

# ***S B Tan Audit PAC***

## ***Public Accountants & Chartered Accountants***

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## **Aidha Ltd.**

Registration No. 2010-06653-E

Registered office: 748A, North Bridge Road  
Singapore 198716

Annual Report for the Year Ended  
30 June 2019

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## DIRECTORS' STATEMENT

The directors are pleased to present their statement to the members together with the audited financial statements of Aidha Ltd. (the "Company") for the financial year ended 30 June 2019.

### Opinion of the directors

In the opinion of the directors,

- (a) the financial statements of the Company are drawn up so as to give a true and fair view of the financial position of the Company as at 30 June 2019 and the financial performance, changes in equity and cash flows of the Company for the year then ended; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

### Directorate

The Directors in office at the date of this report are as follows:

Claudine Lim Hsi Yun  
Clarence Kulasingam Poopalasingam  
Saleemah Bte Ismail  
Davies Paul Ivor  
Chen Weiwen  
Yvonne Chan Lai Cheng  
Leow Sin Liang Jason  
Cheam Shou Sen

### Arrangement to Enable Directors to Acquire Shares and Debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

### Directors' Interests in Contracts

Since the beginning of the financial year, no Director has received or become entitled to receive a benefit by reason of a contract made by the Company or a related company with the Director or with a firm of which he is a member or with a company in which he has substantial financial interest, except as disclosed in the accounts.

### Share Options

During the financial year, no options to take up unissued shares of the Company were granted and no shares were issued by virtue of the exercise of options to take up unissued shares of the Company. There were no unissued shares of the Company under option at the end of the financial year.

**DIRECTORS' STATEMENT**

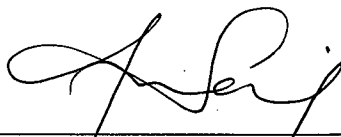
**Auditors**

The auditors, S B Tan Audit PAC, have expressed willingness to accept re-appointment as auditors.

On behalf of The Board of Directors



Claudine Lim Hsi Yun  
Director



Saleema Bte Ismail  
Director

Singapore

21 NOV 2019

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
AIDHA LTD.****Report on the Audit of the Financial Statements****Opinion**

We have audited the financial statements of **Aidha Ltd.** (the "Company"), which comprise the statement of financial position as at 30 June 2019, 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 Companies Act, Chapter 50 (the "Act"), Charities Act and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the Company as at 30 June 2019 and of the financial performance, changes in funds and cash flows of the Company 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 Company 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 Directors' Statement on pages 1 to 2. 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 statement 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.

**Management's and Directors' Responsibilities for the Financial Statements**

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

In preparing the financial statements, management is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Company's financial reporting process.

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
AIDHA LTD.****Auditors' Responsibility 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 Company'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 Company'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 Company 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 directors 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.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
AIDHA LTD.**

**Report on Compliance with Other Legal and Regulatory Requirements**

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

In our opinion, the amounts of \$262,276 present fairly the tax deductible donation income of **Aidha Ltd.** for the year from 1 July 2018 to 30 June 2019.

During the course of our examination, nothing came to our attention that caused us to believe that:

- a) tax deductible receipts were issued for donations other than outright cash donations;
- b) donations for which tax-deductible receipts have been issued were used for activities not in accordance with the objectives of Aidha Ltd.;
- c) the internal accounting controls over the issue and custody of tax deductible receipts were inadequate; and
- d) there were significant contraventions of the Charities (Institutions of a Public Character) Regulations. The 30% cap on fund-raising expenses has not been exceeded.

The engagement partner on the audit resulting in this independent auditors' report is Yong Seet Lee.



