

YOUNG MEN'S CHRISTIAN ASSOCIATION
OF SINGAPORE

UNIQUE ENTITY NUMBER : S61SS0045E

**DIRECTORS' STATEMENT AND
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2023

LO HOCK LING & CO

Chartered Accountants Singapore

盧鶴齡會計公司



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YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE

CORPORATE INFORMATION 2023

1. INSTRUMENT SETTING UP THE ASSOCIATION

Constitution of Young Men's Christian Association of Singapore

2. UNIQUE ENTITY NUMBER OF THE ASSOCIATION

S61SS0045E

3. INSTITUTION OF A PUBLIC CHARACTER

IPC 000399

4. REGISTERED ADDRESS

1 Orchard Road, Singapore 238824

5. BOARD OF DIRECTORS

<u>Name</u>	<u>Designation</u>
Mr Tony Soh Cheow Yeow	President
Mr Kenneth Tan Chih-Sien	Vice-President
Mr Zed Teo Zi-Ming	Honorary Secretary
Mr Samuel Chan Wei Mun	Honorary Treasurer
Mr Ho Chee Hon	Assistant Honorary Treasurer
Mr Steven Chia Oon Seet	Member
Mr Albert Ching Liang Heng	Member
Mr Vincent Ha Kwang Yuen	Member
Mr Joshua Lee Zhao En	Member
Mr Leon Ng Koh Wee	Member
Mr Pek Hak Bin	Member
Ms Cynthia Tan Guan Hiang	Member
Mr Eric Teng Heng Chew	Member
Mr Eugene Wong	Member
Ms Tan Sze Wee	Co-opted Member

6. AUDIT AND RISK MANAGEMENT COMMITTEE

<u>Name</u>	<u>Designation</u>
Mr Eric Teng Heng Chew	Chairman
Mr David Wong	Member
Mr Ho Chee Hon	Member
Mr Joshua Lee Zhao En	Member
Mr Peter Tay Yew Beng	Member
Mr Vincent Ha Kwang Yuen	Member
Mr Leon Ng Koh Wee	Member
Mr Ku Woei Pin	Secretariat

7. PRINCIPAL BANKERS

DBS Bank Limited
BNP Paribas Bank

8. INDEPENDENT AUDITORS

Lo Hock Ling & Co.
Chartered Accountants Singapore

YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE

(Registered under the Societies Act)

Statement By Board of Directors

In our opinion, the accompanying financial statements of Young Men's Christian Association of Singapore (the "Association") and its subsidiaries (the "Group") set out on pages 6 to 48 are properly drawn up in accordance with Financial Reporting Standards in Singapore, the Societies Act 1966 and the Charities Act 1994 and other relevant regulations so as to present fairly, in all material respects, the financial position of the Group and of the Association as at 31 December 2023 and the financial performance, changes in funds of the Group and of the Association and cash flows of the Group for the year ended on that date.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

On behalf of the Board of Directors,



Mr Tony Soh Cheow Yeow
President



Mr Samuel Chan Wei Mun
Honorary Treasurer

Singapore, 18 April 2024

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Young Men's Christian Association of Singapore (the "Association") and its subsidiaries (the "Group") set out on pages 6 to 48, which comprise the statements of financial position (balance sheets) of the Group and of the Association as at 31 December 2023, and the statements of comprehensive income, statements of changes in funds of the Group and of the Association and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position, statement of comprehensive income and statement of changes in funds of the Association 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 Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the Group and of the Association as at 31 December 2023 and of the consolidated financial performance, consolidated changes in funds and consolidated cash flows of the Group, and of the financial performance and changes in funds of the Association 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 Group 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 Matters

The financial statements of the Group and of the Association for the year ended 31 December 2022 were audited by another firm of auditors who expressed an unmodified opinion on those statements on 19 April 2023.

Other Information

Management is responsible for the other information. The other information comprises the information included in Corporate Information 2023 and the Statement by Board of Directors set out on pages 1 and 2 and other sections of the annual reports, but does not include the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this audit report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information 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.

Continued

Responsibilities of Management and Board of Directors for the Financial Statements

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

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

The Board of Directors is responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group'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 Group'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 Group 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

Report on Other Legal and Regulatory Requirements

In our opinion,

- (a) the accounting and other records required to be kept by the Association have been properly kept in accordance with the provisions of the Societies Regulations enacted under the Societies Act, the Charities Act and Regulations;
- (b) the fund-raising appeal held during the year has been carried out in accordance with Regulation 6 of the Societies Regulations issued under the Societies Act and proper accounts and other records have been kept of the fund-raising appeal; and
- (c) the accounting and other records required by the Companies Act 1967 (the "Companies Act") to be kept by the subsidiary corporations incorporated in Singapore of which we are the auditors, have been properly kept in accordance with the provisions of the Companies Act, and the Charities Act and Regulations.

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

- (i) The Association has not used the donation monies in accordance with its objectives as required under Regulation 11 of the Charities (Institutions of a Public Character) Regulations; and
- (ii) The Association 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, 18 April 2024

YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE

(Registered under the Societies Act)

AND ITS SUBSIDIARIES

Statements of Comprehensive Income
for the year ended 31 December 2023

	← Unrestricted →					← Unrestricted →					
Notes	General fund	Designated funds	Total	Restricted funds	2023	General fund	Designated funds	Total	Restricted funds	2022	
Group	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
<u>Incoming resources</u>											
Incoming resources from generated funds											
<i>Voluntary income</i>											
Donation income	66,930	385,759	452,689	108,489	561,178	86,499	349,658	436,157	203,000	639,157	
<i>Activities for generating funds</i>											
Childcare and student care centres	18,268,720	-	18,268,720	-	18,268,720	17,230,319	-	17,230,319	-	17,230,319	
Education	226,670	-	226,670	-	226,670	81,629	-	81,629	-	81,629	
International House	5,507,140	-	5,507,140	-	5,507,140	3,786,281	-	3,786,281	-	3,786,281	
Membership	410,724	-	410,724	-	410,724	361,535	-	361,535	-	361,535	
Fund raising events	19,004	959,060	978,064	-	978,064	13,171	1,040,961	1,054,132	-	1,054,132	
Corporate services	903,118	-	903,118	-	903,118	1,589,734	-	1,589,734	-	1,589,734	
Amortisation of building asset capitalisation reserve	114,732	-	114,732	-	114,732	114,732	-	114,732	-	114,732	
	25,517,038	1,344,819	26,861,857	108,489	26,970,346	23,263,900	1,390,619	24,654,519	203,000	24,857,519	
<i>Investment income</i>											
Interest and dividend income	1,008,234	-	1,008,234	-	1,008,234	377,293	-	377,293	-	377,293	
Changes on fair value of investments through profit or loss	28,642	-	28,642	-	28,642	(53,406)	-	(53,406)	-	(53,406)	
	26,553,914	1,344,819	27,898,733	108,489	28,007,222	23,587,787	1,390,619	24,978,406	203,000	25,181,406	
Incoming resources from charitable activities											
Community services *	1,751	79,386	81,137	281,181	362,318	722	231,203	231,925	260,700	492,625	
Volunteer and youth development, programmes	-	4,915	4,915	-	4,915	-	195,003	195,003	-	195,003	
International service programmes	863,928	-	863,928	2,100	866,028	190,151	-	190,151	-	190,151	
	865,679	84,301	949,980	283,281	1,233,261	190,873	426,206	617,079	260,700	877,779	
Total incoming resources	3	27,419,593	1,429,120	28,848,713	391,770	29,240,483	23,778,660	1,816,825	25,595,485	463,700	26,059,185

