

SINGAPORE COUNCIL OF WOMEN'S ORGANISATIONS (SCWO)

SCWO - SERVICE FUND

UNIQUE ENTITY NUMBER: T09CC0010H

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2020

LO HOCK LING & CO

Chartered Accountants Singapore

盧鶴齡會計公司



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SINGAPORE COUNCIL OF WOMEN'S ORGANISATIONS (SCWO)
SCWO - SERVICE FUND

STATEMENT BY THE SCWO BOARD

In our opinion, the accompanying financial statements which comprise the statement of financial position (balance sheet) as at 31 January 2020, and the statement of comprehensive income and statement of changes in accumulated funds for the year then ended, and a summary of significant accounting policies and other explanatory notes, are properly drawn up in accordance with the provisions of the Societies Act, Cap. 311, Charities Act, Cap. 37 and Financial Reporting Standards in Singapore so as to present fairly, in all material respects, the state of affairs of the SCWO - Service Fund as at 31 January 2020 and the results and changes in accumulated funds for the year ended on that date.



Dr June Goh
President



Ms Avan Chan
Honorary Treasurer

Singapore, 19 MAY 2020

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of SCWO - Service Fund, an integral part of SCWO (the "Association") set out on pages 5 to 28, which comprise the statement of financial position (balance sheet) as at 31 January 2020, and the statement of comprehensive income and statement of changes in accumulated funds 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, Cap. 311 (the "Societies Act"), Charities Act, Cap. 37 and other relevant regulations (the Charities Act and Regulations) [collectively the "Act"] and Financial Reporting Standards in Singapore ("FRSs") so as to present fairly, in all material respects, the state of affairs of the SCWO - Service Fund as at 31 January 2020 and the results and changes in accumulated funds of the SCWO - Service Fund 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 Association in accordance with the *Accounting and Corporate Regulatory Authority 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 information included in the Statement by the SCWO Board set out on page 1 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 and will 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 identified above 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 on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and SCWO Board for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 SCWO - Service Fund'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 SCWO - Service Fund or to cease operations, or has no realistic alternative but to do so.

The SCWO Board is responsible for overseeing the SCWO - Service Fund's financial reporting process.

Continued

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. Misstatement 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 SCWO - Service Fund'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 SCWO - Service Fund'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 SCWO - Service Fund 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 SCWO Board 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 Association (in respect of SCWO – Service Fund) 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) during the financial year, the Association did not conduct any fund-raising appeal in respect of SCWO – Service Fund for which proper accounts and other records of fund-raising appeal are required to be maintained in accordance with Regulation 6 of the Societies Regulations issued under the Societies Act.

Continued

Report on Other Legal and Regulatory Requirements (continued)

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

- (i) the use of the donation moneys was not in accordance with the objectives of the SCWO - Service Fund as required under Regulation 11 of the Charities (Institutions of a Public Character) Regulations; and
- (ii) the SCWO - Service Fund has not complied with the requirements of Regulation 15 (Fund-raising expenses) of the Charities (Institutions of a Public Character) Regulations.



LO HOCK LING & CO.
PUBLIC ACCOUNTANTS AND
CHARTERED ACCOUNTANTS SINGAPORE

Singapore, 19 MAY 2020

SINGAPORE COUNCIL OF WOMEN'S ORGANISATIONS (SCWO)

SCWO - SERVICE FUND

Statement of Comprehensive Income
for the year ended 31 January 2020

	<u>Notes</u>	<u>2020</u>	<u>2019</u>
		\$	\$
<u>INCOME</u>			
Bank interest		2,027	1,258
Course fees		3,235	1,550
Donations			
- non-tax deductible		85,844	306,616
- tax deductible		199,374	149,545
Event income		310	1,577
Grants and subsidies	4	161,844	151,673
Income from Thriftshop		202,909	202,887
Subscriptions income		5,700	6,310
Sundry income		5,386	1,170
Gain on disposal of property, plant and equipment		440	-
		667,069	822,586
<u>EXPENSES</u>			
Auditor's remuneration		6,848	3,745
Bank charges		266	134
Board/Agender expenses	3	647	2,474
Contract services		1,619	358
Depreciation on property, plant and equipment	11	2,661	2,244
Employee benefits expense	7	240,939	227,702
General expenses		1,068	865
Insurance		1,974	1,987
International Women's Day event expenses	8	92,112	90,602
Inspiring Girls expenses		-	2,562
IT Hub expenses	5	6,896	505
Maintenance Support Central expenses	9	144,886	99,339
Medical expenses		1,709	1,659
Postage and courier		140	96
Printing and stationery		2,156	1,989
Refreshments		234	111
Rental of office equipment		-	2,996
Rental of premises	12	15,804	30,000
Repairs and maintenance		10,970	11,712
Research		373	364
Singapore Women's Hall of Fame expenses	10	90,859	91,319
Skills development levy		444	426
Training and development		-	2,065
Transport		88	121
Utilities		5,402	5,629
Women's Register expenses	6	4,227	8,740
		632,322	589,744
Surplus for the year		34,747	232,842
<u>Other Comprehensive Income</u>			
Other comprehensive income, net of tax		-	-
Total comprehensive income for the year		34,747	232,842

