

Audited Financial Statements

Sagaramudra Buddhist Society

(UEN: S88SS0090C)

For the year ended 31 December 2021

General Information

Executive Committee

President	:	Chew Swen Ling@ Shi Fa Qian
Vice President	:	Goh Siew Hwa@ Shi Fa Xuan
Secretary	:	Low Soo Gek@ Shi Fa Zun
Assistant Secretary	:	Cheong Kwai Sim
Treasurer	:	Janet Lim Poh Thung
Assistant Treasurer	:	Ng Kok Eng@ Shi Fa Rong
Committee Members	:	Tan Chai Lian
		Lim Chin Seng
		Chow Ooi Heng Joanie

Independent Auditor

HLB Atrede LLP

Contents

	Page
Statement by the Executive Committee	1
Independent Auditor's Report	2
Statements of Financial Position	6
Statement of Financial Activities	7
Statements of Changes in Funds	10
Statement of Cash Flows	11
Notes to the Financial Statements	12


Sagaramudra Buddhist Society
(UEN: S88SS0090C)

Statement by the Executive Committee

We, Chew Swen Ling@ Shi Fa Qian and Janet Lim Poh Thung, being two members of the executive committee of Sagaramudra Buddhist Society (the "Society"), do hereby state that, in the opinion of the executive committee,

- (a) the accompanying financial statements are drawn up in accordance with the provisions of the Societies Act 1966 (the "Societies Act"), the Charities Act 1994 and other relevant regulations (the "Charities Act and Regulations") and Charities Accounting Standards in Singapore ("CAS"), so as to present fairly, in all material respects, the state of affairs of Society as at 31 December 2021 and the results, changes in funds and cash flows of the Society for the year ended on that date; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Society will be able to pay its debts as and when they fall due.

For and on behalf of the Executive Committee,



Chew Swen Ling@ Shi Fa Qian
President



Janet Lim Poh Thung
Treasurer

Singapore
28 March 2022

**Independent Auditor's Report
to the members of Sagaramudra Buddhist Society
(UEN: S88SS0090C)**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Sagaramudra Buddhist Society (the "Society"), which comprise the statement of financial position as at 31 December 2021, and the statement of financial activities, statement of changes in funds and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Societies Act 1966 (the "Societies Act"), the Charities Act 1994 and other relevant regulations (the "Charities Act and Regulations") and Charities Accounting Standards in Singapore ("CAS") so as to present fairly, in all material respects, the state of affairs of the financial position of the Society as at 31 December 2021 and of the results, changes in fund and cash flows of the Society for the year ended on that date.

Basis for Opinion

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

Other Information

Management is responsible for the other information. The other information comprises the information included in the Statement by the Executive Committee and the annual report 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.

**Independent Auditor's Report
to the members of Sagaramudra Buddhist Society – continued
(UEN: S88SS0090C)**

Other Information (continued)

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

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

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

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

The executive committee are responsible for overseeing the Society's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

**Independent Auditor's Report
to the members of Sagaramudra Buddhist Society – continued
(UEN: S88SS0090C)**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Society to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Independent Auditor's Report
to the members of Sagaramudra Buddhist Society – continued
(UEN: S88SS0090C)**

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required be kept by the Society have been properly kept in accordance with the provisions of the Societies Regulations enacted under the Societies Act and the Charities Act and Regulations.

A handwritten signature in black ink, appearing to read 'J B Atrede LLP', written over the printed name.

