

**ASSOCIATION OF WOMEN
FOR ACTION AND RESEARCH**

[UEN. S85SS0089B]

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

**AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2017**

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Suhaimi Salleh & Associates

[UEN. S88PF0247L]

Public Accountants and
Chartered Accountants of Singapore

71 Ubi Crescent
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STATEMENT BY THE BOARD

In the opinion of the Board, the financial statements set out on pages 6 to 32 are drawn up so as to present fairly, in all material respects, the state of affairs of the Society as at 31 December 2017 and the results, changes in funds and cash flows of the Society for the year then ended.

At the date of this statement, there are reasonable grounds to believe that the Society will be able to pay its debts as and when they fall due.

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

Teh Hooi Ling	President
Louise Jane Tagliante	1st Vice President
Ranjana Raghunathan	2nd Vice President
Low Su-Im Jean	Treasurer
Tan Joo Hymn	Vice Treasurer
Valerie Gan Garry Hwee Kheng	Secretary
Jasmine Ng Kin Kia	Board Member
Zubaida Mohamed Ali	Board Member
Margaret Thomas	Board Member (co-opted)
Ong Soh Chin	Board Member (co-opted) (Appointed on 17 April 2017)
Loh Chay Koon Winifred	Board Member (co-opted) (Appointed on 22 April 2017)

For and on behalf of the Board,



Teh Hooi Ling
President



Low Su-Im Jean
Treasurer

Singapore, 27 MAR 2018

Suhaimi Salleh & Associates

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Independent auditor's report to the members of:

ASSOCIATION OF WOMEN FOR ACTION AND RESEARCH

[UEN. S85SS0089B]
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Republic of Singapore]

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 as at 31 December 2017, and the statement of financial activities, statement of changes in funds and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Societies Act, Chapter 311 (the "Societies Act"), the Charities Act, Chapter 37 and other relevant regulations (the "Charities Act and Regulations") and Financial Reporting Standards in Singapore ("FRSs") so as to present fairly, in all material respects, the state of affairs of the Society as at 31 December 2017 and the results, changes in funds and cash flows of the Society for the 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 the Board set out on page 2 but does not include the financial statements and our auditor's report thereon.

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

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

Suhaimi Salleh & Associates

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Chartered Accountants of Singapore

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(CONT'D)

Independent auditor's report to the members of:

ASSOCIATION OF WOMEN FOR ACTION AND RESEARCH

[UEN. S85SS0089B]

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

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

Management is responsible for the preparation and fair presentation of financial statements in accordance with the provisions of the Societies Act, the Charities Act and Regulations and FRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Society's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- 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 the Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify 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.

Suhaimi Salleh & Associates

Public Accountants and
Chartered Accountants of Singapore

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(CONT'D)

Independent auditor's report to the members of:

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

- 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.

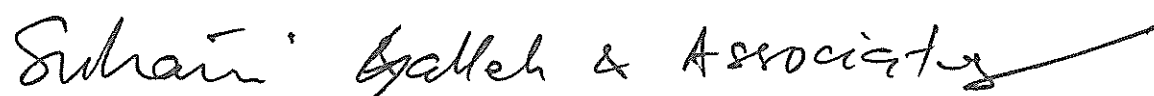
Report on Other Legal and Regulatory Requirements

In our opinion,

- (a) the accounting and other records required to be kept by the Society have been properly kept in accordance with the provisions of the Societies Regulations enacted under the Societies Act, the Charities Act and Regulations; and
- (b) the fund raising appeals held during the year ended 31 December 2017 has 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 caused us to believe that during the year:

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



Suhaimi Salleh & Associates

Public Accountants and
Chartered Accountants
Singapore, 27 MAR 2018

Partner-in-charge: Soo Hon Weng
PAB No.: 01089

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017**

	Unrestricted funds		Restricted funds		Total unrestricted and restricted funds
	Accumulated funds S\$	Project funds S\$	Support Services (Helpline) S\$	Sexual Assault Care Centre S\$	
2017					
INCOME					
Income from generating funds					
Voluntary income					751,473
Tax exempt donations	164,932	196,105	213,900	176,536	13,292
Non-tax exempt donations	5,584	6,694	195	819	
Grants					
- Care and share	0	0	0	0	0
- Tote Board Social Service Fund	0	0	91,826	91,826	183,652
- Other grants	52,280	167,974	476	477	221,207
- Subscriptions	7,315	0	0	0	7,315
	<u>230,111</u>	<u>370,773</u>	<u>306,397</u>	<u>269,658</u>	<u>1,176,939</u>
Activities for generating funds					
Fund raising activities					
- World Ball event (tax exempt donations)	5,000	0	0	0	5,000
- Love Ball event (tax exempt donations)	288,360	0	0	0	288,360
- Love Ball event (non-tax exempt donations)	67,789	0	0	0	67,789
Activities income	0	1,600	0	0	1,600
Counselling / training contribution	0	198,123	26,857	6,620	231,600
	<u>361,149</u>	<u>199,723</u>	<u>26,857</u>	<u>6,620</u>	<u>594,349</u>
Other income					
Interest on fixed deposits	25,503	0	0	0	25,503
Wages credit scheme	7,495	0	0	0	7,495
Other income	8,433	3,051	0	0	11,484
	<u>41,431</u>	<u>3,051</u>	<u>0</u>	<u>0</u>	<u>44,482</u>
TOTAL INCOME	<u>632,691</u>	<u>573,547</u>	<u>333,254</u>	<u>276,278</u>	<u>1,815,770</u>

