

SINGAPORE INSTITUTE OF INTERNATIONAL AFFAIRS

(Registered in Singapore. Unique Entity Number: S62SS0073L)

Statement By The Management Committee and
Financial Statements

for the financial year ended 31 December 2018

SINGAPORE INSTITUTE OF INTERNATIONAL AFFAIRS

STATEMENT BY THE MANAGEMENT COMMITTEE

We, the undersigned, being the officers primarily responsible for the financial management of Singapore Institute Of International Affairs (the "Society"), hereby confirm that the financial statements set out on pages 5 to 22 are properly drawn up in accordance with the provisions of the Constitution of the Society so as to give a true and fair view of the statement of financial position of the Society as at 31 December 2018 and of the income and expenditure statement, statement of changes in funds and statement of cash flows of the Society for the financial year then ended and that proper accounting and other records have been kept.

The Management Committee on the date of this statement authorised these financial statements for issue.

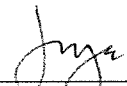
On behalf of the Management Committee



Simon Tay
Chairman



Yeoh Oon Jin
Treasurer



Yeo Lay Hwee
Secretary

Singapore
11 March 2019

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
SINGAPORE INSTITUTE OF INTERNATIONAL AFFAIRS**
(Registered under the Societies Act, Chapter 311)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Singapore Institute Of International Affairs (the "Society") set out on pages 5 to 22, which comprise the statement of financial position as at 31 December 2018, and the income and expenditure statement, 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 "Act") 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 2018 and the results, 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 *Auditors' 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 Committee is responsible for the other information. The other information comprises information included in the Statement by the Management Committee.

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

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

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
SINGAPORE INSTITUTE OF INTERNATIONAL AFFAIRS**
(Registered under the Societies Act, Chapter 311)

Report on the Audit of the Financial Statements (Continued)

Responsibilities of Management Committee for the Financial Statements

Management Committee is responsible for the preparation and fair presentation of the financial statements in accordance with the provisions of the Act and FRSs, and for such internal control as Management Committee 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 Committee 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 Committee either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

The Management Committee's responsibilities include overseeing the Society's financial reporting process.

Auditors' 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 auditors' 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 Committee.



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
SINGAPORE INSTITUTE OF INTERNATIONAL AFFAIRS**
(Registered under the Societies Act, Chapter 311)

Report on the Audit of the Financial Statements (Continued)

Auditors' Responsibilities for the Audit of the Financial Statements (Continued)

- Conclude on the appropriateness of Management Committee'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 auditors' 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 auditors' 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 Management Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the regulations enacted under the Act to be kept by the Society have been properly kept in accordance with the regulations of the Act, and there was no public fund-raising appeal held during the financial year.

BDO LLP
BDO LLP
Public Accountants and
Chartered Accountants

Singapore
11 March 2019

SINGAPORE INSTITUTE OF INTERNATIONAL AFFAIRS

INCOME AND EXPENDITURE STATEMENT
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

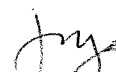
	Note	Endowment fund \$	General fund \$	2018 Total funds \$	Endowment fund \$	General fund \$	2017 Total funds \$
Income							
Sponsorships and grants for conferences	3	-	1,568,191	1,568,191	-	1,657,127	1,657,127
Donations	3	476,269	-	476,269	541,150	-	541,150
Membership subscription fee	3	-	209,026	209,026	-	200,300	200,300
Income from research/ advisory	3	-	2,735	2,735	-	3,646	3,646
Income from sale of books	3	-	220	220	-	750	750
Income from organising conferences	3	-	1,993	1,993	-	3,096	3,096
Income from consultation	3	-	13,350	13,350	-	2,714	2,714
Interest income	3	53	4,228	4,281	46	4,201	4,247
Other income	4	10,760	23,408	34,168	10,494	31,347	41,841
		487,082	1,823,151	2,310,233	551,690	1,903,181	2,454,871
Expenditure							
Cost of organising conferences, talks and seminars		252,190	1,295,232	1,547,422	338,708	1,432,295	1,771,003
Cost of research activities		2,026	27,463	29,489	1,501	15,603	17,104
Administrative costs		124,601	373,127	497,728	137,562	393,541	531,103
	5	378,817	1,695,822	2,074,639	477,771	1,841,439	2,319,210
Surplus of income over expenditure		108,265	127,329	235,594	73,919	61,742	135,661
Income tax expense	6	-	-	-	-	-	-
Net surplus of income over expenditure		108,265	127,329	235,594	73,919	61,742	135,661