HLB Atrede LLP
Public Accountants and
Chartered Accountants

Singapore
28 March 2022

Sagaramudra Buddhist Society
(UEN: S88SS0090C)

Statements of Financial Position as at 31 December 2021

	Note	2021 \$	2020 \$
Non-current asset			
Property, plant and equipment	4	<u>9,545,711</u>	<u>11,208,452</u>
		<u>9,545,711</u>	<u>11,208,452</u>
Current assets			
Other receivables	5	19,240	19,543
Cash and cash equivalents	6	<u>10,763,811</u>	<u>3,414,200</u>
		<u>10,783,051</u>	<u>3,433,743</u>
Current liabilities			
Other payables	7	115,420	162,295
Deferred capital donation	8	<u>16,000</u>	<u>16,000</u>
		<u>131,420</u>	<u>178,295</u>
Net current assets		10,651,631	3,255,448
Non-current liability			
Deferred capital donation	8	<u>720,000</u>	<u>736,000</u>
		<u>720,000</u>	<u>736,000</u>
Net assets		<u>19,477,342</u>	<u>13,727,900</u>
Funds			
General fund	9	19,477,342	13,727,900
Total funds		<u>19,477,342</u>	<u>13,727,900</u>

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

Sagaramudra Buddhist Society
(UEN: S88SS0090C)

Statement of Financial Activities for the financial year ended 31 December 2021

	2021	2020
	General fund	General fund
	\$	\$
INCOME		
Voluntary income		
Donations boxes	34,658	7,698
Donations received	854,758	251,970
Monthly donations received	46,806	41,196
	<u>936,222</u>	<u>300,864</u>
Investment income		
Bank interest income	500	240
Fixed deposits interest income	18,145	38,361
	<u>18,645</u>	<u>38,601</u>
Income from charitable activities		
Birthday blessing	612	–
Chanting service	9,200	3,500
Course fee	17,445	–
Members entrance and subscription fees	54,375	54,665
Lamp offering	111,100	94,900
Qing Ming prayer ceremony	81,701	3,110
Seventh month prayer ceremony	159,082	–
Shui Chan prayer ceremony	52,812	12,212
Solemnization services	180	–
Taiji class	1,320	–
Vesak day prayer ceremony	–	320
Xin Chun prayer ceremony	53,367	64,659
	<u>541,194</u>	<u>233,366</u>
Other income		
Gain on disposal of freehold land and building	4,773,414	–
Jobs support scheme	7,408	34,972
Special and temporary employment credit	5,823	1,376
Sundry income	–	–
	<u>4,786,645</u>	<u>36,348</u>
TOTAL INCOME	<u>6,282,706</u>	<u>609,179</u>

Sagaramudra Buddhist Society
(UEN: S88SS0090C)

Statement of Financial Activities for the financial year ended 31 December 2021 – continued

	2021	2020
	General fund	General fund
	\$	\$
LESS: EXPENDITURE		
Cost of charitable activities		
Chanting services	2,540	840
Course expenses	3,629	716
Dharma talk	150	–
Donations	10,200	8,100
Food and refreshment	588	7,914
Qing Ming prayer expenses	1,107	–
Reverends' allowances	80,190	73,340
Seventh month prayer expenses	5,563	–
Shui Chan prayer expenses	1,381	372
Solemnization service	50	–
Subscription	55	55
Xin Chun prayer expenses	64	1,626
	<u>105,517</u>	<u>92,963</u>
Governance and administrative costs		
Accounting services	4,200	4,200
Advertisements	317	628
Amortisation of deferred capital donation	(16,000)	(16,000)
Audit fees – current year	4,838	4,549
Audit fees – over-provision in prior year	–	(44)
Bank charges	1,883	1,828
Cleaning services	12,926	2,489
Depreciation	91,630	110,365
General expenses	402	1,008
Gift	100	–
Insurance	7,276	8,430
Leasing rental	3,788	3,788
Low value assets expense off	4,285	–
Medical fee	56	–
Newsletter and publication	24,952	33,028
Newspaper and periodical	383	675
Postage and stamps	1,128	717
Printing and stationery	969	451
Property tax	7,498	7,584
Balance c/f	<u>150,631</u>	<u>163,696</u>

Sagaramudra Buddhist Society
(UEN: S88SS0090C)

Statement of Financial Activities for the financial year ended 31 December 2021 – continued