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

YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE

(Registered under the Societies Act)

AND ITS SUBSIDIARIES

Statements of Comprehensive Income
for the year ended 31 December 2023 (Continued)

Group	Notes	Unrestricted				Unrestricted				2022
		General fund	Designated funds	Total	Restricted funds	General fund	Designated funds	Total	Restricted funds	
		\$	\$	\$	\$	\$	\$	\$	\$	\$
Resources expended										
Cost of generating funds										
Childcare and student care centres		17,802,341	597,585	18,399,926	-	18,399,926	15,749,450	717,835	16,467,285	-
Education		76,917	-	76,917	-	76,917	125,151	-	125,151	-
International House		4,551,384	90,759	4,642,143	-	4,642,143	3,853,465	111,522	3,964,987	-
Membership		532,542	19,681	552,223	(640)	551,583	468,197	14,638	482,835	996
Fund raising events		253,169	208,307	461,476	-	461,476	204,125	188,336	392,461	-
Corporate services		211,316	225,674	436,990	-	436,990	189,628	237,333	426,961	-
		<u>23,427,669</u>	<u>1,142,006</u>	<u>24,569,675</u>	<u>(640)</u>	<u>24,569,035</u>	<u>20,590,016</u>	<u>1,269,664</u>	<u>21,859,680</u>	<u>996</u>
Investment expenses										
Management fee		270	-	270	-	270	1,042	-	1,042	-
		<u>270</u>	<u>-</u>	<u>270</u>	<u>-</u>	<u>270</u>	<u>1,042</u>	<u>-</u>	<u>1,042</u>	<u>-</u>
Resources expended on charitable activities										
Community services"		69,053	736,617	805,670	645,468	1,451,138	68,838	722,233	791,071	591,021
Volunteer and youth development programmes		-	674,855	674,855	-	674,855	-	617,788	617,788	-
International service programmes		1,024,687	16,616	1,041,303	889	1,042,192	179,961	27,138	207,099	-
		<u>1,093,740</u>	<u>1,428,088</u>	<u>2,521,828</u>	<u>646,357</u>	<u>3,168,185</u>	<u>248,799</u>	<u>1,367,159</u>	<u>1,615,958</u>	<u>591,021</u>
Governance costs		94,327	-	94,327	-	94,327	110,490	-	110,490	-
Loss/(gain) on disposal of property, plant and equipment		11,567	-	11,567	-	11,567	(15,768)	-	(15,768)	-
		<u>105,894</u>	<u>-</u>	<u>105,894</u>	<u>-</u>	<u>105,894</u>	<u>94,722</u>	<u>-</u>	<u>94,722</u>	<u>-</u>
Total resources expended	5	<u>24,627,573</u>	<u>2,570,094</u>	<u>27,197,667</u>	<u>645,717</u>	<u>27,843,384</u>	<u>20,934,579</u>	<u>2,636,823</u>	<u>23,571,402</u>	<u>592,017</u>
										<u>24,163,419</u>

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

YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE

(Registered under the Societies Act)

AND ITS SUBSIDIARIES

Statements of Comprehensive Income
for the year ended 31 December 2023 (Continued)

		← Unrestricted →					← Unrestricted →				
	Notes	General fund	Designated funds	Total	Restricted funds	2023	General fund	Designated funds	Total	Restricted funds	2022
Group		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Net surplus/(deficit) before tax		2,792,020	(1,140,974)	1,651,046	(253,947)	1,397,099	2,844,081	(819,998)	2,024,083	(128,317)	1,895,766
Income tax expense	7	-	-	-	-	-	-	-	-	-	-
Net surplus/(deficit) and total comprehensive income/(loss) for the year		2,792,020	(1,140,974)	1,651,046	(253,947)	1,397,099	2,844,081	(819,998)	2,024,083	(128,317)	1,895,766
Funds at beginning of the year		14,054,185	17,741,800	31,795,985	1,634,242	33,430,227	12,272,575	17,499,327	29,771,902	1,877,291	31,649,193
Transfers between funds		(1,115,833)	1,115,833	-	-	-	(1,062,471)	1,062,471	-	-	-
Amortisation of building asset capitalisation reserve		-	-	-	(114,732)	(114,732)	-	-	-	(114,732)	(114,732)
Funds at end of the year		15,730,372	17,716,659	33,447,031	1,265,563	34,712,594	14,054,185	17,741,800	31,795,985	1,634,242	33,430,227

*Community services are made up of YMCA-Tan Chin Tuan Community Services Programmes, YMCA Project Bridge and YMCA Financial Assistance and Capability for Employment Scheme ("FACES").

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

YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE

(Registered under the Societies Act)

AND ITS SUBSIDIARIES

Statements of Comprehensive Income
for the year ended 31 December 2023 (Continued)

	← Unrestricted →					← Unrestricted →				
Notes	General fund	Designated funds	Total	Restricted funds	2023	General fund	Designated funds	Total	Restricted funds	2022
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<u>Association</u>										
<u>Incoming resources</u>										
Incoming resources from generated funds										
<i>Voluntary income</i>										
Donation income	66,929	385,759	452,688	108,489	561,177	73,633	349,658	423,291	203,000	626,291
<i>Activities for generating funds</i>										
Childcare and student care centres	15,495,808	-	15,495,808	-	15,495,808	16,266,520	-	16,266,520	-	16,266,520
Education	215,385	-	215,385	-	215,385	16,025	-	16,025	-	16,025
International House	5,508,919	-	5,508,919	-	5,508,919	3,789,053	-	3,789,053	-	3,789,053
Membership	410,724	-	410,724	-	410,724	362,356	-	362,356	-	362,356
Fund raising events	19,004	959,060	978,064	-	978,064	13,171	1,040,961	1,054,132	-	1,054,132
Corporate services	1,199,305	-	1,199,305	-	1,199,305	1,683,533	-	1,683,533	-	1,683,533
Amortisation of building asset capitalisation reserve	114,732	-	114,732	-	114,732	114,732	-	114,732	-	114,732
	23,030,806	1,344,819	24,375,625	108,489	24,484,114	22,319,023	1,390,619	23,709,642	203,000	23,912,642
<i>Investment income</i>										
Interest and dividend income	973,334	-	973,334	-	973,334	364,066	-	364,066	-	364,066
Changes on fair value of investments through profit or loss	28,642	-	28,642	-	28,642	(53,406)	-	(53,406)	-	(53,406)
	24,032,782	1,344,819	25,377,601	108,489	25,486,090	22,629,683	1,390,619	24,020,302	203,000	24,223,302
Incoming resources from charitable activities										
Community services *	1,751	79,386	81,137	281,181	362,318	722	231,203	231,925	260,700	492,625
Volunteer and youth development programmes	-	4,915	4,915	-	4,915	-	195,003	195,003	-	195,003
International service programmes	863,928	-	863,928	2,100	866,028	190,151	-	190,151	-	190,151
	865,679	84,301	949,980	283,281	1,233,261	190,873	426,206	617,079	260,700	877,779
Total incoming resources	3	24,898,461	1,429,120	26,327,581	391,770	26,719,351	22,820,556	24,637,381	463,700	25,101,081