Simon Tay
Chairman



Yeoh Oon Jin
Treasurer



Yeo Lay Hwee
Secretary

Singapore
11 March 2019

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

SINGAPORE INSTITUTE OF INTERNATIONAL AFFAIRS

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2018

	Note	2018 \$	2017 \$
ASSETS			
Current assets			
Cash and bank balances	7	1,789,214	1,789,517
Trade and other receivables	8	354,931	324,879
Other current assets	9	37,822	34,076
		<u>2,181,967</u>	<u>2,148,472</u>
Non-current assets			
Plant and equipment	10	<u>61,412</u>	<u>74,012</u>
Total assets		<u>2,243,379</u>	<u>2,222,484</u>
LIABILITIES			
Trade and other payables	11	324,706	529,405
Provision for reinstatement cost	12	31,800	31,800
Deferred income	13	23,750	33,750
		<u>380,256</u>	<u>594,955</u>
Total liabilities		<u>380,256</u>	<u>594,955</u>
NET ASSETS		<u>1,863,123</u>	<u>1,627,529</u>
FUNDS			
Endowment fund		355,524	247,259
General fund		1,507,599	1,380,270
Total funds		<u>1,863,123</u>	<u>1,627,529</u>



Simon Tay
Chairman



Yeoh Oon Jin
Treasurer



Yeo Lay Hwee
Secretary

Singapore
11 March 2019

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SINGAPORE INSTITUTE OF INTERNATIONAL AFFAIRS

STATEMENT OF CHANGES IN FUNDS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

	Endowment fund \$	General fund \$	Total funds \$
2018			
Beginning of financial year	247,259	1,380,270	1,627,529
Total recognised net surplus for the financial year	108,265	127,329	235,594
End of financial year	<u>355,524</u>	<u>1,507,599</u>	<u>1,863,123</u>
2017			
Beginning of financial year	173,340	1,318,528	1,491,868
Total recognised net surplus for the financial year	73,919	61,742	135,661
End of financial year	<u>247,259</u>	<u>1,380,270</u>	<u>1,627,529</u>



Simon Tay
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Yeo Lay Hwee
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Singapore
11 March 2019

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SINGAPORE INSTITUTE OF INTERNATIONAL AFFAIRS

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

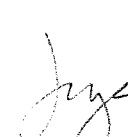
	2018	2017
	\$	\$
Cash flows from operating activities		
Net surplus	235,594	135,661
Adjustments for:		
Depreciation of plant and equipment	27,628	21,162
Interest income	(4,281)	(4,247)
Gain on disposal of plant and equipment	(131)	(76)
	<u>258,810</u>	<u>152,500</u>
Changes in working capital		
Trade and other receivables	(30,052)	(45,963)
Other current assets	(3,746)	(2,550)
Trade and other payables	(204,699)	(191,092)
Deferred income	(10,000)	(10,000)
Net cash provided by/(used in) operating activities	<u>10,313</u>	<u>(97,105)</u>
Cash flows from investing activities		
Purchase of plant and equipment	(15,028)	(23,499)
Proceeds from disposal of plant and equipment	131	76
Net cash used in investing activities	<u>(14,897)</u>	<u>(23,423)</u>
Cash flows from financing activity		
Interest received, representing cash provided by financing activity	<u>4,281</u>	<u>4,247</u>
Net change in cash and bank balances	(303)	(116,281)
Cash and bank balances at beginning of financial year	<u>1,789,517</u>	<u>1,905,798</u>
Cash and bank balances at end of financial year	<u>1,789,214</u>	<u>1,789,517</u>



Simon Tay
Chairman



Yeoh Oon Jin
Treasurer



Yeo Lay Hwee
Secretary

Singapore
11 March 2019

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

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

1. General information

Singapore Institute of International Affairs (the “Society”) is registered and domiciled in Singapore. The registered address of the Society is 60A Orchard Road, #04-03 Tower 1, The Atrium @Orchard, International Involvement Hub, Singapore 238890. The Society’s registration number is S62SS0073L.