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017 (CONT'D)**

	Unrestricted funds		Restricted funds		Total unrestricted and restricted funds
	Accumulated funds	Project funds	Support Services (Helpline)	Sexual Assault Care Centre	
	S\$	S\$	S\$	S\$	S\$
2017 (CONT'D)					
LESS: EXPENDITURE					
Audit fees	1,470	490	1,470	1,470	4,900
Bank charges	5,316	720	236	247	6,519
Care and share disbursement	0	61,067	40,555	12,619	114,241
Counselling	0	0	19,860	9,450	29,310
Depreciation of property, plant and equipment	621	47,174	0	0	47,795
Entertainment	1,476	2,383	315	0	4,174
General consultancy	2,450	5,200	2,524	2,450	12,624
General expenses	1,161	1,919	155	211	3,446
General meeting	271	91	271	271	904
Honorarium	0	16,600	0	0	16,600
Insurance	782	275	914	782	2,753
Intern allowance	990	9,040	2,030	470	12,530
IT and computer expenses	2,017	181	0	45	2,243
Library	291	15	0	0	306
Marketing and publicity	404	1,338	1,164	201	3,107
Medical fees	410	1,021	1,167	523	3,121
Membership and subscription	38	15	60	38	151
Office operating expenses	8,662	4,632	11,138	11,101	35,533
Other activities operating expenses	2,466	314,905	34	88	317,493
Refreshment	995	2,299	913	575	4,782
Rental of HDB and equipment	4,050	1,874	4,220	4,049	14,193
Staff insurance	1,297	1,551	1,618	1,696	6,162
Staff salaries, bonus and CPF	106,671	561,368	288,744	174,847	1,131,630
Staff welfare	520	407	74	377	1,378
Training and development fees	0	8,145	10	0	8,155
Balance c/f	142,358	1,042,710	377,472	221,510	1,784,050

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017 (CONT'D)**

	Unrestricted funds		Restricted funds		Total unrestricted and restricted funds S\$
	Accumulated funds S\$	Project funds S\$	Support Services (Helpline) S\$	Sexual Assault Care Centre S\$	
2017 (CONT'D)					
LESS: EXPENDITURE (CONT'D)					
Balance b/f	142,358	1,042,710	377,472	221,510	1,784,050
Transportation and travel	529	12,861	707	843	14,940
Volunteer operating expenses	1,155	0	493	0	1,648
Love Ball 2017 expenses	95,580	0	0	0	95,580
TOTAL EXPENDITURE	239,622	1,055,571	378,672	222,353	1,896,218
SURPLUS / (DEFICIT) FOR THE YEAR	393,069	(482,024)	(45,418)	53,925	(80,448)

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

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017 (CONT'D)**

	Unrestricted funds		Restricted funds			Total unrestricted and restricted funds S\$
	Accumulated funds S\$	Project funds S\$	In Memory of Jagraj Verma fund S\$	Support Services (Helpline) S\$	Sexual Assault Care Centre S\$	
2016						
INCOME						
Income from generating funds						
Voluntary income	114,275	251,678	0	65,650	147,873	579,476
Tax exempt donations	5,326	7,974	0	110	400	13,810
Non-tax exempt donations						
Grants						
- Care and share	0	541,479	0	39,186	4,476	585,141
- Tote Board Social Service Fund	0	0	0	89,238	89,238	178,476
- Other grants	3,820	224,686	0	10,000	47,000	285,506
- Subscriptions	12,150	0	0	0	0	12,150
	135,571	1,025,817	0	204,184	288,987	1,654,559
Activities for generating funds						
Fund raising activities						
- World Ball event (tax exempt donations)	322,170	0	0	0	0	322,170
- World Ball event (non-tax exempt donations)	45,576	0	0	0	0	45,576
Activities income	0	7,083	0	180	0	7,263
Counselling / training contribution	400	55,865	0	18,850	5,704	80,819
	368,146	62,948	0	19,030	5,704	455,828
Other income						
Interest on fixed deposits	17,331	0	0	0	0	17,331
Wages credit scheme	30,771	0	0	0	0	30,771
Other income	23,246	0	0	0	0	23,246
	71,348	0	0	0	0	71,348
TOTAL INCOME	575,065	1,088,765	0	223,214	294,691	2,181,735