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

YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE

(Registered under the Societies Act)

AND ITS SUBSIDIARIES

Statements of Comprehensive Income
for the year ended 31 December 2023 (Continued)

	← Unrestricted →					← Unrestricted →					
Notes	General fund	Designated funds	Total	Restricted funds	2023	General fund	Designated funds	Total	Restricted funds	2022	
Association	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
<u>Resources expended</u>											
Cost of generating funds											
Childcare and student care centres	14,943,690	597,585	15,541,275	-	15,541,275	14,734,710	717,835	15,452,545	-	15,452,545	
Education	36,365	-	36,365	-	36,365	21,308	-	21,308	-	21,308	
International House	4,551,384	90,759	4,642,143	-	4,642,143	3,853,465	111,522	3,964,987	-	3,964,987	
Membership	532,542	19,681	552,223	(640)	551,583	468,197	14,638	482,835	996	483,831	
Fund raising events	253,169	208,307	461,476	-	461,476	204,125	188,336	392,461	-	392,461	
Corporate services	211,316	225,674	436,990	-	436,990	187,698	237,333	425,031	-	425,031	
	20,528,466	1,142,006	21,670,472	(640)	21,669,832	19,469,503	1,269,664	20,739,167	996	20,740,163	
Investment expenses											
Management fee	270	-	270	-	270	1,042	-	1,042	-	1,042	
	270	-	270	-	270	1,042	-	1,042	-	1,042	
<u>Resources expended on charitable activities</u>											
Community services*	69,053	736,617	805,670	645,468	1,451,138	68,838	722,233	791,071	591,021	1,382,092	
Volunteer and youth development programmes	-	674,855	674,855	-	674,855	-	617,788	617,788	-	617,788	
International service programmes	1,024,687	16,616	1,041,303	889	1,042,192	179,961	27,138	207,099	-	207,099	
	1,093,740	1,428,088	2,521,828	646,357	3,168,185	248,799	1,367,159	1,615,958	591,021	2,206,979	
Governance costs	65,544	-	65,544	-	65,544	80,340	-	80,340	-	80,340	
Allowance for impairment on receivables from subsidiaries	400,000	-	400,000	-	400,000	-	-	-	-	-	
Loss/(gain) on disposal of property, plant and equipment	11,567	-	11,567	-	11,567	(15,768)	-	(15,768)	-	(15,768)	
	477,111	-	477,111	-	477,111	64,572	-	64,572	-	64,572	
Total resources expended	5	22,099,587	2,570,094	24,669,681	645,717	25,315,398	19,783,916	2,636,823	22,420,739	592,017	23,012,756

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

YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE

(Registered under the Societies Act)

AND ITS SUBSIDIARIES

Statements of Comprehensive Income
for the year ended 31 December 2023 (Continued)

		← Unrestricted →					← Unrestricted →				
	Notes	General fund	Designated funds	Total	Restricted funds	2023	General fund	Designated funds	Total	Restricted funds	2022
Association		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Net surplus/(deficit) before tax	7	2,798,874	(1,140,974)	1,657,900	(253,947)	1,403,953	3,036,640	(819,998)	2,216,642	(128,317)	2,088,325
Income tax expense		-	-	-	-	-	-	-	-	-	-
Net surplus/(deficit) and total comprehensive income/(loss) for the year		2,798,874	(1,140,974)	1,657,900	(253,947)	1,403,953	3,036,640	(819,998)	2,216,642	(128,317)	2,088,325
Funds at beginning of the year		14,287,963	17,741,800	32,029,763	1,634,242	33,664,005	12,313,794	17,499,327	29,813,121	1,877,291	31,690,412
Transfers between funds		(1,115,833)	1,115,833	-	-	-	(1,062,471)	1,062,471	-	-	-
Amortisation of building asset capitalisation reserve		-	-	-	(114,732)	(114,732)	-	-	-	(114,732)	(114,732)
Funds at end of the year		15,971,004	17,716,659	33,687,663	1,265,563	34,953,226	14,287,963	17,741,800	32,029,763	1,634,242	33,664,005

* Community services are made up of YMCA-Tan Chin Tuan Community Services Programmes, YMCA Project Bridge and YMCA FACES.

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

YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE

(Registered under the Societies Act)

AND ITS SUBSIDIARIES

Statements of Financial Position as at 31 December 2023

		<u>Group</u>		<u>Association</u>	
		<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
		\$	\$	\$	\$
<u>ASSETS</u>					
<u>Non-Current Assets</u>					
Property, plant and equipment	9	3,870,568	4,015,104	3,800,813	3,993,397
Investments in subsidiaries	10	-	-	-	-
Investments	11	458,621	684,289	458,621	684,289
		<u>4,329,189</u>	<u>4,699,393</u>	<u>4,259,434</u>	<u>4,677,686</u>
<u>Current Assets</u>					
Investments	11	13,301,070	3,626,552	13,301,070	3,626,552
Trade and other receivables	12	1,795,580	1,303,009	3,142,760	2,654,955
Other assets	13	411,233	332,549	406,045	326,912
Fixed deposits with financial institutions	14	15,234,311	20,187,218	14,197,950	19,183,081
Cash and bank balances		<u>4,588,610</u>	<u>7,575,367</u>	<u>4,141,799</u>	<u>7,101,091</u>
		<u>35,330,804</u>	<u>33,024,695</u>	<u>35,189,624</u>	<u>32,892,591</u>
Total Assets		<u>39,659,993</u>	<u>37,724,088</u>	<u>39,449,058</u>	<u>37,570,277</u>
<u>FUNDS AND LIABILITIES</u>					
<u>Unrestricted Funds</u>					
General fund		15,730,372	14,054,185	15,971,004	14,287,963
Capital replacement fund	15	16,487,710	15,155,710	16,487,710	15,155,710
Other funds	17	<u>1,228,949</u>	<u>2,586,090</u>	<u>1,228,949</u>	<u>2,586,090</u>
		<u>33,447,031</u>	<u>31,795,985</u>	<u>33,687,663</u>	<u>32,029,763</u>
<u>Restricted Funds</u>					
Building asset capitalisation reserve	16	1,147,295	1,262,027	1,147,295	1,262,027
Other funds	17	<u>118,268</u>	<u>372,215</u>	<u>118,268</u>	<u>372,215</u>
		<u>1,265,563</u>	<u>1,634,242</u>	<u>1,265,563</u>	<u>1,634,242</u>
Total Funds		<u>34,712,594</u>	<u>33,430,227</u>	<u>34,953,226</u>	<u>33,664,005</u>
<u>Current Liabilities</u>					
Trade and other payables	18	3,897,260	3,429,168	3,501,959	3,049,521
Other liabilities	19	<u>1,050,139</u>	<u>864,693</u>	<u>993,873</u>	<u>856,751</u>
		<u>4,947,399</u>	<u>4,293,861</u>	<u>4,495,832</u>	<u>3,906,272</u>
Total Liabilities		<u>4,947,399</u>	<u>4,293,861</u>	<u>4,495,832</u>	<u>3,906,272</u>
Total Funds and Liabilities		<u>39,659,993</u>	<u>37,724,088</u>	<u>39,449,058</u>	<u>37,570,277</u>