The objectives of the Society are to promote interest in and public awareness of contemporary issues of international politics and regional security through international conferences, workshops, seminars and public lectures.

These financial statements are presented in Singapore dollar, which is the Society’s functional currency.

2. Summary of significant accounting policies

2.1 Basis of preparation of financial statements

These financial statements have been prepared in accordance with Singapore Financial Reporting Standards (“FRS”) under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of these financial statements in conformity with FRS requires the Management Committee to exercise its judgement in the process of applying the Society’s accounting policies. It also requires the use of certain critical accounting estimates and assumptions. However, there are no areas involving a higher degree of judgement or complexity, or areas where estimates and assumptions are significant to the financial statements.

On 1 January 2018, the Society adopted the new or amended FRS and Interpretations to FRS (“INT FRS”) that are mandatory for application for the financial year. The adoption of these new or amended FRS and INT FRS did not result in substantial changes to the Society’s accounting policies and had no material effect on the amounts reported for the current or prior financial years.

FRS and INT FRS issued but not yet effective

At the date of authorisation of these financial statements, the following FRS and INT FRS that are relevant to the Society were issued but not yet effective, and have not been adopted early in these financial statements:

Consequential amendments were also made to various standards as a result of these new or revised standards.

		Effective date (annual periods beginning on or after)
FRS 116	: Leases	1 January 2019
INT FRS 123	: Uncertainty over Income Tax Treatments	1 January 2019
Annual Improvements to FRSs (March 2018)		1 January 2019

Consequential amendments were also made to various standards as a result of these new or revised standards.

2. Summary of significant accounting policies (Continued)

2.1 Basis of preparation of financial statements (Continued)

FRS and INT FRS issued but not yet effective (Continued)

The management anticipates that the adoption of the above FRS and INT FRS, in future period, will have no material impact on the financial statements of the Society in the period of initial adoption.

FRS 116 Leases

FRS 116 supersedes FRS 17 *Leases* and introduces a new single lessee accounting model which eliminates the current distinction between operating and finance leases for lessees. FRS 116 requires lessees to capitalise all leases on the statement of financial position by recognising a “right-of-use” asset and a corresponding lease liability for the present value of the obligation to make lease payments, except for certain short-term leases and leases of low-value assets. Subsequently, the lease assets will be depreciated and the lease liabilities will be measured at amortised cost.

From the perspective of a lessor, the classification and accounting for operating and finance leases remains substantially unchanged under FRS 116. FRS 116 also requires enhanced disclosures by both lessees and lessors.

On initial adoption of FRS 116, there may be a potentially significant impact on the accounting treatment for leases, which the Society as lessee currently accounts for as operating leases. On adoption of FRS 116, the Society will be required to capitalise its rented office premises on the statement of financial position by recognising them as “right-of-use” assets and their corresponding lease liabilities for the present value of future lease payments. The Society plans to adopt the standard in the financial year beginning on 1 January 2019 using the modified retrospective method in accordance with the transitional provisions, and will include the required additional disclosures in its financial statements for that financial year.

2.2 Endowment Fund

Donations received for the Endowment Fund are taken directly to the fund. This Endowment Fund has been approved as an Institution of a Public Character (IPC) under the Charities Act since 1 September 2002. The Ministry of Community Development, Youth and Sports has approved the Endowment Fund’s renewal application as an IPC for further three years with effect from 1 September 2016.

2.3 Revenue recognition

Revenue is recognised when a performance obligation is satisfied. Revenue is measured based on consideration of which the Society expects to be entitled in exchange for transferring promised good or services to a customer, excluding amounts collected on behalf of third parties (i.e. sales related taxes). The consideration promised in the contracts with customers may include fixed amounts, variable amounts or both. Most of the Society’s revenue is derived from fixed price contracts and therefore, the amount of revenue earned for each contract is determined by reference to those fixed prices.