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017 (CONT'D)**

	Unrestricted funds		Restricted funds			Total unrestricted and restricted funds S\$
	Accumulated funds S\$	Project funds S\$	In Memory of Jagraj Verma fund S\$	Support Services (Helpline) S\$	Sexual Assault Care Centre S\$	
2016 (CONT'D)						
LESS: EXPENDITURE						
Audit fees	1,225	490	0	1,960	1,225	4,900
Advertising fees	0	100	0	0	0	100
Bank charges	7,407	577	0	670	407	9,061
Care and share disbursement	859	48,823	0	39,185	4,476	93,343
Counselling	0	0	0	20,940	10,110	31,050
Depreciation of property, plant and equipment	1,691	47,174	0	0	0	48,865
Entertainment	1,178	503	0	103	86	1,870
General consultancy	2,162	11,763	0	1,603	1,002	16,530
General expenses	403	109	0	48	22	582
General meeting	404	161	0	646	404	1,615
Honorarium	0	3,800	400	0	0	4,200
Insurance	521	209	0	835	522	2,087
Intern allowance	1,765	6,145	0	1,660	1,490	11,060
IT and computer expenses	3,382	9,826	0	1,733	1,066	16,007
Library	0	336	0	0	27	363
Marketing and publicity	0	20,075	0	0	1,604	21,679
Medical fees	241	1,067	0	735	418	2,461
Membership and subscription	131	53	0	210	131	525
Merchandise	0	0	0	0	0	0
Office operating expenses	10,246	4,731	0	10,038	9,570	34,585
Other activities operating expenses	3,684	42,567	0	0	0	46,251
Refreshment	935	3,698	0	1,729	661	7,023
Rental of HDB and equipment	3,422	2,439	0	5,475	3,422	14,758
Staff insurance	1,494	1,086	0	2,055	1,677	6,312
Staff salaries, bonus and CPF	109,969	474,979	0	210,925	203,509	999,382
Staff welfare	125	377	0	177	45	724
Training and development fees	0	13,258	0	70	150	13,478
Balance c/f	151,244	694,346	400	300,797	242,024	1,388,811

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017 (CONT'D)**

	Unrestricted funds		Restricted funds				Total unrestricted and restricted funds S\$
	Accumulated funds S\$	Project funds S\$	In Memory of Jagraj Verma fund S\$	Support Services (Helpline) S\$	Sexual Assault Care Centre S\$		
2016 (CONT'D)							
LESS: EXPENDITURE							
Balance b/f	151,244	694,346	400	300,797	242,024	1,388,811	
Transportation and travel	580	13,151	0	596	902	15,229	
Volunteer operating expenses	757	77	0	516	0	1,350	
World Ball 2016 expenses	90,658	0	0	0	0	90,658	
TOTAL EXPENDITURE	243,239	707,574	400	301,909	242,926	1,496,048	
SURPLUS / (DEFICIT) FOR THE YEAR	331,826	381,191	(400)	(78,695)	51,765	685,687	

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

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2017

	Note	2017 S\$	2016 S\$
ASSETS			
Current assets			
Cash and cash equivalents	5	1,626,379	2,972,187
Fixed deposits	6	1,966,514	700,000
Other receivables	7	<u>58,950</u>	<u>6,010</u>
		3,651,843	3,678,197
Non-current asset			
Property, plant and equipment	8	<u>97,714</u>	<u>145,509</u>
TOTAL ASSETS		<u><u>3,749,557</u></u>	<u><u>3,823,706</u></u>
LIABILITIES AND ACCUMULATED FUNDS			
Current liabilities			
Accruals	9	<u>60,412</u>	<u>54,113</u>
Total liabilities		<u>60,412</u>	<u>54,113</u>
Funds			
Unrestricted funds			
Accumulated funds	10	2,165,381	1,911,304
Restricted funds			
Project funds	10	483,365	1,010,681
In memory of Jagraj Verma fund	10	4,571	4,571
Support Services (Helpline)	10	555,930	429,684
Sexual Assault Care Centre	10	<u>479,898</u>	<u>413,353</u>
		1,523,764	1,858,289
Total funds		<u>3,689,145</u>	<u>3,769,593</u>
TOTAL LIABILITIES AND ACCUMULATED FUNDS		<u><u>3,749,557</u></u>	<u><u>3,823,706</u></u>

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

**STATEMENT OF CHANGES IN FUNDS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017**

	Unrestricted	Restricted funds			Total unrestricted and restricted funds S\$	
	funds S\$	Project funds S\$	In Memory of Jagraj Verma fund S\$	Support Services (Helpline) S\$		Sexual Assault Care Centre S\$
Balance at 1 January 2016	1,390,688	818,280	4,971	508,379	361,588	3,083,906
Surplus/(deficit) for the year	331,826	381,191	(400)	(78,695)	51,765	685,687
Transfers from/(to)	188,790	(188,790)	0	0	0	0
Balance at 31 December 2016	1,911,304	1,010,681	4,571	429,684	413,353	3,769,593
Surplus/(deficit) for the year	393,069	(482,024)	0	(45,418)	53,925	(80,448)
Transfers from /(to)	(138,992)	(45,292)	0	171,664	12,620	0
Balance at 31 December 2017	2,165,381	483,365	4,571	555,930	479,898	3,689,145