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

YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE

(Registered under the Societies Act)

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Statements of Changes in Funds
for the year ended 31 December 2023

	← Unrestricted →			← Restricted →	
	← Designated →				
	General fund	Capital replacement fund	Other funds	Building asset capitalisation reserve	Other funds
	\$	\$	\$	\$	\$
<u>Group</u>					
Balance as at 1 January 2023	14,054,185	15,155,710	2,586,090	1,262,027	372,215
<i>Changes in funds</i>					
Net surplus/(deficit) and total comprehensive income/(loss) for the year	2,792,020	-	(1,140,974)	-	(253,947)
Transfers during the year	(1,115,833)	1,332,000	(216,167)	-	-
Amortisation of building asset capitalisation reserve	-	-	-	(114,732)	-
Balance as at 31 December 2023	<u>15,730,372</u>	<u>16,487,710</u>	<u>1,228,949</u>	<u>1,147,295</u>	<u>118,268</u>
Balance as at 1 January 2022	12,272,575	13,870,560	3,628,767	1,376,759	500,532
<i>Changes in funds</i>					
Net surplus/(deficit) and total comprehensive income/(loss) for the year	2,844,081	-	(819,998)	-	(128,317)
Transfers during the year	(1,062,471)	1,285,150	(222,679)	-	-
Amortisation of building asset capitalisation reserve	-	-	-	(114,732)	-
Balance as at 31 December 2022	<u>14,054,185</u>	<u>15,155,710</u>	<u>2,586,090</u>	<u>1,262,027</u>	<u>372,215</u>

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

YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE

(Registered under the Societies Act)

AND ITS SUBSIDIARIES

Statements of Changes in Funds
for the year ended 31 December 2023 (continued)

	← Unrestricted →			← Restricted →		
	← Designated →					
	General fund	Capital replacement fund	Other funds	Building asset capitalisation reserve	Other funds	Total
<u>Association</u>	\$	\$	\$	\$	\$	\$
Balance as at 1 January 2023	14,287,963	15,155,710	2,586,090	1,262,027	372,215	33,664,005
<i>Changes in funds</i>						
Net surplus/(deficit) and total comprehensive income/(loss) for the year	2,798,874	-	(1,140,974)	-	(253,947)	1,403,953
Transfers during the year	(1,115,833)	1,332,000	(216,167)	-	-	-
Amortisation of building asset capitalisation reserve	-	-	-	(114,732)	-	(114,732)
Balance as at 31 December 2023	<u>15,971,004</u>	<u>16,487,710</u>	<u>1,228,949</u>	<u>1,147,295</u>	<u>118,268</u>	<u>34,953,226</u>
Balance as at 1 January 2022	12,313,794	13,870,560	3,628,767	1,376,759	500,532	31,690,412
<i>Changes in funds</i>						
Net surplus/(deficit) and total comprehensive income/(loss) for the year	3,036,640	-	(819,998)	-	(128,317)	2,088,325
Transfers during the year	(1,062,471)	1,285,150	(222,679)	-	-	-
Amortisation of building asset capitalisation reserve	-	-	-	(114,732)	-	(114,732)
Balance as at 31 December 2022	14,287,963	15,155,710	2,586,090	1,262,027	372,215	33,664,005

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

YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE

(Registered under the Societies Act)

AND ITS SUBSIDIARIES

Consolidated Statement of Cash Flows
for the year ended 31 December 2023

		<u>Group</u>	
	<u>Notes</u>	<u>2023</u>	<u>2022</u>
		\$	\$
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Surplus before tax		1,397,099	1,895,766
Adjustments for:			
Depreciation on property, plant and equipment	9	637,118	612,077
Amortisation on building asset capitalisation reserve		(114,732)	(114,732)
Loss/(gain) on disposal of property, plant and equipment		11,567	(15,768)
Interest income		(1,008,234)	(377,293)
Changes on fair value of financial asset, at FVPL		(28,642)	53,406
Sundry Income - grant received		-	(108,390)
		<u>894,176</u>	<u>1,945,066</u>
Operating surplus before working capital changes		894,176	1,945,066
Increase in trade and other receivables		(459,444)	(263,739)
(Increase)/decrease in other assets		(78,684)	44,611
Increase/(decrease) in trade and other payables		468,092	(690)
Increase in other liabilities		<u>185,446</u>	<u>144,629</u>
Net cash from operating activities		<u>1,009,586</u>	<u>1,869,877</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
(Increase)/decrease in fixed deposits with maturities over 3 months		(3,588,643)	8,338,799
Grants received for acquisition of property, plant and equipment		24,944	38,940
Proceeds from disposal of property, plant and equipment		(926)	15,768
Purchase of investments		(22,474,208)	(3,131,372)
Proceeds from disposal of investments		13,054,000	1,000,000
Purchase of property, plant and equipment	9	(528,167)	(600,477)
Interest received		<u>975,107</u>	<u>329,125</u>
Net cash (used in)/from investing activities		<u>(12,537,893)</u>	<u>5,990,783</u>
Net (decrease)/increase in cash and cash equivalents		(11,528,307)	7,860,660
Cash and cash equivalents at beginning of the year		<u>21,142,763</u>	<u>13,282,103</u>
Cash and cash equivalents at end of the year	20	<u>9,614,456</u>	<u>21,142,763</u>

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

YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE

(Registered under the Societies Act)

AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS - 31 December 2023

The following notes form an integral part of the financial statements.

1. GENERAL INFORMATION

The Young Men's Christian Association of Singapore (the "Association") is an association registered in Singapore under the Societies Act 1966 (the "Societies Act"). The Association is a member of the National Council of Social Service (the "NCSS"). It was granted the status of an Institution of a Public Character ("IPC") (IPC Registration No. IPC000399) under the Charities Act 1994 (the "Charities Act") until 30 June 2024.