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

SINGAPORE COUNCIL OF WOMEN'S ORGANISATIONS (SCWO)

SCWO - SERVICE FUND

Statement of Comprehensive Income
for the year ended 31 January 2020 (continued)

	<u>Notes</u>	<u>2020</u>	<u>2019</u>
		\$	\$
Total comprehensive income attributable to:			
<u>Unrestricted funds</u>			
Service Fund General Reserves	15	103,625	22,002
<u>Restricted funds</u>			
Maintenance Support Central Fund ("MSC")	9 & 15	(4,419)	35,059
Singapore Women's Hall of Fame Reserves ("SWHF")	10 & 15	(64,459)	175,781
Total comprehensive income for the year		<u>34,747</u>	<u>232,842</u>

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

SINGAPORE COUNCIL OF WOMEN'S ORGANISATIONS (SCWO)

SCWO - SERVICE FUND

Statement of Financial Position as at 31 January 2020

	<u>Notes</u>	<u>2020</u>	<u>2019</u>
		\$	\$
<u>ASSETS</u>			
<u>Non-Current Asset</u>			
Property, plant and equipment	11	26,002	13,739
		26,002	13,739
<u>Current Assets</u>			
Other receivables	13	56,787	53,199
Fixed deposits with a financial institution	14	252,173	101,636
Cash and bank balances		401,867	522,131
		710,827	676,966
Total Assets		736,829	690,705
<u>FUNDS AND LIABILITIES</u>			
<u>Accumulated Funds</u>			
<u>Unrestricted Fund</u>			
Service Fund General Reserves	15	154,726	51,101
<u>Restricted Funds</u>			
Maintenance Support Central Fund	15	265,796	270,215
Singapore Women's Hall of Fame Reserves	15	111,322	175,781
Total Funds		531,844	497,097
<u>Current Liabilities</u>			
Other payables	16	59,692	46,800
Deferred income	17	76,355	36,760
Deferred grants	18	68,938	110,048
		204,985	193,608
Total Funds and Liabilities		736,829	690,705

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

SINGAPORE COUNCIL OF WOMEN'S ORGANISATIONS (SCWO)

SCWO - SERVICE FUND

Statement of Changes in Accumulated Funds
for the year ended 31 January 2020

	Unrestricted Fund	Restricted Funds		
	Service Fund General Reserves	Maintenance Support Central Fund	Singapore Women's Hall of Fame Reserves	Accumulated Funds
	\$	\$	\$	\$
Balance as at 1 February 2018	29,099	235,156	-	264,255
Surplus for the year, representing total comprehensive income for the year	22,002	35,059	175,781	232,842
Balance as at 31 January 2019	51,101	270,215	175,781	497,097
Surplus/(deficit) for the year, representing total comprehensive income for the year	103,625	(4,419)	(64,459)	34,747
Balance as at 31 January 2020	154,726	265,796	111,322	531,844

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

SINGAPORE COUNCIL OF WOMEN'S ORGANISATIONS (SCWO)

SCWO - SERVICE FUND

NOTES TO THE FINANCIAL STATEMENTS - 31 January 2020

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

1. GENERAL INFORMATION

- 1.1 The SCWO - Service Fund is a charity registered under the Charities Act Cap.37 and an Institution of a Public Character. It is an integral part of the Singapore Council of Women's Organisations (the "Association"), an association registered under the Societies Act, Cap. 311. Its registered office is located at 96 Waterloo Street Singapore 187967.
- 1.2 The SCWO - Service Fund was set up to promote and improve the status of women in all fields, in particular, education, economics, social welfare and community involvement, culture and sports.
- 1.3 Maintenance Support Central ("MSC") is an initiative by the Association and operates under the SCWO - Service Fund. It is a multi-service drop-in centre that provides support and assistance to improve the enforcement of maintenance orders. Through its services, MSC aims to empower clients with knowledge pertaining to their marital rights and provide them all-rounded support together with our community partners.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation

The Association presents its financial statements in Singapore dollars ("S\$"), which is also its functional currency.

These financial statements are prepared in accordance with the historical cost convention except as disclosed in the accounting policies below, and comply with Singapore Financial Reporting Standards ("FRSs"), including related Interpretations promulgated by the Accounting Standards Council.

As these financial statements are in respect of SCWO - Service Fund only, the statement of cash flows in accordance with FRS 7 Statement of Cash Flows has not been prepared. Separately, the Association has prepared combined financial statements incorporating the results of all operating segments of SCWO, including the SCWO - Service Fund, which presents a statement of cash flows of the Association as a whole.

During the financial year, the Association adopted all the applicable new/revised FRSs which are effective on or before 1 February 2019. Except for the adoption of FRS 116 Leases described below, the adoption of these Standards did not have any material effect on the financial performance or position of the Association.

2.1.1 Adoption of FRS 116 Leases

The Association has adopted FRS 116 retrospectively in accordance with the requirements of the Standard on its effective date on 1 February 2019.

Upon adoption of FRS 116, the Association applied a single recognition and measurement approach for all leases except for short-term leases and leases of low-value assets. The accounting policy beginning on and after 1 February 2019 is disclosed in Note 2.15. The standard provides specific transition requirements and practical expedients, which have been applied by the Association.