	2021	2020
	General fund	General fund
	\$	\$
LESS: EXPENDITURE (continued)		
Governance and administrative costs (continued)		
Balance b/f	150,631	163,696
Staff costs	176,600	147,997
Telephone expenses	5,334	5,824
Training expenses	160	6,150
Transportation	304	323
Upkeep of air conditioning	4,764	1,894
Upkeep of computers	6,458	8,074
Upkeep of office equipment	2,285	219
Upkeep of premises – 5 Lorong 29 Geylang	59,149	13,984
Upkeep of premises – 574 Changi Road	580	630
Upkeep of vehicles	428	765
Utilities	20,407	18,761
Loss on plant and equipment written off	647	–
	<u>427,747</u>	<u>368,317</u>
TOTAL EXPENDITURE	<u>533,264</u>	<u>461,280</u>
Net income for the year	5,749,442	147,899
<u>Reconciliation of funds</u>		
Total fund brought forward	<u>13,727,900</u>	<u>13,580,001</u>
Total fund carried forward	<u>19,477,342</u>	<u>13,727,900</u>

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

Sagaramudra Buddhist Society
(UEN: S88SS0090C)

Statement of Changes in Funds for the financial year ended 31 December 2021

	General fund \$
Balance at 1 January 2020	13,580,001
Net income for the year	<u>147,899</u>
Balance at 31 December 2020	13,727,900
Net income for the year	<u>5,749,442</u>
Balance at 31 December 2021	<u><u>19,477,342</u></u>

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

Sagaramudra Buddhist Society
(UEN: S88SS0090C)

Statement of Cash Flows for the financial year ended 31 December 2021

	2021	2020
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before tax	5,749,442	147,899
Adjustments for:		
Depreciation	91,630	110,365
Loss on plant and equipment written off	647	—
Gain on disposal of freehold land and building	(4,773,414)	—
Amortisation of deferred capital donation	(16,000)	(16,000)
Interest income	(18,145)	(38,361)
Operating profit before working capital changes	<u>1,034,160</u>	<u>203,903</u>
Increase/(decrease) in other receivables	1,259	(1,201)
Decrease in other payables	(46,875)	(31,691)
Net cash flows from operating activities	<u>988,544</u>	<u>171,011</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(22,772)	(1,231)
Proceed from disposal of freehold land and building	6,366,650	—
Interest received	17,189	55,522
Net cash flows from investing activities	<u>6,361,067</u>	<u>54,291</u>
Net increase in cash and cash equivalents	7,349,611	225,302
Cash and cash equivalents at beginning of year	3,414,200	3,188,898
Cash and cash equivalents at end of year	<u>10,763,811</u>	<u>3,414,200</u>

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

Notes to the Financial Statements – 31 December 2021

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

1. GENERAL INFORMATION

Sagaramudra Buddhist Society (the “Society”) was registered under the Societies Act 1966 on 18 January 1988. The Society was registered as charity under the Charities Act 1994 on 22 February 1991.

The Society’s registered office and principal place of business are located at 5 Lorong 29 Geylang, Singapore 388060.

The principal activities of the Society are to propagate Buddhist faith by studying the teachings of Buddha.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) *Basis of preparation*

The financial statements have been prepared in accordance with Charities Accounting Standards (“CAS”) and disclosure requirements of the Societies Act 1966 and the Charities Act 1994.

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollar (SGD or \$) and all values are rounded to the nearest one-dollar unless otherwise stated.

(b) *Functional currency*

The committee has determined the currency of the primary economic environment in which the Society operates i.e. functional currency, to be SGD.

(c) *Property, plant and equipment*

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

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any costs that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. The costs of day-to-day servicing of an item of property, plant and equipment as expenditure in the statement of financial activities in the period in which the costs are incurred.

Notes to the Financial Statements – 31 December 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) *Property, plant and equipment (continued)*

Freehold land has an unlimited useful life and therefore is not depreciated. Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Buddha statues	–	30 years
Freehold buildings	–	50 years
Furniture and fittings	–	5 years
Motor vehicles	–	5 years
Office equipment	–	5 years
Renovation	–	5 years

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

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

Property, plant and equipment shall not be revalued and are not required to be assessed for impairment under the Charities Accounting Standards.