The address of the registered office and principal place of operation of the Association is at 1 Orchard Road, Singapore 238824.

The principal activities of the Association consist of community services, education and childcare services, sports and recreation and running of the International House.

The subsidiary, YMCA Education Centre Limited ("YMCA Education Centre"), was incorporated in Singapore on 21 September 2010 under the Companies Act 1967 as a company limited by guarantee. The principal activities of YMCA Education Centre are the provision of non-higher and higher education programmes. YMCA Education Centre has not been registered as a Private Education Institution under the Private Education Act since 5 October 2022.

The subsidiary, YMCA Child Development Centre Limited ("YMCA CDC"), was incorporated in Singapore on 12 August 2021 under the Companies Act 1967 as a company limited by guarantee. The principal activities of YMCA CDC are the provision of child development programmes. YMCA CDC has been registered as a charity since 4 March 2022.

2. MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Basis of Preparation

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

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 Committee, as required by the Companies Act 1967. They are also in compliance with the provisions of Societies Act and the Charities Act.

During the financial year, the Group adopted all the applicable new and revised FRSs which are relevant to the Group and are effective for the current financial year. The adoption of these standards did not have material effect on the financial performance or position of the Group.

2.2 Material 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 Group'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.

YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE

(Registered under the Societies Act)

AND ITS SUBSIDIARIES

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.2 Material Accounting Estimates and Judgments (continued)

(A) 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 is depreciated on a straight-line basis over their estimated useful lives. Management's estimates of the useful lives of property, plant and equipment is disclosed in note 2.10 to the financial statements. 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 amounts of property, plant and equipment and the depreciation charge for the year are disclosed in note 9 to the financial statements.

(ii) Expected Credit Losses on Trade 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 Group has used historical information, such as past credit loss experience. Where applicable, historical data are adjusted to reflect the effects of current conditions as well as management's assessment of future economic conditions based on observable market information, which involved significant estimates and judgement.

Based on the management's assessment, there are no significant ECL on the Group's and the Association's trade and other receivables as at the balance sheet date.

(B) Critical judgments made in applying accounting policies

In the process of applying the Group's accounting policies, the management has made certain judgements, 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 Group'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 critical judgment on the part of the management 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.

YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE

(Registered under the Societies Act)

AND ITS SUBSIDIARIES

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.3 FRS issued but not yet effective

The Group has not applied any new FRS that has been issued but is not yet effective. The management plans to adopt these FRSs in the first financial year commencing on or after their respective effective dates.

The management does not expect the adoption of the new and amended FRSs that have been issued but are not yet effective to have 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 Group 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 Group 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 over time.

The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

(i) *Membership Subscriptions*

Membership subscriptions are recognised as income upon receipt.

(ii) *Service income*

Education and course fee, childcare, student care and other service income are recognised over the period in which the services are rendered.

Revenue from International House are recognised when the services are rendered.

Management fee income of the Association are recognised when the services are rendered.

(iii) *Donations*

Revenue from donations are accounted for when received, except for committed donations that are recognised when the commitments are signed.

(iv) *Dividend income*

Dividend from equity instruments is recognised in profit or loss only when the right to receive payment of the dividend is established, it is probable the economic benefits associated with the dividend will flow to the entity, and the amount of the dividend can be measured reliably. This is usually ex-dividend date for quoted shares.

(v) *Gifts in kind*

A gift-in-kind (if any) is included in profit or loss based on an estimate of the fair value at the date of the receipt of the gift of the non-monetary asset or the grant of a right to the monetary asset. The gift is recognised if the amount of the gift can be measured reliably and there is no uncertainty that it will be received. No value is ascribed to volunteer services.

(vi) *Interest Income*

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

YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE

(Registered under the Societies Act)

AND ITS SUBSIDIARIES

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.4 Revenue Recognition (continued)

(vii) *Rental Income*

Rental income from operating leases is recognised on a straight-line basis over the lease term.

2.5 Grants

A grant is recognised when there is reasonable assurance that the conditions attached to the grant are met and the right to receive payment is established.

(i) *Grants Related to Assets*

Grants related to the purchase of depreciable assets are taken to deferred capital grants account. The deferred grants are allocated to profit or loss over the period necessary to match the depreciation of the assets purchased with the related grants.

(ii) *Grants Related to Income*

Grants related to income are taken to profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. The grants and the related expenditure are presented separately in profit or loss.

2.6 Employee Benefits

(i) *Defined Contribution Plans*

The Group 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 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, being assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets. Borrowing costs are capitalised until the assets are ready for their intended use or sale.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE

(Registered under the Societies Act)

AND ITS SUBSIDIARIES

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.8 Leases

The Group 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.

As lessee

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

Right-of-use assets

The Group 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 amortisation 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 amortised 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 Group at the end of the lease term or the cost reflects the exercise of a purchase option, amortisation 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 2.18 to the financial statements.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term.

In calculating the present value of lease payments, the Group 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 or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of office space (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 leases of office equipment 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.

YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE

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2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.8 Leases (continued)

As lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. The Group has hostel facilities leased out under operating lease. Rental income arising from such operating leases is accounted for on a straight-line basis over the lease term. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased assets and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

2.9 Income Taxes

YMCA and YMCA CDC are registered as the charities under the Charities Act 1994 and are exempted from income tax under Section 13(1)(zm) of the Income Tax Act 1947.

The subsidiary YMCA Education Centre Limited is not exempted from income tax.

Income tax on profit or loss for the financial year comprises current and deferred tax. Income tax is recognised in profit or loss except to the extent that it relates to items recognised outside profit or loss (either in other comprehensive income or directly to accumulated funds/equity), in which case, it is recognised in other comprehensive income or directly to accumulated funds/equity accordingly.

Current tax is the expected tax payable on the taxable income for the financial year, using tax rates enacted or substantially enacted at the balance sheet date, any adjustment to tax payable in respect of previous years.

Deferred income tax is provided, using the balance sheet liability method, on all temporary differences at the balance sheet date arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Currently enacted tax rates are used in the determination of deferred income tax.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxation authority.

Net deferred tax assets are recognised to the extent that it is probable that future taxable profits will be, available against which the temporary differences can be utilised.

Deferred tax is charged or credited to other comprehensive income or directly in accumulated funds/equity if the tax relates to items that are credited or charged, in the same or a different period, to other comprehensive income or directly to accumulated funds/equity.

2.10 Property, Plant and Equipment

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

YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE

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2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.10 Property, Plant and Equipment (continued)

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 estimated useful lives are as follows:

Leasehold land and building	50 years
Plant and machinery	5 to 8 years
Renovation	5 to 16 years
Computer equipment	3 to 5 years
Office equipment	5 years
Furniture and fittings	5 years
Computer software	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. Any gain or loss arising on derecognition of the assets is included in profit or loss in the financial year the asset is derecognised.

2.11 Subsidiary and Basis of Consolidation

(i) Subsidiary

Investment in subsidiary is held on a long-term basis and stated in the Association's balance sheet at cost less impairment loss, if any.