S B TAN AUDIT PAC  
Public Accountants and  
Chartered Accountants  
Singapore

21 NOV 2019

**Statement of Financial Position  
As at 30 June 2019**

	<b>Note</b>	<b>2019 \$</b>	<b>2018 \$</b>
<b>Property, plant and equipment</b>	3	-	-
<b>Current Assets</b>			
Trade and other receivables	4	133,693	22,208
Prepayment		2,889	5,712
Cash and cash equivalents		529,619	407,548
		666,201	435,468
<b>Current Liabilities</b>			
Trade and other payables	5	92,210	92,470
		92,210	92,470
<b>Net Current Assets</b>		573,991	342,998
<b>Net Assets</b>		<u>573,991</u>	<u>342,998</u>
<i>Representing:</i>			
<b>Capital Fund</b>	6	15,715	15,715
<b>Restricted Funds</b>	7	33,422	-
<b>Unrestricted Funds</b>	8	524,854	327,283
		<u>573,991</u>	<u>342,998</u>

The accompanying notes form part of the financial statements

Statement of Financial Activities  
For the year ended 30 June 2019

Note	2019			2018	
	Restricted funds \$	Unrestricted funds \$	Total \$	Unrestricted funds \$	Total \$
<b>Income</b>					
Course fee income		122,571	122,571	143,806	143,806
Grant income	-	65,565	65,565	41,665	41,665
Donation income	69,518	466,713	536,231	541,918	541,918
Fundraising income	-	120,814	120,814	52,855	52,855
	69,518	775,663	845,181	780,244	780,244
Other income	-	3,701	3,701	7,773	7,773
	-	3,701	3,701	7,773	7,773
Total Income	69,518	779,364	848,882	788,017	788,017
<b>Expenditure</b>					
Fundraising trading cost					
Fundraising expenditure	-	16,781	16,781	12,174	12,174
<u>Charitable activities expenditure</u>					
Rentals	-	92,617	92,617	95,042	95,042
Staff costs - CPF contributions	680	36,946	37,626	39,735	39,735
- Salaries and other staff costs	26,990	344,759	371,749	398,509	398,509
Transport and travelling expenses	2,720	2,485	5,205	5,296	5,296
Volunteer expenses	-	19,105	19,105	20,124	20,124
Other operating expenses	5,706	69,100	74,806	115,708	115,708
Total expenditure	36,096	581,793	617,889	686,588	686,588
Surplus before taxation	33,422	197,571	230,993	101,429	101,429
Taxation	10	-	-	-	-
Surplus after taxation	33,422	197,571	230,993	101,429	101,429
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the year	33,422	197,571	230,993	101,429	101,429

The accompanying notes form part of the financial statements



**Statement of Changes in Funds  
For the year ended 30 June 2019**

	Note	2019 \$	2018 \$
<b>Capital Fund</b>	6		
Balance at beginning of year		15,715	15,715
Balance at beginning and end of year		15,715	15,715
<b>Restricted Funds:</b>	7		
<b><i>Aidha Business Accelerator</i></b>			
Balance at beginning of year		-	-
Donation		33,422	-
Less: Expenditure incurred		(33,422)	-
Balance at end of year		-	-
<b><i>Aidha Low Income Women's Programme</i></b>			
Balance at beginning of year		-	-
Donation		33,422	-
Balance at end of year		33,422	-
<b><i>Fly Nilu to TEDx</i></b>			
Balance at beginning of year		-	-
Donation		2,674	-
Less: Expenditure incurred		(2,674)	-
Balance at end of year		-	-
Total Restricted funds		33,422	-
<b>Unrestricted Funds:</b>	8		
<b><i>Accumulated Fund</i></b>			
Balance at beginning of year		327,283	225,854
Surplus after taxation		197,571	101,429
Balance at end of year		524,854	327,283
<b>Total Funds</b>		<b>573,991</b>	<b>342,998</b>

The accompanying notes form part of the financial statements

**Statement of Cash Flows**  
**For the year ended 30 June 2019**

	<b>Note</b>	<b>2019</b> <b>\$</b>	<b>2018</b> <b>\$</b>
<b>Cash Flows From Operating Activities:</b>			
Surplus before taxation		230,993	101,429
<i>Adjustment for:</i>			
Depreciation of property, plant and equipment	3	-	-
Operating cash flow before working capital changes		<u>230,993</u>	<u>101,429</u>
<i>Change in operating assets and liabilities:</i>			
Trade and other receivables		(111,485)	(4,550)
Prepayments		2,823	(5,712)
Trade and other payables		(260)	(18,253)
Cash generated from operations		<u>122,071</u>	<u>72,914</u>
Interest paid		-	-
Tax paid		-	-
<b>Net cash generated from operating activities</b>		<u>122,071</u>	<u>72,914</u>
Net increase in cash and cash equivalents		122,071	72,915
Cash and cash equivalents at beginning of year		407,548	334,633
<b>Cash and cash equivalents at end of year</b>		<u><u>529,619</u></u>	<u><u>407,548</u></u>