2. Summary of significant accounting policies (Continued)

2.3 Revenue recognition (Continued)

(i) Donations and corporate cash sponsorships

The Society receives funding from corporate cash sponsorships and donations to promote interest in and public awareness of contemporary issues of international politics and regional security. Income from corporate cash sponsorships and donations is recognised at point in time when they are received, except for committed corporate cash sponsorships and donations that are recorded at a point in time when the commitments are signed. The receipt of uncommitted fund is a faithful depiction of the satisfaction of performance obligations as the disbursement of funds would only be made when all attaching conditions will be complied with.

(ii) Income from annual membership fees is recognised on a straight-line basis over the subscription period.

(iii) Income from research is recognised when the research service is performed.

(iv) Income from organisation of conferences and seminars are recognised when the events are completed.

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

2.4 Grants

Grants are recognised at the fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Where the grants relate to expenditures, which are not capitalised, the fair value of grants are credited to profit or loss as and when the underlying expenses are included and recognised in profit or loss to match such related expenditures.

Where the grant relates to an asset, the fair value is recognised as deferred capital grant on the statement of financial position and is amortised to profit or loss over the expected useful life of the relevant asset by equal annual instalment.

Other government grants are recognised as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Society with no future related costs are recognised in profit or loss in the period in which they become receivable.

2.5 Employee compensation

(a) Defined contribution plans

The Society's contributions to defined contribution plans are recognised as employee compensation expense when the contributions are due.

(b) 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 balance sheet date.

2. Summary of significant accounting policies (Continued)

2.6 Operating lease payments

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

2.7 Plant and equipment

Plant and equipment are recognised at cost less accumulated depreciation and accumulated impairment losses.

Subsequent expenditure relating to plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Society and the cost of the item can be measured reliably.

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

	Useful lives
Office renovation	3 - 6 years
Fixtures and fittings	3 years
Office equipment	3 years
Computers	3 years
Motor vehicle	10 years

The residual values, estimated useful lives and depreciation method of plant and equipment are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are recognised in the income statement when the changes arise.

2.8 Impairment of non-financial assets

The carrying amounts of non-financial assets are reviewed for impairment whenever there is any indication that these assets may be impaired.

If the recoverable amount of the asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. The difference between the carrying amount and recoverable amount is recognised as an impairment loss in the income statement.

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

2. Summary of significant accounting policies (Continued)

2.9 Financial assets

The Society recognises a financial asset in its statement of financial position when, and only when, the Society becomes party to the contractual provisions of the instrument.

Financial assets held at amortised cost arise principally from the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of financial assets where the objective is to hold these assets in order to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment. Interest income from these financial assets is included in interest income using the effective interest rate method.

Impairment provisions for trade receivables are recognised based on the simplified approach within FRS 9 using the lifetime expected credit losses. During this process, the probability of the non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For trade receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognised within administrative expenses in the consolidated statement of comprehensive income. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

The Society's financial assets measured at amortised cost comprise cash and cash bank balances and trade and other receivables in the statement of financial position.

Accounting policy for financial assets prior to 1 January 2018

Loans and receivables

Financial assets are initially recognised at their fair values plus transaction costs and subsequently carried at amortised cost using the effective interest method, less accumulated impairment losses.

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

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

2.10 Trade and other payables

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

2. Summary of significant accounting policies (Continued)**2.11 Provisions**

Provisions are recognised when the Society has a present obligation as a result of a past event and it is probable an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the end of the reporting period, and are discounted to present value where the effect is material.

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. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.12 Deferred income

Donations with attached conditions from patrons are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate on a systematic basis.