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

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

	Note	2017 S\$	2016 S\$
Cash flows from operating activities			
(Deficit)/surplus for the year		(80,448)	685,687
Adjustments for:			
Interest on fixed deposits		(25,503)	(17,331)
Depreciation of property, plant and equipment	7	47,795	48,865
Operating (deficit)/surplus before working capital changes		<u>(58,156)</u>	<u>717,221</u>
Changes in operating assets and liabilities:			
- Other receivables		(52,940)	7,917
- Accruals		6,299	(12,514)
Net cash (used in)/generated from operating activities		<u>(104,797)</u>	<u>712,624</u>
Cash flows from investing activities			
Fixed deposit interest received		25,503	14,908
Purchase of property, plant and equipment	7	0	(15,587)
(Placement of)/proceeds from fixed deposits		<u>(1,266,514)</u>	<u>205,783</u>
Net cash (used in)/generated from investing activities		<u>(1,241,011)</u>	<u>205,104</u>
Net (decrease)/increase in cash and cash equivalents		(1,345,808)	917,728
Cash and cash equivalents at beginning of financial year		<u>2,972,187</u>	<u>2,054,459</u>
Cash and cash equivalents at end of financial year	5	<u><u>1,626,379</u></u>	<u><u>2,972,187</u></u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017**

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. The Society's registered office and principal place of business is located at 5 Dover Crescent #01-22, Singapore 130005.

The Society was registered as a charity under the Charities Act, Chapter 37 on 23 March 2005. The Society has been accorded an Institution of a Public Character ("IPC") status for the period from 1 March 2016 to 31 August 2018.

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

2. Significant accounting policies

2.1 Basis of preparation

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

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

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

2.1.1 Interpretations and amendments to published standards effective in 2017

In the current financial year, the Society has adopted all the new and revised FRS and interpretations of FRS ("INT FRS") that are relevant to its operations and effective on 1 January 2017. The adoption of the standard did not have any material effect on the financial statements.

2.1.2 Standards issued but not yet effective

The Society did not early adopt the following relevant new/revised FRS, INT FRS and amendments to FRSs that were issued at the date of authorisation of these financial statements but not yet effective until future periods:

Description	Effective for annual periods beginning on or after
FRS 109 Financial instruments	1 January 2018
FRS 115 Revenue from contracts with customers	1 January 2018
FRS 116 Leases	1 January 2019

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

2. Significant accounting policies (Cont'd)

2.2 Income recognition

Income comprises the fair value of the consideration received or receivable in the ordinary course of the Society's activities. Income is recognised as follows:

2.2.1 Donations

Donations are recognised in the statement of financial activities upon receipt. Donations-in-kinds are recognised when the fair value of the assets received can be reasonably ascertained.

2.2.2 Interest income

Interest income is recognised on a time-proportion basis using the effective interest method.

2.2.3 Government grants

Government grants are recognised as income in the financial statements over the periods necessary to match them with the related costs, which they are intended to compensate on a systematic basis.

2.2.4 Other income

Other income is recognised when received.

2.3 Expenditure recognition

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

2.4 Property, plant and equipment

2.4.1 Measurement

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

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any costs that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by Management.

2.4.2 Depreciation

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

	<u>Useful lives</u>
Office equipment and furniture	3
Air conditioners	3
Computers	3
Renovation	5

2. Significant accounting policies (Cont'd)

2.4 Property, plant and equipment (Cont'd)

2.4.2 Depreciation (Cont'd)

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

2.4.3 Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that have already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Society and the cost of the item can be measured reliably. Other subsequent expenditure is recognised as repair and maintenance expenses in statement of financial activities during the financial year in which it is incurred.

2.4.4 Disposal

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

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

2.5 Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever there is any indication that these assets may be impaired. If any such indication exists, the recoverable amount (i.e. the higher of the fair value less cost to sell and value in use) of the assets is estimated to determine the amount of impairment loss.

For the purpose of impairment testing of the assets, recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, recoverable amount is determined for the cash-generating unit (CGU) to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. The impairment loss is recognised in the statement of financial activities.

An impairment loss for an asset is reversed if, there has been a change in the estimates used to determine the assets' recoverable amount since the last impairment loss was recognised. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset is recognised in the statement of financial activities.

2. Significant accounting policies (Cont'd)

2.6 Financial assets

2.6.1 Classification

The Society classifies its financial assets as loans and receivables. The classification depends on the nature of the asset and the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at each reporting date.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except those maturing later than 12 months after the reporting date, which are classified as non-current assets. Loans and receivables are classified within "Cash and cash equivalents", "Fixed deposits" and "Other receivables" on the statement of financial position.

2.6.2 Recognition and derecognition

Usual purchases and sales of financial assets are recognised on trade-date – the date on which the Society commits to purchase or sell the asset.