SINGAPORE COUNCIL OF WOMEN'S ORGANISATIONS (SCWO)

SCWO - SERVICE FUND

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.1 Basis of Preparation (continued)

2.1.1 Adoption of FRS 116 Leases (continued)

The Association recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases and leases of low-value assets. The right-of-use assets for the leases were recognised based on the carrying amount as if the standard had always been applied, using the incremental borrowing rate at the date of initial application. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

The Association also applied the available practical expedients wherein it:

- used a single discount rate to a portfolio of leases with reasonably similar characteristics;
- applied the short-term leases exemption to leases with lease term that ends within 12 months of the date of initial application;
- excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application; and
- used hindsight in determining the lease term where the contract contained options to extend or terminate the lease.

2.2 Significant Accounting Estimates and Judgments

Estimates, assumptions concerning the future and judgments are made in the preparation of the financial statements. They affect the application of the Association's accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosures made. They are assessed on an ongoing basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

2.2.1 Key sources 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 amounts of assets and liabilities within the next financial year are discussed below.

(i) *Depreciation on Property, Plant and Equipment*

The costs of property, plant and equipment are depreciated on a straight line basis over their estimated useful lives. Management's estimates of the useful lives of these property, plant and equipment are disclosed in note 2.8. Changes in the expected usage and technological developments could impact the economic useful lives and the residual values of these assets. Therefore, future depreciation charges could be revised. The carrying amount of property, plant and equipment and the depreciation charge for the year are disclosed in note 11 to the financial statements.

SINGAPORE COUNCIL OF WOMEN'S ORGANISATIONS (SCWO)

SCWO - SERVICE FUND

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 Significant Accounting Estimates and Judgments (continued)

2.2.1 Key sources of estimation uncertainty (continued)

(ii) *Expected Credit Losses on Receivables*

Expected credit losses ("ECLs") are probability-weighted estimates of credit losses over the life of a financial instrument. In estimating ECLs to determine the probability of default of its debtors, the Association has used historical information, such as past credit loss experience. Where applicable, historical data are adjusted to reflect the effects of current conditions based on observable market information, which involved significant estimates and judgement.

Based on the management's assessment, there are no ECLs on the Association's receivables as at balance sheet date.

2.2.2 Critical judgments made in applying accounting policies

In the process of applying the Association's accounting policies, the management has made certain judgments, apart from those involving estimations, which have significant effect on the amounts recognised in the financial statements.

Impairment of Non-Financial Assets

The carrying amounts of the Association's non-financial assets subject to impairment are reviewed at each balance sheet date to determine whether there is any indication of impairment. If such indication exists, the asset's recoverable amount is estimated based on the higher of the value in use and the asset's fair value less cost of disposal. Estimating the value in use requires the Association to make an estimate of the expected future cash flows from the continuing use of the assets and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

2.3 FRSs issued but not yet effective

The Association has not applied any new FRS that has been issued but is not yet effective.

The management does not anticipate the adoption of the new FRS in future financial periods to have any material impact on the financial statements in the period of initial application.

2.4 Revenue Recognition

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

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

SINGAPORE COUNCIL OF WOMEN'S ORGANISATIONS (SCWO)

SCWO - SERVICE FUND

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.4 Revenue Recognition (continued)

- (i) Government grants are recognised as income when there is reasonable assurance that the conditions attached to the grants will be complied and the grants will be received.
- (ii) Donations and sponsorship income are recognised in profit or loss upon receipt. Donations and contributions received in connection with events held are matched against the respective event expenditure.
- (iii) Membership subscriptions are recognised when due and received.
- (iv) Income from thriftshop is recognised at a point in time upon the transfer of rewards of ownership of the goods to the customer, which generally coincides with the delivery and acceptance of the goods sold.
- (v) Fees for courses/events are recognised when services are rendered/consumed at a point in time.
- (vi) Interest income is recognised on a time-proportion basis, using the effective interest method, unless collectibility is in doubt.

2.5 Fund Accounting

Monies received for specific purposes are credited directly to the respective fund accounts. Income and expenditure relating to specific funds are accounted for directly in the funds to which they relate. Assets and liabilities of the specific funds are pooled in the balance sheet.

2.6 Employee Benefits

(i) *Defined Contribution Plans*

The Association makes contributions to the state provident fund (Central Provident Fund). Such contributions are recognised as compensation expenses in the same period as the employment that gave rise to the contributions.

(ii) *Short-term Compensated Absences*

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

2.7 Income Taxes

As a registered charity under the Charities Act, Cap. 37, the income of SCWO - Service Fund is exempt from tax under Section 13(1)(zm) of the Income Tax Act, Cap. 134.

SINGAPORE COUNCIL OF WOMEN'S ORGANISATIONS (SCWO)

SCWO - SERVICE FUND

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.8 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 when it is probable that future economic benefits associated with the item will flow to the Association and the cost of the item can be measured reliably.

Property, plant and equipment are stated at cost less accumulated depreciation and impairment loss, if any.