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 arising on derecognition of the asset shall be accounted for in net income or expenditure in the statement of financial activities in the period in which the disposal occurs as the difference between the net sale proceeds and the net carrying amount of the asset.

(d) *Financial assets*

Receivables excluding prepayments, are initially recognised at their transactions price, excluding transaction costs, if any, which shall be recognised as expenditure in the statement of financial activities. Prepayments are initially recognised at the amount paid in advance for the economic resources expected to be received in the future.

Subsequent to initial measurement, the Society shall measure the financial asset at cost less any accumulated impairment losses.

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) *Financial assets (continued)*

The Society assesses at each reporting date whether there is any objective evidence that a financial asset is impaired. If there is objective evidence that an impairment loss on a financial asset has been incurred (such as significant financial difficulty of the issuer or obligor, probable that the debtor will enter bankruptcy or other financial reorganisation), the impairment loss is recognised immediately in the statement of financial activities.

Subsequently, the amount of an impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's financial condition), the Society shall reverse the previously recognised impairment loss. The reversal shall not result in a carrying amount of the financial asset (net of any allowance account) that exceeds what the carrying amount would have been had the impairment not previously been recognised. The Society shall recognise the amount of the reversal in the statement of financial activities immediately.

(e) *Cash and cash equivalents*

Cash and cash equivalents comprise cash on hand and at bank, demand deposits which are subject to an insignificant risk of change in value.

(f) *Financial liabilities*

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

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

(g) *Other payables*

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

Notes to the Financial Statements – 31 December 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) *Provisions*

Provisions are recognised when the Society has a present obligation (legal or constructive) as a result of a past event, and when 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.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. Any adjustments to the amounts previously recognized shall be recognized as expenditure in the Statement of Financial Activities unless the provision was originally recognised as part of the cost of an asset.

(i) *Operating leases as lessee*

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

(j) *Income recognition*

Income comprises the fair value of the consideration received or receivable in the ordinary course of the Society's activities. The following specific recognition criteria must be met before income is recognised:

(i) *Donations*

Donations are recognised when received. Donations-in-kinds are recognised when the fair value of the assets received can be reasonably ascertained. Donation is only deferred for recognition when the donors has imposed certain conditions that must be met before the Society has unconditional entitlement or the donor specifics that the donations can only be used in future accounting periods.

(ii) *Course fee*

Course fee income are recognised on accrual basis.

Notes to the Financial Statements – 31 December 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) *Income recognition (continued)*

(iii) *Membership subscription and entrance fee*

Membership subscription and entrance fee are recognised on cash basis.

(iv) *Interest income*

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

(v) *Service income*

Service income is recognised upon performance of services.

(vi) *Other income*

Other income are recognised when received.

(k) *Grants*

Government grant shall be recognised as income in the financial statement over the periods necessary to match them with the related costs for which the grants are intended to compensate on a systematic basis.

(l) *Expenditure*

All expenditure is accounted for on accrual basis, aggregated under the respective areas. Direct costs are attributed to the activity where possible.

(i) *Cost of charitable activities*

Cost of charitable activities comprises all directly attributable costs incurred in the pursuit of the charitable objects of the Society.

(ii) *Governance and administrative costs*

Governance costs include the cost of governance arrangement, which related to the general running of the Society, providing governance infrastructure and ensuring public accountability. These costs include costs related to constitutional and statutory requirements.

Notes to the Financial Statements – 31 December 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) *Income Taxes*

The Society is a charity registered under the Charities Act since 22 February 1991. Consequently, the income of the Society is exempted from tax under the provisions of Section 13 of the Income Tax Act 1947.

(n) *Employee benefits*

▪ *Defined contribution plans*

Defined contribution plans are post-employment benefit plans under which the Society pays fixed contributions into a separate entity such as the Central Provident Fund ("CPF"), on a mandatory contribution or voluntary basis. The Society has no further payment obligations once the contributions have been paid.

These contributions are recognised as an expense in the period in which the related service is performed.