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

2.6.3 Initial measurement

Financial assets are initially recognised at fair value plus transaction costs.

2.6.4 Subsequent measurement

Loans and receivables are subsequently carried at amortised cost using effective interest method.

2.6.5 Impairment

The Society assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired and recognises an allowance for impairment when such evidence exists.

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments is considered indicators that the receivable is impaired.

An allowance for impairment of loans and receivables, including other receivables, is recognised when there is objective evidence that the Society will not be able to collect all amounts due according to the original terms of the receivables.

The amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. When the amount becomes uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are recognised against the same line item in the statement of financial activities.

2. Significant accounting policies (Cont'd)

2.6 Financial assets (Cont'd)

2.6.5 Impairment (Cont'd)

The allowance for impairment loss account is reduced through statement of financial activities in a subsequent period when the amount of impairment losses decreases and the related decrease can be objectively measured. The carrying amount of the asset previously impaired is increased to the extent that the new carrying amount does not exceed the amortised cost had no impairment been recognised in prior periods.

2.7 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash at banks and short-term highly liquid investments that are readily convertible to a known amount of cash, which are subject to an insignificant risk of changes in value.

2.8 Other receivables

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

2.9 Financial liabilities

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

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

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

2.10 Other payables

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

2. Significant accounting policies (Cont'd)

2.11 Provisions for other liabilities and charges

Provisions for other liabilities and charges are recognised when the Society has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

2.12 Operating leases as lessee

Leases where substantially all risks and rewards incidental to ownership are retained by the lessors are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessors) are recognised in statement of financial activities on a straight-line basis over the period of the lease. When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

Rental on operating leases are recognised as an expenditure in the statement of financial activities on a straight line basis over the lease term. Contingent rents, if any, are charged as expenditure in the statement of financial activities in which they are incurred.

2.13 Employee benefits

2.13.1 Defined contribution plans

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

2.13.2 Employee leave entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the reporting date.

2.14 Foreign currencies

Transactions in foreign currencies are measured in Singapore Dollar and recorded at exchange rates approximating those ruling at the transaction dates. Foreign currency monetary assets and liabilities are measured using the exchange rates ruling at the reporting date. All exchange differences are recognised in the statement of financial activities.

2.15 Funds

Restricted fund balances are restricted by outside sources and may only be utilised in accordance with the purposes for which they are established. Designated funds are earmarked for specific purposes and are largely made up of funds allocated at the discretion of the Board. These designated funds are treated as restricted funds as they contain funds restricted by outside sources.

The Board retains full control over the use of unrestricted funds for any of the Society's purposes.

2. Significant accounting policies (Cont'd)

2.16 Contingencies

Contingent liabilities are not recognised in the financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is not recognised in the financial statements but disclosed when an inflow of economic benefit is probable.

2.17 Events after the reporting date

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

2.18 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 Society if that person:
 - (i) Has control or joint control over the Society;
 - (ii) Has significant influence over the Society; or
 - (iii) Is a member of the key management personnel of the Society or of a parent of the Society;

- (b) An entity is related to the Society if any of the following conditions applies:
 - (i) The entity and the Society 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 Society or an entity related to the Society. If the Society is itself such a plan, the sponsoring employers are also related to the Society;
 - (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. Significant accounting judgements and estimates

The preparation of the Society's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of income, expenditure, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3.1 Judgements made in applying accounting policies

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

3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Society based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Society. Such changes are reflected in the assumptions when they occur.

3.2.1 Impairment of property, plant and equipment

Property, plant and equipment are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired. This requires an estimation of the value in use of the cash-generating units. Estimating the value in use requires the Society to make an estimate of the expected future cash flows from the cash-generating units and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

3.2.2 Useful lives of property, plant and equipment

Management determines the estimated useful lives and the related depreciation for its property, plant and equipment based on the period over which the property, plant and equipment are expected to provide economic benefits. Management's estimation of the useful lives of property, plant and equipment is based on collective assessment of industry practice, internal technical evaluation and experience with similar assets.

The estimation of the useful lives of the property, plant and equipment could change significantly due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of property, plant and equipment. The depreciation charge is increased where useful lives are less than previously estimated lives.

The carrying value of property, plant and equipment as of 31 December 2017 and 2016 is S\$97,714 and S\$145,509 respectively.

Based on Management's assessment, no change in the estimated useful lives of property, plant and equipment is required as of 31 December 2017 and 2016.

4. Income tax

The Society is a charity registered under the Charities Act since 23 March 2005. Consequently, the income of the Society is exempted from tax under the provisions of Section 13 of the Income Tax Act Cap.134.

5. Cash and cash equivalents

	2017 S\$	2016 S\$
Cash on hand	1,000	1,000
Cash at banks	1,169,936	1,957,386
Short-term deposits	455,443	1,013,801
	1,626,379	2,972,187

Short-term deposits have a maturity period of 1 month (2016: 3 months) with interest rate at 0.30% (2016: 0.35% to 1.45%) per annum.