Any estimated costs of dismantling and removing the property, plant and equipment and reinstating the site to its original condition (reinstatement costs) are capitalised as part of the cost of the property, plant and equipment.

Depreciation is calculated on the straight line basis so as to write off the cost, less the residual value, of the assets over their estimated useful lives. The annual rates of depreciation are as follows:

Office equipment, furniture and fittings	10 years
Computers	3 years
Office renovation	3 years
Air-conditioners	3 years

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

The residual values, useful lives and depreciation methods of property, plant and equipment are reviewed and adjusted as appropriate, at each financial year-end.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, and shall be included in profit or loss when the item is derecognised.

2.9 Impairment of Non-Financial Assets

The carrying amounts of the Association's non-financial assets subject to impairment are reviewed at each balance sheet date to determine whether there is any indication of impairment. If 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. The recoverable amount is the greater of the asset's fair value less cost of disposal and its value in use. The value in use is the present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life.

An impairment loss on a non-revalued asset is recognised in profit or loss. An impairment loss on a revalued asset is recognised in other comprehensive income to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same asset. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount or when there is an indication that the impairment loss recognised for the asset no longer exists or decreases. An impairment loss is reversed only 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.

SINGAPORE COUNCIL OF WOMEN'S ORGANISATIONS (SCWO)

SCWO - SERVICE FUND

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.10 Financial Assets

Financial assets are recognised on the balance sheet when the Association becomes a contractual party to the contractual provisions of the financial instrument.

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

Financial assets are classified into the following measurement categories:

- Amortised cost;
- Fair value through other comprehensive income (FVOCI); and
- Fair value through profit or loss (FVPL).

The basis of classification depends on the Association's business model and the contractual cash flow characteristics of the financial assets.

At initial recognition

At initial recognition, the Association measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial assets. Transaction costs of financial assets carried at FVPL are expensed in profit or loss. Receivables that do not have a significant financing component are measured at their transaction price at initial recognition.

At subsequent measurement

The Association's financial assets comprising receivables, bank deposits and cash and cash equivalents, are measured at amortised cost subsequent to initial recognition, as these are contractual cash flows which represent solely payments of principal and interest. A gain or loss on a financial asset that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets are recognised using the effective interest rate method.

Impairment of Financial Assets

The Association assesses on forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost, and recognises a loss allowance accordingly.

At each reporting date, the debt instruments are assessed to determine whether there is significant increase in credit risk since initial recognition. If there is a significant increase in credit risk since initial recognition, lifetime expected credit losses will be calculated and recognised in the loss allowance. If credit risk on the debt instrument has not increased significantly since initial recognition, the loss allowance is measured based on 12-month expected credit losses. Adjustments to the loss allowance are recognised in profit or loss as an impairment gain or loss.

For receivables, the Association applies the simplified approach permitted by FRS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

SINGAPORE COUNCIL OF WOMEN'S ORGANISATIONS (SCWO)

SCWO - SERVICE FUND

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.11 Receivables

Receivables that do not have a significant financing component are measured at their transaction price at initial recognition, and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses, as explained in note 2.10. Receivables with a short duration are not discounted.

2.12 Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand and cash with banks that are subject to an insignificant risk of changes in value. Cash equivalents are stated at amounts at which they are convertible into cash. Fixed deposits with original maturities over 3 months are excluded from cash and cash equivalents.

2.13 Financial liabilities

Financial liabilities included payables.

Financial liabilities are recognised on the balance sheet when the Association becomes a party to the contractual provisions of the financial instrument.

Financial liabilities are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. Financial liabilities with a short duration are not discounted.

A financial liability is derecognised when the obligation under the liability is extinguished. For financial liabilities other than derivatives, gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

2.14 Provisions

Provisions are recognised when the Association has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

2.15 Leases

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

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

2.15.1 As lessee

The Association applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Association recognises lease liabilities representing the obligations to make lease payments and right-of-use assets representing the right to use the underlying leased assets.

SINGAPORE COUNCIL OF WOMEN'S ORGANISATIONS (SCWO)

SCWO - SERVICE FUND

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.15 Leases (continued)

2.15.1 As lessee (continued)

(a) *Right-of-use assets*

The Association recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Association at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in Note 2.9.

(b) *Lease liabilities*

At the commencement date of the lease, the Association recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Association and payments of penalties for terminating the lease, if the lease term reflects the Association exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Association uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(c) *Short-term leases and leases of low-value assets*

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

SINGAPORE COUNCIL OF WOMEN'S ORGANISATIONS (SCWO)

SCWO - SERVICE FUND

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.15 Leases (continued)

2.15.2 Prior to 1 February 2019, the accounting policies applied to leases were as follows:

Operating Leases

Leases whereby the lessor effectively retains substantially all the risks and benefits of ownership of the leased item are classified as operating leases.

When the Association is the lessee, operating lease payments are recognised as an expense in profit or loss on a straight-line-basis over the lease term.