(o) *Related parties*

Person are considered to be related if the person has the ability to control or exercise influence over the entity in making financial and operating decisions. The entity is considered related if the both entities are governed by common management committee members who has control in marking financial and operating decisions.

Notes to the Financial Statements – 31 December 2021

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

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

(i) *Judgement made in applying accounting policies*

There were no material judgements made by management in the process of applying the Society's accounting policies that have the most significant effect on the amounts recognised in the financial statements.

(ii) *Key sources of estimation uncertainty*

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

▪ *Useful lives of property, plant and equipment*

Management estimates the useful lives of these property, plant and equipment to be within 5 to 50 years. These are common life expectancies applied in the industry. Changes in the expected level of usage and technological developments could impact the economic useful lives of these assets, therefore, future depreciation charges could be revised. The carrying amount of the property, plant and equipment at the end of each reporting period is disclosed in Note 4 to the financial statements. The carrying amount of the Society's property, plant and equipment as at 31 December 2021 was \$9,545,711 (2020: \$11,208,452).

Notes to the Financial Statements – 31 December 2021

4. PLANT AND EQUIPMENT

	Freehold land \$	Freehold building \$	Buddha statue \$	Motor vehicles \$	Office equipment \$	Furniture and fittings \$	Renovation \$	Total \$
Cost:								
At 1 January 2020	8,199,052	3,644,443	270,074	96,788	264,012	27,002	626,829	13,128,200
Additions	–	–	–	–	1,231	–	–	1,231
At 31 December 2020								
and 1 January 2021	8,199,052	3,644,443	270,074	96,788	265,243	27,002	626,829	13,129,431
Additions	–	–	–	–	22,772	–	–	22,772
Disposals	(1,050,000)	(748,291)	–	–	(11,756)	–	–	(1,810,047)
Written off	–	–	–	–	(647)	–	(132,496)	(133,143)
At 31 December 2021	7,149,052	2,896,152	270,074	96,788	275,612	27,002	494,333	11,209,013
Accumulated depreciation:								
At 1 January 2020	–	716,643	137,155	77,274	229,506	23,207	626,829	1,810,614
Charge for the year	–	72,889	9,002	9,758	16,343	2,373	–	110,365
At 31 December 2020								
and 1 January 2021	–	789,532	146,157	87,032	245,849	25,580	626,829	1,920,979
Charge for the year	–	57,923	9,002	9,756	14,473	476	–	91,630
Disposals	–	(205,055)	–	–	(11,756)	–	–	(216,811)
Written off	–	–	–	–	–	–	(132,496)	(132,496)
At 31 December 2021	–	642,000	155,159	96,788	248,566	26,056	494,333	1,663,302
Net carrying amount:								
At 31 December 2020	8,199,052	2,854,911	123,917	9,756	19,394	1,422	–	11,208,452
At 31 December 2021	7,149,052	2,253,752	114,915	–	27,046	946	–	9,545,711

The freehold land and building with net carrying values of \$9,402,804 (2020: \$11,053,963) are held in trust by Quek Teck Sae @ Shi Fa Liang, Syn Kok Hong @ Shi Fa Yuan and Tan Quee Kee @ Shi Fa Yi.

Notes to the Financial Statements – 31 December 2021

5. OTHER RECEIVABLES

	2021	2020
	\$	\$
Deposits	4,210	2,910
Fixed deposits interest receivables	11,769	10,811
Prepayment	3,261	5,822
	<u>19,240</u>	<u>19,543</u>

6. CASH AND CASH EQUIVALENTS

Cash in hand	9,522	12,819
Cash at banks	139,866	183,538
	<u>149,388</u>	<u>196,357</u>
Fixed deposits	10,614,423	3,217,843
	<u>10,763,811</u>	<u>3,414,200</u>

Fixed deposits are placed for periods within 3 to 12 (2020: 3 to 12) months and earn interest at the rate of 0.24% to 0.6% (2020: 0.22% to 1.70%) per annum.