A subsidiary is an entity (the investee) that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

(ii) Basis of Consolidation

Subsidiary is consolidated from the date on which control is transferred to the Group, and continue to be consolidated until the date that such control ceases.

The consolidated financial statements comprise the financial statements of the Association and the subsidiaries made up to the balance sheet date. The financial statements of the subsidiaries are prepared for the same reporting date as the parent entity. Consistent accounting policies are applied for like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions are eliminated in full.

YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE

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2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.11 Subsidiary and Basis of Consolidation (continued)

(iii) Disposals

When a change in the Group's ownership interest in a subsidiary results in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to revenue reserve if required by a specific Standard.

Any retained equity interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in profit or loss.

2.12 Financial Assets

Financial assets are recognised on the balance sheet when the Group 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 Group 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 Group's business model and the contractual cash flow characteristics of the financial assets.

At Initial recognition

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial assets. Transaction costs of financial assets carried at fair value through profit or loss 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

There are three prescribed subsequent measurement categories - at amortised cost, FVOCI and FVPL, depending on the Group's business model in managing the financial assets and the cash flow characteristics of the assets.

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2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.12 Financial Assets (continued)

At subsequent measurement (continued)

(i) Financial Assets, at Amortised Cost

These comprise trade and other receivables, fixed deposits with financial institutions, cash and bank balances and certain investments in debt instruments, and 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. Receivables with a short duration are not discounted.

(ii) Financial Assets, at Fair Value through Profit or Loss

The Group measures certain investments in debts instruments at their fair values. These investments are classified as FVPL with movements in their fair values recognised in profit or loss in the period in which the changes arise.

Impairment of Financial Assets, at Amortised Cost

The Group 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 on the debt instruments 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 trade and other receivables, the Group applies the simplified approach permitted by FRS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Derecognition

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

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

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2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.13 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 2.12 to the financial statements. Receivables with a short duration are not discounted.

2.14 Cash and Cash Equivalents

Cash and cash equivalents comprise cash and bank balances and the fixed deposits which are subject to insignificant risks of changes in value. Cash equivalents are stated at amounts at which they are convertible into cash.

For the purpose of cash flows, the fixed deposits pledged with banks and/or deposits with maturities more than 3 months are excluded from cash and cash equivalents.

2.15 Funds

Unless specifically indicated, funds balance are not represented by any specific assets but are represented by the total net assets of the YMCA group.

The General fund is unrestricted fund available for use at the discretion of the YMCA for the furtherance of the objective of the YMCA Group. Other designated funds are unrestricted fund which are designated for specific projects or programmes. Restricted funds can be used only for the specified purposes as stated in notes 16 and 17 to the financial statements and shall not be transferred out of the programme for other purposes.

2.16 Financial Liabilities

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

Financial liabilities are recognised initially at fair value, plus, in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Subsequent to initial recognition, all financial liabilities are measured at amortised cost using the effective interest method, except for financial liabilities at fair value through profit or loss, including derivatives, which are measured at fair value. Financial liabilities with a short duration are not discounted.

A financial liability is derecognised when the contractual obligation is discharged, cancelled or expires. 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. Any gains or losses arising from changes in fair value of derivatives are recognised in profit or loss. Net gains or losses on derivatives include exchange differences.

2.17 Provisions

Provisions are recognised when the Group 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.

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2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.18 Impairment of Non-Financial Assets

The carrying amounts of the Group'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.

2.19 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 Group and the Association if that person:
 - (i) Has control or joint control over the Group and the Association;
 - (ii) Has significant influence over the Group and the Association; or
 - (iii) Is a member of the key management personnel of the Group and the Association.
- (B) An entity is related to the Group and 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 is 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.

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2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.19 Related Parties (continued)

- (B) An entity is related to the Group and the Association if any of the following conditions applies: (continued)
- (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. If the Association is itself such a plan, the sponsoring employers are also 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.

3. TOTAL INCOME RESOURCES

Included in total incoming resources are the following items:

	<u>Group</u>		<u>Association</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	\$	\$	\$	\$
Student and childcare subsidy from Ministry of Social and Family Development ("MSF")	4,490,795	4,877,542	3,495,579	4,490,574
Project Bridge Vocational and Soft Skills Programme grant from NCSS	256,792	244,830	256,792	244,830
Youth Expedition Project ("YEP") funding from National Youth Council ("NYC") (note 12)	435,087	115,801	435,087	115,801
Transformation grants from NCSS	12,240	64,179	12,240	64,179
Care and Share matching grant	-	409,308	-	409,308
Early Childhood Development Agency ("ECDA") Partner Operator grant	940,286	764,564	-	496,783
Corporate capability grant from ECDA	-	112,994	-	70,115
Rental income	589,624	545,070	589,624	545,070
Government grant				
- Job growth incentive	-	59,322	-	59,322
- Special employment credit	66,974	69,922	60,953	69,922
- Wage credit scheme	392,601	289,528	392,601	289,528

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4. DONATIONS AND FUNDRAISING INCOME

Total expenses incurred on public fund-raising appeals in the financial year did not exceed 30% of total donations collected through the public appeals in the same year. The Association had complied with the 30/70 fund-raising rule set out in Regulation 15 of the Charities (Institutions of A Public Character) Regulations.

In accordance with the Charities (Institutions of a Public Character) Regulations, the Group is required to disclose fund-raising appeals with gross receipts of more than \$1,000,000.

There are no fund-raising appeals with gross receipts of more than \$1,000,000 during the financial year ended 31 December 2023 and 2022 respectively.

5. TOTAL RESOURCES EXPENDED

Included in total resources expended are the following items:

	<u>Group</u>		<u>Association</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	\$	\$	\$	\$
Cleaning expenses	379,626	375,275	335,629	358,434
Commission	400,412	205,107	392,012	152,707
Contract security	-	5,100	-	5,100
Depreciation of property, plant and equipment (note 9)	637,118	612,077	621,536	608,560
Education related expenses	2,061,577	1,893,019	1,945,796	1,846,371
Food and beverages	38,927	21,668	38,927	21,668
Instructor/coach fees	121,024	71,498	121,024	71,498
Insurance	183,628	161,626	183,628	161,626
International service programme fees	681,234	102,603	681,234	102,603
IT expenses	492,938	458,654	480,849	453,924
Rental of premises	120,915	120,222	50,099	83,570
Programme fees	481,093	489,348	481,093	489,348
Property tax	235,900	235,900	235,900	235,900
Repairs and maintenance	342,640	337,717	334,735	333,116
Utilities	498,973	443,802	465,515	432,826
Employee benefits expenses (note 6)	<u>19,598,266</u>	<u>16,937,151</u>	<u>17,096,465</u>	<u>16,028,815</u>