2.16 Related Parties

A related party is defined as follows:

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

SINGAPORE COUNCIL OF WOMEN'S ORGANISATIONS (SCWO)

SCWO - SERVICE FUND

3 BOARDAGENDER

The income and expenditure in respect of the BoardAgender for the year ended 31 January 2020 are included in the Statement of Comprehensive Income as follows:

	<u>2020</u>	<u>2019</u>
	\$	\$
<u>Income</u>		
Care and Share grant	-	1,054
Event income	-	785
Membership fees received	3,500	4,400
Non-tax deductible donations	-	3,000
	3,500	9,239
<u>Less: Expenses</u>		
Event Expenses	80	1,758
IT Website expenses	179	186
Postages and courier	-	3
Refreshments	279	218
Transport	70	197
ENETS Transaction fee	39	112
	647	2,474
Surplus for the year	2,853	6,765

4. GRANTS AND SUBSIDIES

	<u>2020</u>	<u>2019</u>
	\$	\$
<u>Grants for Maintenance Support Central (MSC)</u>		
Grants from		
- Tote Board Social Service Fund [note 18(c)]	104,334	101,935
- Community Chest Charity Support Fund [note 18(d)]	26,854	18,591
Total grants and subsidies for MSC (note 9)	131,188	120,526
<u>Grants for SCWO - Service Fund</u>		
Grants from		
- Ministry of Social and Family Development ("MSF") Care and Share [note 18(a)]	14,256	15,047
- National Heritage Board [note 18(b)]*	16,400	16,100
	161,844	151,673

* This grant will be restricted for use under the Singapore Women's Hall of Fame Reserves as disclosed in notes 10 and 15.

SINGAPORE COUNCIL OF WOMEN'S ORGANISATIONS (SCWO)

SCWO - SERVICE FUND

5. IT HUB

The income and expenditure in respect of the IT Hub for the year ended 31 January 2020 are included in the Statement of Comprehensive Income as follows:

	<u>2020</u>	<u>2019</u>
	\$	\$
<u>Income</u>		
IT membership subscriptions	1,800	1,750
IT course fees	3,235	1,550
Care and Share grant	6,101	-
	11,136	3,300
<u>Less: Expenses</u>		
Depreciation on property, plant and equipment (note 11)	6,317	216
General expenses	32	-
Event expenses	529	245
Refreshments	18	44
	6,896	505
Surplus for the year	4,240	2,795

6. WOMEN'S REGISTER

The income and expenditure in respect of the Women's Register for the year ended 31 January 2020 are included in the Statement of Comprehensive Income as follows:

	<u>2020</u>	<u>2019</u>
	\$	\$
<u>Income</u>		
Care and Share grant	3,782	7,797
Membership fees received	400	160
Donations		
- Non-tax deductible	-	550
- Tax deductible	150	-
Registration fees from talks/presentations	310	792
	4,642	9,299
<u>Less: Expenses</u>		
IT website expenses	183	186
Event expenses	3,951	8,374
Other expenses	93	180
	4,227	8,740
Surplus for the year	415	559

SINGAPORE COUNCIL OF WOMEN'S ORGANISATIONS (SCWO)

SCWO - SERVICE FUND

7 EMPLOYEE BENEFITS EXPENSE

	<u>2020</u>	<u>2019</u>
	\$	\$
Salaries and related costs	208,213	196,677
Employer's contributions to Central Provident Fund	<u>32,726</u>	<u>31,025</u>
	<u>240,939</u>	<u>227,702</u>

Employee benefits expense includes benefits paid to key management personnel relating to the SCWO - Service Fund as follows:

	<u>2020</u>	<u>2019</u>
	\$	\$
Salaries and related costs	37,856	36,265
Employer's contributions to Central Provident Fund	<u>2,337</u>	<u>2,308</u>
	<u>40,193</u>	<u>38,573</u>

None (2019: none) of the three highest paid staff received more than \$100,000 in annual remuneration.

8 INTERNATIONAL WOMEN'S DAY (IWD) EVENT

The income and expenditure in respect of the IWD event for the year ended 31 January 2020 are included in the Statement of Comprehensive Income as follows:

	<u>2020</u>	<u>2019</u>
	\$	\$
<u>Income</u>		
Donations		
- Non-tax deductible	33,720	33,601
- Tax deductible	<u>149,750</u>	<u>129,200</u>
	183,470	162,801
<u>Less: Expenses</u>		
Collaterals	5,459	6,659
Gifts and souvenirs	329	554
IWD dinner expenses	71,819	69,593
Performance expenses	2,200	1,926
Photograph expenses	2,960	2,960
Postage and courier	271	488
Prizes	600	-
Refreshments	516	467
Rental of equipment	353	-
Sound and lighting equipment	6,955	6,420
Supply and installation of customised ramp	-	1,271
Transport expenses	650	264
	<u>92,112</u>	<u>90,602</u>
Surplus for the year	<u>91,358</u>	<u>72,199</u>

SINGAPORE COUNCIL OF WOMEN'S ORGANISATIONS (SCWO)

SCWO - SERVICE FUND

9. MAINTENANCE SUPPORT CENTRAL

Maintenance Support Central ("MSC") is an initiative by the Association and operates under the SCWO - Service Fund. It is a multi-service drop-in centre that provides support and assistance to improve the enforcement of maintenance orders. Through its services, MSC aims to empower clients with knowledge pertaining to their marital rights and provide them all-rounded support together with our community partners.