*The accompanying notes form part of the financial statements*

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*These notes form an integral part of and should be read in conjunction with the accompanying Financial Statements.*

## 1 General

Aidha Ltd. (the "Company") is incorporated in the Republic of Singapore under Companies Act, with its registered office at 748A, North Bridge Road, Singapore 198716. The Company is registered as a charity on 13 January 2011 under Charities Act and is an Institution of a Public Character.

The objective of the Company is to foster the growth of financial education for lower income and migrant workers.

The financial statements were authorised for issue by the Management on 21 November 2019.

## 2 Significant Accounting Policies

### 2.1 Basis of Accounting

The financial statements, expressed in Singapore dollars, are prepared under the historical cost convention and in accordance with Companies Act, Charities Act and Singapore Financial Reporting Standards.

The preparation of financial statements in conformity with FRS requires management to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised, and in any future periods affected. Judgements made by the management in the application of FRS that have a significant effect on the financial statements and in arriving at estimates with a significant risk of material adjustment in the following year are discussed in the subsequent note to accounts.

### 2.2 Reserve Policy

The Company maintains restricted and unrestricted funds. Funds set up for specific purposes are classified as restricted funds. All income and expenses other than those attributable to restricted funds and common overheads are recorded in the unrestricted fund's statement of comprehensive income.

In order to ensure observance of limitations and restrictions placed on the use of the resources available to the Company, the financial statements of the Company are maintained such that the resources for various purposes are classified for accounting and reporting purposes that are in accordance with activities or objectives specified.

### 2.3 Changes in Accounting Policies

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Company adopted all the new and revised standards that are effective. The adoption of these standards did not have any significant effect on the financial performance or position of the Company.

**2.4 New Standards and Interpretations Not Yet Effective**

The Company has not applied the new/revised accounting standards (including its consequential amendments) and interpretations that have been issued as of the date of the statements of financial position but are not yet effective. The initial application of these standards and interpretations is not expected to have any material impact on the Company's financial statements.

The Company has not considered the impact of accounting standards issued after the date of the statements of financial position.

**2.5 Revenue Recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured and the following specific recognition criteria must also be met before revenue are recognised.

- (a) Course fee income is recognised on an accrual basis on a straight-line basis over the remaining term of classes.
- (b) Donation, sponsorship income and government grant income are recognised upon receipt.
- (c) Income from fund raising is recognised upon the closing of the fund raising event.

**2.6 Property, plant and equipment**

All items of property, plant and equipment are initially recorded at cost. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Depreciation is calculated on the straight line method to write off the cost of the assets over their estimated useful lives as follows:

	<u>Number of years</u>
Furniture, Fittings and Furniture	3
Computer equipment	1

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

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

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

Fully depreciated property, plant and equipments are retained in the financial statements until they are no longer in use and no further charge for depreciation is made in respect of these assets.

**2.7 Foreign Currencies**

Items included in the financial statements of the Company are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to that entity. The functional currency of the Company is the Singapore dollar. The financial statements of the Company are presented in Singapore dollars. Foreign currency transactions are translated into Singapore dollars at rates of exchange approximating those ruling at transaction dates. Foreign currency monetary assets and liabilities are translated at the rates ruling at the year-end. The resulting profits and losses on exchange are dealt with through the profit and loss account. Balances in notes are in functional currency unless otherwise stated.

**2.8 Cash and Cash Equivalents**

Cash and cash equivalents comprise cash and bank deposits which are readily convertible to an amount of cash and which are subject to an insignificant risk of changes in value.