2.13 Fair value estimation

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

3. Disaggregation of income

	2018	2017
	\$	\$
<u>Type of good or service</u>		
Sponsorships	468,986	530,942
Government grants for conferences:		
- Ministry of Environment and Water Resources	930,110	923,049
- National Environment Agency	169,095	160,715
- Monetary Authority of Singapore	-	42,421
Sponsorships and grants for conferences	1,568,191	1,657,127
Donations	476,269	541,150
Membership subscription fee	209,026	200,300
Income from research/ advisory	2,735	3,646
Income from sale of books	220	750
Income from organising conferences	1,993	3,096
Income from consultation	13,350	2,714
Interest income	4,281	4,247
	<u>2,276,065</u>	<u>2,413,030</u>
<u>Timing of transfer of good or service</u>		
At a point in time	2,062,758	2,208,483
Over time	213,307	204,547
	<u>2,276,065</u>	<u>2,413,030</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

4. Other income

	2018	2017
	\$	\$
Wage and employment credit	20,776	29,759
Amortisation of donation	10,000	10,000
Gain on disposal of plant and equipment	131	76
Others	3,261	2,006
	<u>34,168</u>	<u>41,841</u>

5. Expenses by nature

Expenses in the income statement include the following:

	2018			2017		
	Endowment fund	General fund	Total funds	Endowment fund	General fund	Total funds
	\$	\$	\$	\$	\$	\$
Depreciation of plant and equipment	13,081	14,547	27,628	13,081	8,081	21,162
Operating leases - rental of office premises	15,271	50,271	65,542	16,136	49,406	65,542
Salaries	154,183	986,909	1,141,092	184,650	1,002,062	1,186,712
Employer's contribution to Central Provident Fund	23,802	132,969	156,771	24,917	129,833	154,750
Honorarium	8,628	40,290	48,918	9,422	30,075	39,497
Travel	18,039	90,628	108,667	12,182	82,179	94,361
Upkeep of premises	7,154	23,549	30,703	8,885	27,204	36,089
Utilities and telecommunication charges	1,234	4,061	5,295	1,476	4,519	5,995
Audit fee	1,247	4,103	5,350	1,317	4,033	5,350

6. Income tax expense

The Society is exempted from income tax.

With effect from the year of assessment 2008 (financial year ended 31 December 2007), all registered and exempt charities are exempted from tax.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

7. Cash and bank balances

	2018	2017
	\$	\$
Endowment fund		
- Current account	277,260	241,033
- Fixed deposits	22,853	22,808
General fund		
- Current account	868,522	910,944
- Fixed deposits	618,574	614,470
- Cash in hand	2,005	262
	<u>1,789,214</u>	<u>1,789,517</u>

Short-term fixed deposits at the balance sheet date have an average maturity of 5.80 months (2017: 5.80 months) from that date and have a weighted average effective interest rate of 0.65% (2017: 0.65%) per annum.

Cash and bank balances are denominated in the following currencies:

	2018	2017
	\$	\$
Singapore dollar	1,787,680	1,789,499
United States dollar	1,534	18
	<u>1,789,214</u>	<u>1,789,517</u>

8. Trade and other receivables

	2018	2017
	\$	\$
Trade receivables	44,863	85,641
Non-trade receivables	1,004	4,167
Accrued income	309,064	235,071
	<u>354,931</u>	<u>324,879</u>

Trade and other receivables are denominated in the following currencies:

	2018	2017
	\$	\$
Singapore dollar	354,931	323,401
Indonesia rupiah	-	1,478
	<u>354,931</u>	<u>324,879</u>

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NOTES TO THE FINANCIAL STATEMENTS
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9. Other current assets

	2018	2017
	\$	\$
Prepayments	17,380	18,762
Deposits	20,442	15,314
	<u>37,822</u>	<u>34,076</u>

The deposits are denominated in Singapore dollar.