The income and expenditure in respect of the MSC for the year ended 31 January 2020 are included in the Statement of Comprehensive Income as follows:

	<u>2020</u>	<u>2019</u>
	\$	\$
<u>Income</u>		
Grants and subsidies (note 4)	131,188	120,526
Counselling fee	395	50
Registration fees from talks	180	470
Donations		
- Non-tax deductible	7,704	13,352
- Tax deductible	1,000	-
	140,467	134,398
<u>Less: Expenses</u>		
Audit fee	2,354	2,140
Depreciation on property, plant and equipment (note 11)	5,973	4,802
Employer's contributions to Central Provident Fund	17,076	12,671
Event expenses	120	177
General expenses	248	286
Insurance	527	396
Medical expenses	890	511
Postage charges	48	23
Printing and stationery	726	782
Refreshments	561	411
Rental of premises (note 12)	14,196	-
Repairs and maintenance	50	1,876
Salaries and related costs	100,431	74,492
Skills development levy	232	181
Staff welfare	229	110
Telecommunications and faxes	202	408
Training and development	884	-
Transport	139	73
	144,886	99,339
(Deficit)/surplus for the year (note 15)	(4,419)	35,059

SINGAPORE COUNCIL OF WOMEN'S ORGANISATIONS (SCWO)

SCWO - SERVICE FUND

10. SINGAPORE WOMEN'S HALL OF FAME

The Singapore Women's Hall of Fame ("SWHF") was launched on 14 March 2014 to recognise and honour the outstanding women of Singapore in all fields of endeavour. Through an annual induction ceremony where more outstanding women are honoured, the SWHF also shares, through our rigorous outreach efforts, these inspiring stories with students and the public to inspire and educate.

The income and expenditure in respect of the SWHF for the year ended 31 January 2020 are included in the Statement of Comprehensive Income as follows:

	<u>2020</u>	<u>2019</u>
	\$	\$
<u>Income</u>		
Grant		
- National Heritage Board grant (notes 4 and 18b)	16,400	16,100
Donations and sponsorships		
- Non-tax deductible	-	250,070
- Tax deductible	10,000	1,000
Sundry income	4,811	650
	31,211	267,820
<u>Less: Expenses</u>		
Coffee table books	5,575	5,575
Contract staff	1,267	14,647
Event expenses	76,533	61,392
General expenses	4,264	3,459
IT website expenses	2,156	5,671
Printing and stationery	648	4
Refreshments	272	395
Trophies expenses	144	176
	90,859	91,319
(Deficit)/surplus for the year	(59,648)	176,501

	<u>2020</u>	<u>2019</u>
	\$	\$
The (deficit)/surplus for the year attributable to:		
- SWHF Reserves (note 15)	(64,459)	175,781
- Service Fund General Reserves (note 15)	4,811	720
	(59,648)	176,501

SINGAPORE COUNCIL OF WOMEN'S ORGANISATIONS (SCWO)

SCWO - SERVICE FUND

11. PROPERTY, PLANT AND EQUIPMENT

	Office equipment, furniture and fittings	Computers	Office Renovation	Air- conditioners	Total
	\$	\$	\$	\$	\$
<u>Cost</u>					
At 1 February 2018	33,006	27,312	-	4,280	64,598
Additions	-	2,735	-	-	2,735
At 31 January 2019 and 1 February 2019	33,006	30,047	-	4,280	67,333
Additions	4,504	18,304	4,406	-	27,214
Written off	-	(6,990)	-	-	(6,990)
At 31 January 2020	<u>37,510</u>	<u>41,361</u>	<u>4,406</u>	<u>4,280</u>	<u>87,557</u>
<u>Accumulated depreciation</u>					
At 1 February 2018	20,507	21,545	-	4,280	46,332
Charge for the year	3,300	3,962	-	-	7,262
At 31 January 2019 and 1 February 2019	23,807	25,507	-	4,280	53,594
Charge for the year	3,751	9,731	1,469	-	14,951
Written off	-	(6,990)	-	-	(6,990)
At 31 January 2020	<u>27,558</u>	<u>28,248</u>	<u>1,469</u>	<u>4,280</u>	<u>61,555</u>
<u>Carrying amount</u>					
At 31 January 2020	<u>9,952</u>	<u>13,113</u>	<u>2,937</u>	<u>-</u>	<u>26,002</u>
At 31 January 2019	<u>9,199</u>	<u>4,540</u>	<u>-</u>	<u>-</u>	<u>13,739</u>

Depreciation for the year charged to Statement of Comprehensive Income are as follows:

	2020	2019
	\$	\$
<u>Charged to:</u>		
- IT Hub (note 5)	6,317	216
- Maintenance Support Central (note 9)	5,973	4,802
- General Profit and Loss	2,661	2,244
	<u>14,951</u>	<u>7,262</u>

12. RENTAL OF PREMISES

This relates to the imputed cost for the space occupied by SCWO - Service Fund at SCWO premises located at 96 Waterloo Street allocated based on comparable rental rate within the vicinity.