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

6. Fixed deposits

The fixed deposits mature within 2 to 11 months (2016: 6 to 12 months) from the financial year end and earn interest at rates of 1.20% to 1.30% (2016: 0.35% to 1.20%) per annum.

At the reporting date, the carrying amounts of fixed deposits approximate to their fair values.

7. Other receivables

	2017 S\$	2016 S\$
Deposits	1,351	1,171
Income receivables	39,469	0
Interest receivables	15,725	2,723
Prepayments	2,405	2,116
	58,950	6,010

At the reporting date, the carrying amounts of other receivables approximate their fair values.

8. Property, plant and equipment

	Air conditioners S\$	Computers S\$	Office equipment and furniture S\$	Renovation S\$	Total S\$
Cost					
At 1 January 2016	6,950	28,097	13,973	305,925	354,945
Additions	1,862	0	0	13,725	15,587
Disposals	(6,950)	(24,406)	(10,335)	(39,349)	(81,040)
At 31 December 2016	1,862	3,691	3,638	280,301	289,492
Additions	0	0	0	0	0
At 31 December 2017	1,862	3,691	3,638	280,301	289,492
Accumulated depreciation					
At 1 January 2016	6,950	27,027	13,973	128,208	176,158
Depreciation charge	621	1,070	0	47,174	48,865
Disposals	(6,950)	(24,406)	(10,335)	(39,349)	(81,040)
At 31 December 2016	621	3,691	3,638	136,033	143,983
Depreciation charge	621	0	0	47,174	47,795
At 31 December 2017	1,242	3,691	3,638	183,207	191,778
Carrying amount					
31 December 2016	1,241	0	0	144,268	145,509
31 December 2017	620	0	0	97,094	97,714

9. Accruals

	2017 S\$	2016 S\$
Accruals	60,412	54,113

At the reporting date, the carrying amounts of the accruals approximate their fair values.

10. Funds

10.1 Unrestricted funds

Accumulated funds

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

<u>2017</u>	Balance at beginning of year S\$	Income S\$	Expenditure S\$	Transfers from/(to) S\$	Balance at end of year S\$
Main fund	1,749,601	271,542	(140,967)	(138,992)	1,741,184
World Ball	161,703	5,000	0	0	166,703
Love Ball	0	356,149	(98,655)	0	257,494
Total funds	1,911,304	632,691	(239,622)	(138,992)	2,165,381

10. Funds (Cont'd)

10.1 *Unrestricted funds (Cont'd)*

Accumulated funds (Cont'd)

2016	Balance at beginning of year S\$	Income S\$	Expenditure S\$	Transfers (from)/to S\$	Balance at end of year S\$
Main fund	1,390,688	207,320	(147,702)	299,295	1,749,601
World Ball	0	367,745	(95,537)	(110,505)	161,703
Total funds	1,390,688	575,065	(243,239)	188,790	1,911,304

10.2 *Restricted funds*

Project funds

2017	Balance at beginning of year S\$	Income S\$	Expenditure S\$	Transfers (from)/to S\$	Balance at end of year S\$
A Single Love Project (SIL)	48,099	0	(48,099)	0	0
Building Dreams	215,829	49,138	(210,220)	0	54,747
Catalyse Consulting	6,304	201,257	(153,792)	2,739	56,508
Care and share	378,102	0	(257,144)	(79,555)	41,403
CEDAW	0	0	(9,795)	9,795	0
JP Morgan Eldercare Project	136,967	136,986	(141,553)	0	132,400
Lee Foundation (Research)	52,037	102,539	(110,737)	8,315	52,154
SELF	15,000	0	0	0	15,000
Support Group Gender Equality is our Culture Project	24,853	36,777	(28,666)	5,107	38,071
We Can	(30,034)	30,034	0	0	0
	163,524	16,816	(95,565)	8,307	93,082
Total funds	1,010,681	573,547	(1,055,571)	(45,292)	483,365

10. Funds (Cont'd)

10.2 *Restricted funds (Cont'd)*

Project funds (Cont'd)

2016	Balance at beginning of year S\$	Income S\$	Expenditure S\$	Transfers (from)/to S\$	Balance at end of year S\$
A Single Love Project (SIL)	116,513	8,780	(77,194)	0	48,099
Building Dreams	0	120,000	(14,676)	110,505	215,829
Catalyse Consulting	(1,533)	82,552	(74,715)	0	6,304
Care and share	278,007	506,743	(137,093)	(269,555)	378,102
CEDAW	0	530	(530)	0	0
Claire Chang	10,000	0	(10,000)	0	0
CSE	3,326	0	(3,326)	0	0
JP Morgan ElderCare Project	0	136,967	0	0	136,967
Lee Foundation (Research)	140,774	64,259	(152,996)	0	52,037
National Library Board	(26,633)	25,000	0	1,633	0
NVPC	(5,000)	5,000	0	0	0
SELF	15,000	0	0	0	15,000
Support Group	32,570	23,360	(31,077)	0	24,853
Gender Equality is our Culture Project	58,875	962	(83,048)	(6,823)	(30,034)
We Can	196,381	114,612	(122,919)	(24,550)	163,524
Total funds	818,280	1,088,765	(707,574)	(188,790)	1,010,681