**2.9 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 Company if that person:
  - (i) Has control or joint control over the Company; or
  - (ii) Has significant influence over the Company; or
  - (iii) Is a member of the key management personnel of the Company or of a parent of the Company.
- (b) An entity is related to the Company if any of the following conditions applies:
  - (i) The entity and the Company 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 Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company;
  - (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).

## 2.10 **Financial Assets**

### i) Classification

The Company classifies its financial assets according to 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 every reporting date. The Company's only financial assets are receivables.

#### *Receivables*

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 balance sheet date which are classified as non-current assets. Receivables excluding prepayments are presented as "other receivables", and "cash and cash equivalents" on the balance sheet.

### ii) Recognition and derecognition

Regular purchases and sales of financial assets are recognised on trade-date - the date on which the Company 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 Company has transferred substantially all risks and rewards of ownership. On disposal of a financial asset, the difference between the net sale proceeds and its carrying amount is recognised in profit or loss. Any amount in the fair value reserve relating to that asset is also transferred to profit or loss.

### iii) Initial measurement

Financial assets are initially recognised at fair value plus transaction costs except for financial assets at fair value through profit or loss, which are recognised at fair value. Transaction costs for financial assets at fair value through profit and loss are recognised as expenses.

### iv) Subsequent measurement

Receivables are carried at amortised cost using the effective interest method.

Interest income on financial assets are recognised separately in profit or loss.

## 2.11 **Financial Liabilities**

Financial liabilities include trade payables and other amounts payable. Financial liabilities are recognised on the balance sheet when, only when, the Company becomes a party to the contractual provisions of the financial instrument. Financial liabilities are initially recognised at fair value of consideration received less directly attributable transaction costs and subsequently measured at amortised cost using the effective interest rate method.

## 2.12 **Impairment**

The carrying amounts of the Company's assets are reviewed at year-end to determine if there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. All impairment losses are recognised in the profit and loss account. An impairment loss is only reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, if no impairment loss had been recognised.

**2.13 Leases**Operating leases*Lessee*

Leases where significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are taken to profit or loss 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.

**2.14 Provisions**

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

**2.15 Conflict of interest policy**

Board of directors (the 'BOD') are expected to avoid actual and perceived conflicts of interest. Where BOD have personal interest in business transactions or contracts that the Company may enter into, or have vested interest in other organisations that the Company have dealings with or is considering to enter into joint ventures with, they are expected to declare such interest to the BOD as soon as possible and abstain from discussion and decision-making on the matter. Where such conflicts exists, the BOD will evaluate whether any potential conflicts of interest will affect the continuing independence of BOD and whether it is appropriate for the BOD to continue to remain on the BOD.

**3 Property, Plant and Equipment**

	Office Renovation \$	Computer Equipment \$	Furniture & Fittings \$	Total \$
<b>Cost</b>				
Balance at 1 July 2017	6,015	4,725	846	11,586
Disposals	(6,015)	-	-	(6,015)
Balance at 30 June 2018 and as 1 July 2018	-	4,725	846	5,571
Balance at 30 June 2019	-	4,725	846	5,571
<b>Accumulated Depreciation</b>				
Balance at 1 July 2017	6,015	4,725	846	11,586
Disposals	(6,015)	-	-	(6,015)
Balance at 30 June 2018 and as 1 July 2018	-	4,725	846	5,571
Balance at 30 June 2019	-	4,725	846	5,571
<b>Net Book Value</b>				
Balance at 30 June 2019	-	-	-	-
Balance at 30 June 2018	-	-	-	-

**4 Trade and Other Receivables**

	2019	2018
	\$	\$
Trade receivable	4,565	5,910
Security deposit	8,650	8,650
Fundraising receivables	78,641	-
Donation portal receivables	41,837	7,648
	<u>133,693</u>	<u>22,208</u>

**5 Trade and Other Payables**

	2019	2018
	\$	\$
Trade payables	-	11,439
Advance income from course fees	49,726	50,273
Accrued expenses	42,484	30,758
	<u>92,210</u>	<u>92,470</u>

**6 Capital Fund**

This represents capital contributions in kind from members of Aidha, registered under the Societies Act, which was dissolved on 23 September 2011.