SINGAPORE COUNCIL OF WOMEN'S ORGANISATIONS (SCWO)

SCWO - SERVICE FUND

13. OTHER RECEIVABLES

	2020	2019
	\$	\$
Grant receivable from NCSS	8,730	8,518
Non-trade receivables	801	308
Deposits	88	218
Prepayments	38,034	44,155
Receivable from SCWO - Star Shelter	9,134	-
	56,787	53,199

Grant receivable from NCSS is expected to be received within 3 to 6 months.

Non-trade receivables and deposits are unsecured, non-interest bearing and expected to be repayable on demand.

14. FIXED DEPOSITS WITH A FINANCIAL INSTITUTION

The fixed deposits mature within one year (2019: 6 months) and earn interest at rates ranging from 1.40% to 1.55% (2019: 0.75% to 1.40%) per annum.

15. ACCUMULATED FUNDS

The Service Fund general reserves are designated funds to be used only for specified purposes, in accordance with the objectives set out in note 1.

The MSC Fund and SWHF Reserves are restricted for the respective operations of MSC and SWHF only, for the benefit of its intended clients (notes 9 and 10). In keeping with the grantors' intent for the use of monies, the surplus will not be transferred out of the programme for other purposes.

16. OTHER PAYABLES

	2020	2019
	\$	\$
Payable to SCWO operating fund	42,771	35,274
Accruals	15,501	11,193
Sundry payables	100	20
Provision for unutilised leave	1,320	313
	59,692	46,800

The above payables are unsecured, non-interest bearing and are normally settled within 90 days or on demand.

17. DEFERRED INCOME

	2020	2019
	\$	\$
* Donations/income for IWD 2021	73,100	30,400
Other income received in advance	3,255	6,360
	76,355	36,760

* The donations received in advance are tax-deductible donations received during the financial year in respect of International Women's Day 2020 which was originally planned to be held on 19 June 2020. However, due to the COVID-19 pandemic, the original date may not be viable and the event has now been pushed back to 27 March 2021.

SINGAPORE COUNCIL OF WOMEN'S ORGANISATIONS (SCWO)

SCWO - SERVICE FUND

18. DEFERRED GRANTS

18.1 Care and Share Grant

This is a matching grant from MSF, a national fund-raising and volunteerism movement for the social service sector, with the objectives of bringing the nation together to show care and concern for the less fortunate; recognise the contributions made by Voluntary Welfare Organisations; and invest in building capability in social service sector to meet future needs. The grant is administered by National Council of Social Service.

The grant is disbursed by MSF based on the qualified donations raised by the SCWO - Service Fund using the calculation basis stated in the funding agreement.

The amount of grant recognised as income relates to the amount that is matched with the qualifying expenditures incurred by the SCWO - Service Fund during the financial year.

18.2 Heritage Participation Grant

This grant is received from the National Heritage Board ("NHB"), a statutory board of the Singapore government, under the Ministry of Culture, Community and Youth ("MCCY"). The grant is administered by NHB.

The grant is disbursed by NHB to individuals and organisations who wish to start community heritage projects, including but not limited to exhibition on places of historic interest, publication of community related stories, and various heritage programmes and events.

The grant is disbursed by NHB based on the total estimated project cost submitted by the SCWO - Service Fund, capped at a maximum of \$32,800, and subject to the terms and conditions as agreed. The project took place between 2 November 2019 and 19 January 2020.

18.3 Tote Board Social Service Fund Grant

The grant agreement dated 1 April 2017 was between SCWO and the National Council of Social Service (NCSS) as administrator of the Tote Board Social Service Fund. The agreement was for a two-year period from 1 April 2017 to 31 March 2019 and was subsequently superseded by a 2nd agreement dated 1 April 2018 which covers a one-year period from 1 April 2018 to 31 March 2019. The 2nd agreement was superseded by a 3rd agreement dated 1 April 2019 which covers a three-year period from 1 April 2019 to 31 March 2022.

Pursuant to the above Grant Agreement, the grantor, NCSS, agrees to provide funding, based on agreed terms and conditions, for the operations of MSC at 96 Waterloo Street, SCWO Centre, Singapore 187967. MSC operates as a multi-service drop-in centre that provides support and assistance to improve the enforcement of maintenance orders. Through its services, MSC aims to empower clients with knowledge pertaining to their marital rights and provide them all-rounded support together with our community partners.

18.4 Community Chest Charity Support Fund Grant

This grant is received from NCSS to support the Association's initiatives under MSC as a multi-service drop-in centre that provides support and assistance to improve the enforcement of maintenance orders. Through its services, MSC aims to empower clients with knowledge pertaining to their marital rights and provide them all-rounded support together with our community partners.

The Grant Agreement dated 1 March 2018 signed between the Association and NCSS covers a two-year period from 1 March 2018 to 29 February 2020 with yearly funding of \$50,000, subject to terms and conditions as agreed.