These are restricted funds subject to specific trusts, which may be declared by the donor(s) or with their authority or created through legal process but still within the objects of the Society. As at the reporting date, the Society has the following restricted funds:

- (i) A Single Love Project (SIL) supports and empowers single parents; primarily single mothers (single, divorced and widowed) by providing back-to-work support (confidence training and job placement), counselling, befriending and mentoring to single parents, and, through a public campaign, to promote empathy for single parents. Research is also carried out to investigate more deeply the issues faced by single parents.
- (ii) In collaboration with Daughters of Tomorrow (DOT), the Building Dreams Project aims to support and empower underprivileged women by providing them with back to work support, skills development, employment-bridging and emotional support. It also supports our research and advocacy work advocating for more supportive policies for vulnerable and low-income women.
- (iii) 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.
- (iv) 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.

During the year, the Society has incurred additional expenditure of S\$79,555 which was funded out of Care and Share funds and utilized to support activities and programmes run by the Support Services (Helpline), Sexual Assault Care Centre and other projects.

10. Funds (Cont'd)

10.2 *Restricted funds (Cont'd)*

Project funds (Cont'd)

- (v) The Convention on the Elimination of All Forms of Discrimination against Women (CEDAW) Fund is to be used to support the Society's participation in the CEDAW process and to carry out training and education on CEDAW.
- (vi) Claire Chiang Fund is to be used to support women who have been out of the workforce.
- (vii) Comprehensive Sexuality Education (CSE) Fund aims to provide youths with the knowledge and skills to make responsible choices about their sexual health. The programmes may either be targeted at youths or parents to empower them to educate their children on sexuality matters.
- (viii) JP Morgan Eldercare Project, funded by J.P. Morgan and carried out in collaboration with Daughters of Tomorrow (DOT), aims to train and certify financially disadvantaged women aged 27-50 years, in elder care to give them an opportunity to enter the workforce in the high-growth elder care/health care sector with solid career prospects. The programme provides eldercare training and skills development through on-the-job training and job placement with relevant industry partners.
- (ix) Lee Foundation (Research) Fund is used to fund the work of the research and advocacy department in furtherance of AWARE's objectives.
- (x) National Library Board SG50 Grant to AWARE to produce an interactive website to celebrate and document the Singapore Women's Movement in the last 50 years.
- (xi) NVPC Fund is a grant from the National Volunteer and Philanthropy Centre to fund the salary of a volunteer coordinator for the We Can! End All Violence Against Women campaign.
- (xii) 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.
- (xiii) Support Group funds are designed to fund support groups for various groups of women, including women contemplating or undergoing divorce and victims of sexual assault.
- (xiv) Gender Equality is our Culture Project (GEC) Fund are funds awarded by UN Women to AWARE to carry out the 3 year programme "Enabling CEDAW through Gender-Equitable Interpretations and Expressions of Culture in Singapore, Indonesia and Beyond" together with Indonesian NGO, Solidaritas Perempuan.
- (xv) We Can Fund is used to carry out the We Can! End All Violence against Women campaign that is aimed at educating and mobilizing individuals to commit and take steps to end violence against women.

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.

10. Funds (Cont'd)

10.2 *Restricted funds (Cont'd)*

Support Services (Helpline)

Support Services (Helpline) Fund is used to provide an array of services that support women through crisis, including a crisis helpline, legal advice, counselling and befriender services for victims of gender violence (excluding the Sexual Assault Care Centre).

Sexual Assault Care Centre

SACC Fund, formerly known as Sexual Assault Befriender Service, is used to fund AWARE's Sexual Assault Care Centre. This Care Centre provides comprehensive emotional support and legal counselling to victims of sexual assault and harassment.

11. Related party transactions

(a) Related party transactions and balances

	2017 S\$	2016 S\$
General consultancy	23,767	3,008
Honorarium	5,380	0
Other activities operating expenses	800	0
Training and development fees	2,810	710
Transportation and travel	1,388	0
	1,388	0

(b) Compensation of key management personnel

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

	2017 S\$	2016 S\$
Salaries and other short-term employee benefits	101,325	99,053
Post-employment benefits – contribution to CPF	15,705	16,461
	117,030	115,514
No. of executive of the Society in remuneration bands:		
Above S\$100,000	1	1

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

12. Tax-exempt receipts

During the financial year, the Society issued tax-exempt receipts for donations collected amounting to S\$1,044,833 (2016: S\$901,646).

13. Operating lease commitments

The Society leases office equipment from non-related parties under non-cancellable operating lease agreements. These leases have varying terms, escalation clauses and renewal rights.