**7 Restricted Funds**

Restricted funds refer to funds that can only be used in compliance with the specific intent in furtherance of some particular aspects of the objects of the donors.

**8 Unrestricted Funds**

	2019	2018
	\$	\$
Unrestricted Funds - Accumulated Fund	<u>524,854</u>	<u>327,283</u>
Annual Operating Expenditure	<u>581,793</u>	<u>686,588</u>
Ratio of Unrestricted Reserves to Annual	0.90	0.48

The reserves of the Company provide financial stability and the means for the development of the Company's activities. The Company intends to maintain the reserves at a level sufficient for its operating needs. The Directors review the level of reserves regularly for the Company's continuing obligations.

**9 Tax-Exempt Receipts**

	2019	2018
	\$	\$
Tax-exempt receipts issued for donations collected	262,276	338,107

Tax-exempt receipts is subject to IRAS submission.



**10 Taxation**

There is no tax charge for the year as the Company qualifies for tax exemption as a charity under the Income Tax Act.

**11 Related Party**

The Company's significant related party transactions for the year.

	2019 \$	2018 \$
Donation income (Director)	1,500	8,500

**12 Key Management and Top 3 Executives Costs**

	2019 \$	2018 \$
Key management staff annual remuneration (Including CPF and bonuses)	<u>123,780</u>	<u>119,100</u>
Number of key management in remuneration bands:		
\$100,001 - \$150,000	1	1
Below \$100,000	-	-
Top 3 executives annual remuneration (Including CPF and bonuses)	<u>123,415</u>	<u>119,648</u>
Number of key executives		
\$100,001 - \$150,000	-	-
Below \$100,000	3	3

The Company discloses that:

- (a) None of the 3 highest paid staff serves as a governing board member.
- (b) There is no paid staff being a close member of the family belonging to the Executive Head of a governing board member, who has received remuneration exceeding \$50,000 during the financial year.

**13 Fundraising Event**

	2019 \$	2018 \$
Fundraising income - tax exempt donation	64,567	13,290
- non tax exempt donation	56,247	39,565
	120,814	52,855
Less: Fundraising expenditure	(16,781)	(12,174)
Net surplus	<u>104,033</u>	<u>40,681</u>

**14 Board of Directors' Remuneration**

Board of Directors has not received any form of remuneration from the Company for the year.

**15 Operating Lease Commitments**

The Company has commitments for future lease payments under non-cancellable operating leases as follows:

	2019	2018
	\$	\$
Payable:		
- within one year	31,565	23,005
- within 2 to 5 years	-	-
	<u>31,565</u>	<u>23,005</u>

**16 Financial Risk Management Objectives and Policies**

The main risks arising from the Company's financial instruments are liquidity risk and credit risk. The policy for managing this risk is summarised as follows:

***Liquidity risk***

The Company's financing activities are managed by maintaining an adequate level of cash and cash equivalents to finance the Company's operations. To manage liquidity risk, the Company monitors and maintains a level of cash and cash equivalents to finance the Company's operations and mitigate the effects of fluctuation in cash flows.

The maturity profile of the financial liabilities of the Company is as follows. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months approximate their carrying amounts as the impact of discounting is insignificant.

	2019	2018
	\$	\$
<b>Trade and other payables</b>		
< 12 months	42,484	42,197
> 12 months	-	-
	<u>42,484</u>	<u>42,197</u>

***Credit risk***

Credit risk arises mainly from the risk on counterparties defaulting on the terms of their agreements. The carrying amounts of cash and cash equivalents, trade and other debtors represent the Company's maximum exposure to credit risk in relation to financial assets.

The Company monitors the exposure to credit risk on an ongoing basis and credit evaluations are performed on customers requiring credit over a certain amount. Cash terms or advance payments are required for customers of lower credit standing. The credit risk on balances of cash and cash equivalents is low as these balances are placed with a reputable bank.