SINGAPORE COUNCIL OF WOMEN'S ORGANISATIONS (SCWO)

SCWO - SERVICE FUND

18. DEFERRED GRANTS (continued)

Details of the grant movements during the financial year are as follows:

	<u>2020</u>	<u>2019</u>
	\$	\$
(a) <u>Care and Share Grant</u>		
Balance at beginning of the year	78,639	93,686
Grant recognised as income during the year (note 4)	<u>(14,256)</u>	<u>(15,047)</u>
Balance as deferred grant at 31 January	<u>64,383</u>	<u>78,639</u>
(b) <u>Heritage Participation Grant</u>		
Balance at beginning of the year	-	8,050
Grant received during the year	16,400	8,050
Grant recognised as income during the year (notes 4 and 10)	<u>(16,400)</u>	<u>(16,100)</u>
Balance as deferred grant at 31 January	<u>-</u>	<u>-</u>
(c) <u>Tote Board Social Service Fund Grant</u>		
Balance at beginning of the year	-	16,758
Grant received/receivable during the year	104,334	85,177
Grant recognised as income during the year (note 4)	<u>(104,334)</u>	<u>(101,935)</u>
Balance as deferred grant at 31 January	<u>-</u>	<u>-</u>
(d) <u>Community Chest Charity Support Fund Grant</u>		
Balance at beginning of the year	31,409	-
Grant received during the year	-	50,000
Grant recognised as income during the year (note 4)	<u>(26,854)</u>	<u>(18,591)</u>
Balance as deferred grant at 31 January	<u>4,555</u>	<u>31,409</u>
Total (a) + (b) + (c) + (d)	<u>68,938</u>	<u>110,048</u>

19. FINANCIAL RISKS MANAGEMENT

The Association is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks are credit risk, liquidity risk and interest rate risk. The SCWO Board reviews and agrees on policies for managing each of these risks and they are summarised below:

19.1 Credit risk

Credit risk is the potential risk of financial loss resulting from the failure of customers or other counterparties to settle their financial and contractual obligations to the Association as and when they fall due.

The Association's main financial assets consist of cash and cash equivalents and fixed deposits with financial institution. Cash and bank deposits are placed with financial institutions which are regulated.

At the balance sheet date, there was no significant concentration of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet.

SINGAPORE COUNCIL OF WOMEN'S ORGANISATIONS (SCWO)

SCWO - SERVICE FUND

19. FINANCIAL RISKS MANAGEMENT (continued)

19.1 Credit risk (continued)

Recognition of expected credit losses (ECL)

The Association's financial assets that are subject to credit losses where the expected credit loss model has been applied are receivables.

The Association assesses on forward looking basis the expected credit losses on its receivables, and recognises a loss allowance in accordance with FRS 109.

Based on the Association's historical collection trend, all outstanding receivables are generally settled on demand and there is a low risk of default. Receivables are assessed on a collective basis to determine whether there are changes in credit risk. Lifetime expected credit losses are recognised for specific receivables for which credit risk is deemed to have increased significantly.

Based on the management's assessment, there is no significant ECL on the Association's receivables as at balance sheet date.

19.2 Liquidity risk

Liquidity risk is the risk that the Association will encounter difficulty in meeting financial obligations due to shortage of funds.

The Association monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate to finance the Association's operations and to mitigate the effects of fluctuations in cash flows.

All financial liabilities of the Association are repayable on demand or mature within one year.

19.3 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Association's financial instruments will fluctuate because of changes in market interest rates.

The Association does not have any interest-bearing financial liabilities. Its only exposure to changes in interest rates relates to interest-earning bank deposits. The Association monitors movements in interest rates to ensure deposits are placed with financial institutions offering optimal rates of return.

The interest rates and terms of maturity of the financial assets of the Association are disclosed in note 14 to the financial statements.

20. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

The carrying amounts of cash and cash equivalents, fixed deposits with financial institution, receivables and payables approximate their fair values due to their short term nature.

SINGAPORE COUNCIL OF WOMEN'S ORGANISATIONS (SCWO)

SCWO - SERVICE FUND

21. FINANCIAL INSTRUMENTS BY CATEGORY

The aggregate carrying amounts of financial instruments by category, as specified in FRS 109 are as follows:

	<u>2020</u>	<u>2019</u>
	\$	\$
Financial assets at amortised cost	672,793	632,811
Financial liabilities at amortised cost	58,372	46,487

22. RESERVES MANAGEMENT

The Association's reserves management objective is to safeguard the Association's ability to continue as a going concern and to maintain an optimal reserve in order to support its operations and principal activities.

The Association aims to maintain its reserves at a level equivalent to at least 3 times the current annual operating expenses. The Association regularly monitors its cash flows and manages its funds to ensure that they are adequate to fulfil continuing obligations.

As explained in note 15, the MSC Fund and SWHF Reserves are restricted for the respective operations of MSC and SWHF only. The SCWO - Service Fund general reserves are designated funds to be used only for specified purposes, in accordance with the objectives set out in note 1.

The Association is not subject to externally imposed reserve requirements.

There were no changes to the Association's approach to reserves management since the previous financial year.

23. FUND-RAISING APPEAL

During the year, the Association did not conduct any fund raising appeal which requires disclosure in accordance with Regulation 7 of the Charities (Fund-raising Appeals for Local and Foreign Charitable Purposes) Regulations 2012.

24. AUTHORISATION OF THE FINANCIAL STATEMENTS

These financial statements were authorised for issue by the SCWO Board on **19 MAY 2020**