6. EMPLOYEE BENEFITS EXPENSE

	<u>Group</u>		<u>Association</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	\$	\$	\$	\$
Salaries and related costs	17,704,506	15,111,737	15,450,920	14,293,536
Employer's contribution to Central Provident Fund	<u>1,893,760</u>	<u>1,825,414</u>	<u>1,645,545</u>	<u>1,735,279</u>
	<u>19,598,266</u>	<u>16,937,151</u>	<u>17,096,465</u>	<u>16,028,815</u>

YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE

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7. INCOME TAX EXPENSE

	<u>Group and Association</u>	
	<u>2023</u>	<u>2022</u>
	\$	\$
Provision for current taxation	-	-

Reconciliation of income tax expense:

	<u>Group</u>		<u>Association</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	\$	\$	\$	\$
Surplus before tax	<u>1,397,099</u>	<u>1,895,766</u>	<u>1,803,953</u>	<u>2,088,325</u>
Taxation at statutory rate of 17%	237,507	322,280	306,672	355,015
Tax effect of:				
Non-taxable income	(872)	(10)	-	-
Exemptions	(239,508)	(331,066)	(306,672)	(355,015)
Deferred tax assets not recognised	<u>2,873</u>	<u>8,796</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Deferred tax not recognised in the financial statements

	<u>Group</u>		<u>Association</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	\$	\$	\$	\$
Excess of tax value over net book value of plant and equipment	-	-	-	-
Donations carried forward	(116,482)	(366,139)	-	-
Unutilised losses and capital allowances carried forward	2,873	8,796	-	-
Unrecognised deferred tax assets	<u>113,609</u>	<u>357,343</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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7. INCOME TAX EXPENSE (continued)

Deferred tax not recognised in statements of financial position

	<u>Group</u>		<u>Association</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	\$	\$	\$	\$
<u>Deferred tax liabilities</u>				
Excess of carrying value of plant and equipment over tax written down value	228	228	-	-
	<u>228</u>	<u>228</u>	<u>-</u>	<u>-</u>
<u>Deferred tax assets</u>				
Unutilised losses and capital allowances carried forward	31,360	29,554	-	-
Donations carried forward	69,339	185,821	-	-
Unrecognised deferred tax assets	(100,927)	(215,603)	-	-
	<u>(228)</u>	<u>(228)</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

No deferred tax asset has been recognised in respect of the above balance as the future profit streams are not probable. The realisation of the future income tax benefits from donations carried forward and temporary differences from capital allowances is available for an unlimited future period subject to the conditions imposed by law including the retention of majority shareholders as defined.

The Association and YMCA CDC are exempted from income tax under Section 13(1)(zm) of the Income Tax Act.

8. TAX EXEMPT DONATIONS

The Group and the Association received tax exempt donations amounting to \$732,816 (2022: \$875,960) during the financial year.

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9. PROPERTY, PLANT AND EQUIPMENT

<u>Group</u>	<u>Leasehold land and building</u>	<u>Plant and machinery</u>	<u>Renovation</u>	<u>Computer equipment</u>	<u>Office equipment</u>	<u>Furniture and fittings</u>	<u>Computer software</u>	<u>Assets under construction</u>	<u>Total</u>
<u>Cost</u>	\$	\$	\$	\$	\$	\$	\$	\$	\$
At 1 January 2022	12,079,195	1,012,795	5,661,365	746,996	462,554	567,498	344,927	21,240	20,896,570
Additions	-	3,750	348,531	83,592	32,159	43,118	34,343	54,984	600,477
Grants received/receivable	-	-	-	-	(2,100)	(6,840)	(30,000)	-	(38,940)
Disposals	-	-	(173,907)	(238,570)	(3,481)	(63,834)	-	-	(479,792)
Adjustments	-	274,090	-	-	-	-	-	-	274,090
Reclassification	-	-	11,760	-	-	-	4,480	(16,240)	-
At 31 December 2022 and 1 January 2023	12,079,195	1,290,635	5,847,749	592,018	489,132	539,942	353,750	59,984	21,252,405
Additions	-	-	317,509	91,272	22,511	14,692	48,960	33,223	528,167
Grants received/receivable	-	-	-	(19,879)	(2,165)	(2,900)	-	-	(24,944)
Disposals	-	(63,464)	(4,003,841)	7,517	(279,657)	(326,267)	(95,550)	-	(4,761,262)
Reclassification	-	-	20,744	-	-	-	67,463	(88,207)	-
At 31 December 2023	12,079,195	1,227,171	2,182,161	670,928	229,821	225,467	374,623	5,000	16,994,366
<u>Accumulated depreciation</u>									
At 1 January 2022	8,933,833	985,952	5,140,550	627,506	400,276	539,510	311,689	-	16,939,316
Charge for the year	241,584	90,272	141,644	71,791	25,280	21,154	20,352	-	612,077
Disposals	-	-	(173,907)	(238,570)	(3,481)	(63,834)	-	-	(479,792)
Adjustments	-	165,700	-	-	-	-	-	-	165,700
At 31 December 2022 and 1 January 2023	9,175,417	1,241,924	5,108,287	460,727	422,075	496,830	332,041	-	17,237,301
Charge for the year	241,584	27,951	187,432	80,908	28,239	16,958	54,046	-	637,118
Disposals/reclassification	-	(61,833)	(4,003,708)	6,514	(281,880)	(314,164)	(95,550)	-	(4,750,621)
At 31 December 2023	9,417,001	1,208,042	1,292,011	548,149	168,434	199,624	290,537	-	13,123,798
<u>Carrying amount</u>									
At 31 December 2023	2,662,194	19,129	890,150	122,779	61,387	25,843	84,086	5,000	3,870,568
At 31 December 2022	2,903,778	48,711	739,462	131,291	67,057	43,112	21,709	59,984	4,015,104

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9. PROPERTY, PLANT AND EQUIPMENT (continued)

