss in relation to the change in fair value of financial assets or financial liabilities, estimated using a valuation technique.

The Society has no (2018: NIL) fair value measurement recognised on the statement of financial position as at the end of the reporting period.

18 FINANCIAL INSTRUMENTS BY CATEGORY

At the reporting date, the aggregate carrying amounts of financial assets and financial liabilities at amortised cost were disclosed in Notes 8 and 10 to the financial statements.

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19 FUND RAISING EXPENSES

	<u>2019</u>	<u>2018</u>
	\$	\$
Total donations from fund raising activities	1,755,532	1,141,520
Sponsorship-in-kind from fund raising activities	98,070	52,150
Direct costs of fund raising expenses	142,314	125,141
Percentage of direct fund raising expenses and sponsorships in kind over total donations and sponsorships from fund raising activities	<u>13%</u>	<u>15%</u>
Percentage of direct fund raising expenses over total donations from fund raising activities	<u>8%</u>	<u>11%</u>

20 MANAGEMENT OF CONFLICT OF INTEREST POLICY

During the current and previous financial year, no board members have received any remuneration from the Society for their board services.

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

21 RESERVES POSITION AND POLICY*Reserves position*

The Society's reserves position as at the financial years ended are as follow:

	<u>2019</u>	<u>2018</u>	<u>Increase/(decrease)</u>		<u>Percentage of increase/(decrease)</u>	
	\$	\$	\$	\$	%	%
Unrestricted fund	3,235,124	2,646,321	588,803	480,940	22.25	22.21
Restricted funds	<u>1,690,265</u>	<u>1,344,085</u>	<u>346,180</u>	<u>(179,679)</u>	25.76	(11.79)
Total funds	<u>4,925,389</u>	<u>3,990,406</u>	<u>934,983</u>	<u>301,261</u>	23.43	8.17
Total annual operating expenditure	<u>2,703,426</u>	<u>2,213,046</u>	<u>490,380</u>	<u>316,828</u>	22.16	16.71
Ratio of total funds to annual operating expenditure	<u>1.82</u>	<u>1.80</u>				

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

21 RESERVES POSITION AND POLICY (Continued)

Reserves policy

The Society's reserves policy is as follows:

To maintain its reserves at a level which is at least equivalent to 12 months' worth of annual operating expenditure in view of the 12-month lead time for grants to be approved and disbursed.

The reserves will be used in the following manner:

- (a) The Reserves will be held either in cash in current or fixed deposit accounts in accordance with risk guidelines focused on minimising risk and maintaining liquidity. These operational guidelines have been established and approved by the Board.
- (b) The Board regularly (half year) reviews the amount of reserves that are required to ensure that they are adequate.
- (c) If the Reserves fall below threshold of 12 months operating expenses, Board approval will be required to utilise the remaining Reserves. Management will inform the Treasurer/Assistant Treasurer, at least 3 months before the cashflow is expected to breach the threshold.