7. OTHER PAYABLES

Accrued liabilities	7,440	12,135
Course fee and donation received in advance	5,495	10,870
Deferred income	37,897	51,500
Prayer ceremony received in advance	33,448	56,530
Subscription received in advance	31,140	31,260
	<u>115,420</u>	<u>162,295</u>

8. DEFERRED CAPITAL DONATION

	\$
Cost:	
At 1 January 2020	800,000
Transfer from building fund	—
At 31 December 2020 and 1 January 2021	<u>800,000</u>
Transfer from building fund	—
At 31 December 2021	<u>800,000</u>
Accumulated amortisation:	
At 1 January 2020	32,000
Addition	16,000
At 31 December 2020 and 1 January 2021	<u>48,000</u>
Addition	16,000
At 31 December 2021	<u>64,000</u>
Net carrying amount:	
At 31 December 2020	<u>752,000</u>
At 31 December 2021	<u>736,000</u>

Notes to the Financial Statements – 31 December 2021

8. DEFERRED CAPITAL DONATION (continued)

	2021 \$	2020 \$
Presented as:		
Current	16,000	16,000
Non-current	720,000	736,000
	<u>736,000</u>	<u>752,000</u>

Deferred capital donation relates to donation received to support the reconstruction work at 12 Cedar Ave which was completed in the prior year. The donation is amortised over the useful of the property of 50 years on a straight-line basis.

There are no unfulfilled conditions or contingencies attached to the donation.

9. GENERAL FUND

The General fund is for the purpose of meeting operating expenses incurred by the Society.

10. OPERATING LEASE COMMITMENTS

The Society has entered into commercial leases on office equipment. These leases have an average tenure of between 3 and 5 years with no renewal option or contingent rent provision included in the contracts. There is no restriction placed upon the Society by entering into these leases.

Future rental payable under non-cancellable leases as at the end of reporting period are as follows:

Not later than one year	2,742	3,788
Later than one year but not later than five years	1,445	4,186
	<u>4,187</u>	<u>7,974</u>

Lease payments recognised as an expense in the Statement of Financial Activities for the financial year ended 31 December 2021 amounted to \$2,742 (2020: \$3,788).

11. RELATED PARTY DISCLOSURES

In addition to those related party information disclosed elsewhere in the financial statements, the following significant transactions between the Society and related parties that took place at terms agreed between the parties during the financial year:

(i) *Compensation of key management personnel*

Key management personnel of the Society are those persons having the authority and responsibility for planning, directing and controlling the activities, directly or indirectly, of the Society. The management committees of the Society are considered as key management personnel of the Society.

Course expenses	2,000	–
Reverends allowance	<u>26,880</u>	<u>27,200</u>

Notes to the Financial Statements – 31 December 2021

12. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Society is exposed to minimal financial risks arising from its operations and the use of financial instruments. The key financial risk is liquidity risk. The overall risk management is determined and carried out by the Executive Committee and there has been no change to the Society's exposure to these financial risks or the manner in which it manages and measures the risks.

The following sections provide details regarding the Society's exposure to the financial risks associated with financial instruments held in the ordinary course of business and the objectives, policies and processes for the management of these risks.

(i) *Liquidity risk*

Liquidity risk is the risk that the Society will encounter difficulty in meeting financial obligations due to shortage of funds. The Society adopts prudent liquidity risk management by maintaining sufficient cash and cash equivalents to finance its activities and minimise the liquidity risk.

Analysis of financial instruments by remaining contractual maturities

The table below analyses the maturity profile of the Society's financial liabilities at the end of reporting period, based on contractual undiscounted repayment obligations.

	Total \$	Within one year \$	Within two to five years \$
2021			
Other payables	<u>7,440</u>	<u>7,440</u>	<u>–</u>
2020			
Other payables	<u>12,135</u>	<u>12,135</u>	<u>–</u>

13. FUND MANAGEMENT

The primary objective of the Society is to ensure that it maintains a healthy working capital position mainly through charitable activities to sustain its operations.

There are no changes in the Society's approach to fund management during the year.

14. AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements for the year ended 31 December 2021 were authorised for issue in accordance with a resolution of the Executive Committee of the Society on 28 March 2022.