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NOTES TO THE FINANCIAL STATEMENTS
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10. Plant and equipment

2018	Office renovation \$	Furniture and fittings \$	Office equipment \$	Computer \$	Motor vehicle \$	Total \$
Cost						
Beginning of the financial year	153,674	44,952	22,551	30,256	112,000	363,433
Additions	-	-	922	14,106	-	15,028
Disposals	-	(407)	(320)	(6,480)	-	(7,207)
End of the financial year	153,674	44,545	23,153	37,882	112,000	371,254
Accumulated depreciation						
Beginning of the financial year	131,414	42,027	13,846	21,156	80,978	289,421
Depreciation	4,770	1,003	3,274	5,500	13,081	27,628
Disposals	-	(407)	(320)	(6,480)	-	(7,207)
End of the financial year	136,184	42,623	16,800	20,176	94,059	309,842
Net carrying amount						
End of the financial year	17,490	1,922	6,353	17,706	17,941	61,412

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10. Plant and equipment (Continued)

2017	Office renovation \$	Furniture and fittings \$	Office equipment \$	Computer \$	Motor vehicle \$	Total \$
Cost						
Beginning of the financial year	153,674	41,943	13,055	33,632	112,000	354,304
Additions	-	3,009	9,496	10,994	-	23,499
Disposals	-	-	-	(14,370)	-	(14,370)
End of the financial year	153,674	44,952	22,551	30,256	112,000	363,433
Accumulated depreciation						
Beginning of the financial year	126,644	41,943	13,055	33,090	67,897	282,629
Depreciation	4,770	84	791	2,436	13,081	21,162
Disposals	-	-	-	(14,370)	-	(14,370)
End of the financial year	131,414	42,027	13,846	21,156	80,978	289,421
Net carrying amount						
End of the financial year	22,260	2,925	8,705	9,100	31,022	74,012

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

11. Trade and other payables

	2018	2017
	\$	\$
Trade payable	11,717	27,339
Membership subscription fee received in advance	90,832	109,207
Sponsorship received in advance	37,500	200,000
Accrued operating expenses	184,657	192,859
	324,706	529,405

Trade and other payables are denominated in Singapore dollar.

12. Provision for reinstatement cost

	2018	2017
	\$	\$
Beginning and end of financial year	31,800	31,800

Provision for reinstatement cost is the estimated costs of dismantlement, removal or restoration of plant and equipment arising from the acquisition or use of assets, which are capitalised and included in the cost of plant and equipment.

13. Deferred income

	2018	2017
	\$	\$
Beginning of financial year	33,750	43,750
Amortisation	(10,000)	(10,000)
End of financial year	23,750	33,750

The deferred income arises from a donation by a patron for the purchase of a motor vehicle for the Society's use.

14. Financial risk management

The Society's operations are not exposed to any significant foreign exchange risk as most of its transaction are denominated in Singapore dollar. The Society's income and operating cash flows are significantly independent of changes in market interest rates. The Society maintains sufficient cash for its operations and obtains funding from the members and sponsors when required. The Society's financial liabilities mature within 12 months from the balance sheet date.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Society.

14. Financial risk management (Continued)Credit risk (Continued)

The Society does not have any significant concentration of credit risk to any single counterparty or any group of counterparties having similar characteristic except for trade receivables of \$37,244 (2017: \$44,952) as at the end of the financial year.

The major classes of financial assets of the Society are cash and bank balances and trade and other receivables.

For trade and other receivables, the Society adopts the policy of dealing with counterparties with appropriate credit history. For cash and bank balances, the society deals with a respectable financial institution with high credit rating.

The maximum exposure to credit risk for each class of financial assets is the carrying amount of that class of financial assets presented on the balance sheet.

(i) Financial assets that are neither past due nor impaired

Cash and bank balances that are neither past due nor impaired are mainly deposits and balances with banks which have high credit ratings as determined by international credit rating agencies.

Trade receivables amounting to \$42,363 (2017: \$51,663) that are neither past due nor impaired are substantially companies with good collection track records with the Society.

(ii) Financial assets that are past due and/or impaired

The aging of trade receivables past due but not impaired are:

	2018	2017
	\$	\$
Past due 1 to 3 months	2,500	31,478
Past due > 3 months	-	2,500
	2,500	33,978

15. Operating lease commitments*Where the Society is a lessee*

The Society leases office premise from a third party under non-cancellable operating lease agreement.

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

	2018	2017
	\$	\$
Not later than one year	61,255	61,255
Between one and five years	163,345	224,600
	224,600	285,855

16. Authorisation of financial statements

These financial statements were for issue by the Society's Management Committee on 11 March 2019.