The future minimum rental payable under non-cancellable operating lease contracted for at the reporting date but not recognised as liabilities, are as follows:

	<u>2017</u>	<u>2016</u>
	S\$	S\$
<u>Lease of office equipment</u>		
Not later than one year	3,403	3,403
Later than one year but not more than five years	8,454	11,857
	11,857	15,260

14. Basis of allocation of expenditure

During the 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>2017</u>	<u>2016</u>
	<u>% of allocation</u>	<u>% of allocation</u>
Main fund	30%	25%
Support services (Helpline)	30%	40%
Sexual Assault Care Centre	30%	25%
Catalyse Consulting	5%	5%
Research	5%	5%

Staff salaries and benefits are allocated based on an estimate of the time they spend on the programme, project or department.

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) Rental of premises and facilities
- (ix) Repair and maintenance
- (x) Telecommunication expenses
- (xi) Utilities
- (xii) Volunteer recognition

15. Financial risk management

The Society is mainly exposed to interest rate risk, credit risk and interest rate risk.

Risk management is carried out under policies approved by the Board. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as credit risk, liquidity risk and interest rate risk use of derivative financial instruments and investing excess liquidity.

15. Financial risk management (Cont'd)

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Society's financial instruments will fluctuate because of changes in market interest rates. The Society's exposure to interest rate risk arises primarily from their cash and cash equivalents.

The Society does not expect any significant effect on the Society's profit or loss arising from the effects of reasonably possible changes to interest rates on interest bearing financial instruments at the end of the financial year.

At the reporting date, the Society does not have variable rate interest-bearing financial instruments, no sensitivity analysis was disclosed.

Credit risk

Credit risk is the potential financial loss resulting from customer defaulting on its contractual obligations to the Society.

The Society has minimal exposure to credit risks due to the nature of its activities.

Liquidity risk

Liquidity risk is the risk that the Society will encounter difficulty in meeting its financial obligations due to shortage of funds. The Society exposure to liquidity risk arises primarily from mis-matches of the maturities of financial assets or liabilities.

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

The table below summarises the maturity profile of the Society's financial assets and liabilities at the end of the reporting period based on the contractual undiscounted repayment obligations:

	Within one year S\$	Later than one year but not later than five years S\$	Total S\$
2017			
Financial assets			
Cash and cash equivalents	1,626,379	0	1,626,379
Fixed deposits	1,966,514	0	1,966,514
Other receivables (excluding prepayments)	56,545	0	56,545
	3,649,438	0	3,649,438
Financial liabilities			
Accruals	(60,412)	0	(60,412)
Net financial assets	3,589,026	0	3,589,026

15. Financial risk management (Cont'd)

Liquidity risk (Cont'd)

	Within one year S\$	Later than one year but not later than five years S\$	Total S\$
2016			
Financial assets			
Cash and cash equivalents	2,972,187	0	2,972,187
Fixed deposits	700,000	0	700,000
Other receivables (excluding prepayments)	3,894	0	3,894
	3,676,081	0	3,676,081
Financial liabilities			
Accruals	(54,113)	0	(54,113)
Net financial assets	3,621,968	0	3,621,968

16. Fair values

As at 31 December 2017, the carrying amounts of the financial assets and liabilities recorded in the financial statements of the Society approximate their fair values due to their short-term nature.

17. Fund raising expenses

	2017 S\$	2016 S\$
Gross donations	361,149	367,746
Direct costs of fund raising expenses	95,580	90,658
Percentage of direct fund raising expenses over gross donations and sponsorships	26%	25%

18. Reserve position and policy

The Society's reserve position for financial year ended 31 December 2017 is as follows:

	2017 S\$'000	2016 S\$'000	Increase/ (decrease) %
A Unrestricted Fund			
General funds	2,173	1,911	13.71
B Restricted or Designated Funds			
Designated funds	N/A	N/A	N/A
Restricted funds	1,516	1,858	(18.41)
C Endowment Fund	N/A	N/A	N/A
D Total funds	3,689	3,769	(2.12)
E Total Annual Operating Expenditure	1,896	1,496	26.74
F Ratio of Funds to Annual Operating Expenditure (D/E)	1.95	2.52	

Reference:

- C. An endowment fund consists of assets, funds or properties that are held in perpetuity, which produces annual income flow for a foundation to spend as grants.
- D. Total Funds including unrestricted, restricted, designated and endowment funds.
- E. Total Annual Operating Expenditure includes direct costs and administrative costs.

18. Reserve position and policy (Cont'd)

The Society's Reserve 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) Maintain reserves in fixed deposits with an established bank or finance company for the next 12 months.
- (b) The Board regularly (half year) reviews the amount of reserves that are required to ensure that they are adequate.
- (c) The reserves shall not be utilised except with the approval of the President and Treasurer / Assistant Treasurer, and only when the cash flow falls below 3 months of the monthly operating expenses.

19. Management of conflict of interest

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 Company 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.

20. Authorisation of financial statements

The financial statements for the financial year ended 31 December 2017 were authorised for issue in accordance with a resolution of the Board on 27 MAR 2018