**17 Fair Values of Financial Instruments**

The fair value of a financial instrument is the amount at which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction.

**17 Fair Values of Financial Instruments (cont'd)**

The following methods and assumptions are used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value.

*Cash and cash equivalents, other receivables and other payables*

The carrying amounts of these balances approximate their fair values due to the short-term nature of these balances.

*Trade receivables and trade payables*

The carrying amounts of these receivables and payables (including trade balances due from/to holding and related companies) approximate their fair values as they are subject to normal trade credit terms.

**Classification of Financial Instruments**

Set out below is a comparison by category of carrying amounts of all the Company's financial instruments that are carried in the financial statements:

	2019 \$	2018 \$
<b>Financial assets</b>		
Trade and other receivables	133,693	22,208
Cash and cash equivalents	<u>529,619</u>	<u>407,548</u>
	<u>663,312</u>	<u>429,756</u>
<b>Financial liabilities</b>		
Trade and other payables	42,484	42,197

**Fair value hierarchy**

The company categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- Level 1 : Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;
- Level 2 : Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 : Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement .

**18 Accounting Estimates and Judgement in Applying Accounting Policies**

The Company makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**Key source of estimation uncertainty**

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

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**18 Accounting Estimates and Judgement in Applying Accounting Policies (cont'd)*****Depreciation of property, plant and equipment***

The cost of property, plant and equipment are depreciated on a straight-line basis over their respective useful lives. Management estimates the useful lives of these property, plant and equipment to be within 1 to 3 years. The carrying amount of the Company's property, plant and equipment are stated in Note 3. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets. Therefore future depreciation charges could be revised and impact the profit in future years.

***Impairment loss on trade receivables***

The Company evaluates whether there is any objective evidence that trade receivables are impaired and determine the amount of impairment loss as a result of the inability of the debtors to make required payments. The Company bases the estimates on the ageing of the trade receivables balance, credit-worthiness of the debtors and historical write-off experience. If the financial conditions of the debtors were to deteriorate, actual write-offs would be higher than estimated.

**19 Capital Management**

The primary objective of the management of the Company's capital structure is to maintain an efficient mix of debt and funds in order to achieve a low cost of capital, while taking into account the desirability of retaining financial flexibility to pursue opportunities and adequate access to liquidity to mitigate the effect of unforeseen events on cash flows.

The Directors regularly review the Company's capital structure and make adjustments to reflect economic conditions, strategies and future commitments.

The Company did not breach any gearing covenants during the financial years ended 30 June 2019 or 30 June 2018. In the same period, no significant changes were made in the objectives, policies or processes relating to the management of the Company's capital structure.

*The following detailed statement of comprehensive income is supplementary and does not form part of the audited accounts*

**Detailed Statement of Financial Activities  
For the year ended 30 June 2019**

	2019 \$	2018 \$
<u>Income</u>		
Course fees income	122,571	142,096
Donation income	462,742	470,329
Government grant	65,565	41,665
Income from fund raising	120,814	52,855
Mastercard grant	73,489	71,589
ADP Membership	-	1,710
Other income	3,701	7,773
	<u>848,882</u>	<u>788,017</u>
Less Expenditure		
Bank charges	4,345	2,525
Contributions to CPF Board	37,626	39,735
Consultancy fees	8,362	40,420
Property, plant and equipment expensed	323	627
Fundraising expenses	16,781	12,174
General expenses	8,242	17,860
Gifts and prizes	3,600	5,425
Insurance	3,078	449
IT service and software	8,475	-
Postage and courier	22	90
Printing and stationery	15,154	19,279
Professional and legal fees	7,200	11,361
Refreshment and entertainment	6,253	5,600
Rental	92,617	95,042
Salaries	371,749	398,509
Telecommunication	3,656	3,405
Training and courses	803	2,657
Transport and travelling expenses	5,205	5,296
Utilities	5,293	6,010
Volunteer expenses	19,105	20,124
	<u>(617,889)</u>	<u>(686,588)</u>
Profit for the year before taxation	<u><u>230,993</u></u>	<u><u>101,429</u></u>



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**2018 – 2019**