<u>Association</u>	<u>Leasehold land and building</u>	<u>Plant and machinery</u>	<u>Renovation</u>	<u>Computer equipment</u>	<u>Office equipment</u>	<u>Furniture and fittings</u>	<u>Computer software</u>	<u>Assets under construction</u>	<u>Total</u>
<u>Cost</u>	\$	\$	\$	\$	\$	\$	\$	\$	\$
At 1 January 2022	12,079,195	1,012,795	5,661,365	745,656	462,554	567,498	344,927	21,240	20,895,230
Additions	-	3,750	348,531	83,592	32,160	43,118	34,343	54,984	600,478
Grants received/receivable	-	-	-	-	(2,100)	(6,840)	(30,000)	-	(38,940)
Disposals	-	-	(173,907)	(238,570)	(3,481)	(63,834)	-	-	(479,792)
Transfer to subsidiary	-	-	(3,500)	(20,520)	(7,658)	-	(5,600)	-	(37,278)
Adjustments	-	274,090	-	-	-	-	-	-	274,090
Reclassification	-	-	11,760	-	-	-	4,480	(16,240)	-
At 31 December 2022 and 1 January 2023	12,079,195	1,290,635	5,844,249	570,158	481,475	539,942	348,150	59,984	21,213,788
Additions	-	-	262,889	85,167	19,606	14,692	48,960	33,223	464,537
Grants received/receivable	-	-	-	(19,879)	(2,165)	(2,900)	-	-	(24,944)
Disposals	-	(63,464)	(4,003,841)	7,517	(279,657)	(326,267)	(95,550)	-	(4,761,262)
Reclassification	-	-	20,744	-	-	-	67,463	(88,207)	-
At 31 December 2023	12,079,195	1,227,171	2,124,041	642,963	219,259	225,467	369,023	5,000	16,892,119
<u>Accumulated depreciation</u>									
At 1 January 2022	8,933,833	985,952	5,140,551	626,166	400,276	539,510	311,688	-	16,937,976
Charge for the year	241,584	90,272	141,411	69,639	24,770	21,154	19,730	-	608,560
Disposals	-	-	(173,907)	(238,570)	(3,481)	(63,834)	-	-	(479,792)
Transfer to subsidiary	-	-	(1,050)	(5,718)	(4,352)	-	(933)	-	(12,053)
Adjustments	-	165,700	-	-	-	-	-	-	165,700
At 31 December 2022 and 1 January 2023	9,175,417	1,241,924	5,107,005	451,517	417,213	496,830	330,485	-	17,220,391
Charge for the year	241,584	27,951	183,090	73,221	26,552	16,958	52,180	-	621,536
Disposals/reclassification	-	(61,833)	(4,003,708)	6,514	(281,880)	(314,164)	(95,550)	-	(4,750,621)
At 31 December 2023	9,417,001	1,208,042	1,286,387	531,252	161,885	199,624	287,115	-	13,091,306
<u>Carrying amount</u>									
At 31 December 2023	2,662,194	19,129	837,654	111,711	57,374	25,843	81,908	5,000	3,800,813
At 31 December 2022	2,903,778	48,711	737,244	118,641	64,262	43,112	17,665	59,984	3,993,397

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9. PROPERTY, PLANT AND EQUIPMENT (continued)

Depreciation expense is charged in statements of comprehensive income as follows:

	<u>Group</u>		<u>Association</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	\$	\$	\$	\$
Childcare and student care centres	90,744	54,283	75,162	50,766
International House	59,156	49,024	59,156	49,024
Membership and corporate activities	513	547	513	547
Fund raising events	3,119	2,590	3,119	2,590
Corporate Services	414,093	462,289	414,093	462,289
Charitable activities	69,493	43,344	69,493	43,344
	<u>637,118</u>	<u>612,077</u>	<u>621,536</u>	<u>608,560</u>

The land is leased for 999 years commencing from July 1911. No capital sum was paid for the lease.

The grants utilised for the acquisition of property, plant and equipment consist of Start-up Grant amounting to \$13,765 (2022: \$8,940) and grant from the National Council of Social Services ("NCSS") amounting to \$11,179 (2022: \$30,000) respectively.

10. INVESTMENTS IN SUBSIDIARIES

Details of the subsidiaries are as follows:

<u>Name of subsidiaries</u>	<u>Principal activities</u>	<u>Country of incorporation/ Place of business operations</u>	<u>Percentage of Shareholding held</u>		<u>Cost of investment</u>	
			<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
			%	%	\$	\$
YMCA Education Centre Limited	The provision of non-higher and higher education programmes	Singapore	100	100	-	-
YMCA Child Development Centre Limited	The provision of child development programmes	Singapore	100	100	<u>-</u>	<u>-</u>

The financial statements of the subsidiaries were audited by Lo Hock Ling & Co.

The subsidiaries are the companies limited by guarantee not having a share capital in the Republic of Singapore. Each member of the subsidiary undertakes to contribute a sum not exceeding \$1 each to the assets of the subsidiary in the event of being wound up.

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11. INVESTMENTS

	<u>Group and Association</u>	
	<u>2023</u>	<u>2022</u>
	\$	\$
Investments in financial assets:		
Debt instruments (quoted) at FVPL	708,111	1,179,469
Debt instruments (quoted) at amortised cost	<u>13,051,580</u>	<u>3,131,372</u>
	<u>13,759,691</u>	<u>4,310,841</u>
Represented as:		
- Current assets	13,301,070	3,626,552
- Non-current assets	<u>458,621</u>	<u>684,289</u>
	<u>13,759,691</u>	<u>4,310,841</u>

The Group has an investment committee which manages and invests its surplus funds in accordance with the guidelines set out by the Group and reports to the Board of Directors on the investment strategy and performance of the investments.

As at 31 December 2023, debt instruments at FVTPL comprise corporate bonds with interest rates ranging from 3.13% to 3.17% (2022: 3.13% to 3.55%) per annum and the maturity dates ranging from 05 March 2024 to 23 August 2027 (2022: 10 May 2023 to 23 August 2027). Debt instruments at amortised cost comprise of Singapore Treasury Bills with interest rates ranging from 3.37% to 4.39% (2022: 3.99% to 4.02%) per annum and the maturity dates ranging from 09 January 2024 to 25 June 2024 (2022: 2 May 2023 to 27 June 2023).

(i) Movements in fair value of financial assets measured at FVPL

	<u>Group and Association</u>	
	<u>2023</u>	<u>2022</u>
	\$	\$
Balance at beginning of the year	1,179,469	2,232,875
Disposals	(500,000)	(1,000,000)
Gain/(loss) on disposal	1,250	(14,637)
Changes in fair value	<u>27,392</u>	<u>(38,769)</u>
Balance at end of the year	<u>708,111</u>	<u>1,179,469</u>

(ii) Disclosures relating to financial assets measured at FVPL

The following information provides a summary of the significant sector concentrations within the investment portfolio including Levels 1, 2 and 3 securities:

<u>Nature</u>	<u>Industry</u>	<u>Location</u>	<u>Level</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
				\$	\$	%	%
Debt Instruments (quoted)	Airline	Singapore	1	244,798	233,447	35	20
Debt instruments (quoted)	Financial services	Singapore	1	-	495,180	-	42
Debt instruments (quoted)	Investment fund	Singapore	1	213,823	204,262	30	17
Debt instruments (quoted)	Properties	Singapore	1	249,490	246,580	35	21
				<u>708,111</u>	<u>1,179,469</u>	<u>100</u>	<u>100</u>

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11. INVESTMENTS (continued)

(iii) Sensitivity analysis for price risk of debts securities at FVTPL

The investments in debts securities are exposed to market price risk arising from uncertainties about future values of the investment securities. The effect of a sensitivity analysis is as follows:

	<u>Group and Association</u>	
	<u>2023</u>	<u>2022</u>
	\$	\$
A hypothetical 10% increase in market index of quoted debts securities at FVTPL would have an effect on fair value of:	<u>70,811</u>	<u>117,947</u>

For similar price decreases in fair value of the above financial assets, there would be comparable impacts in the opposite direction.

The hypothetical changes in basis points are not based on observable market data (unobservable inputs).

(iv) Financial assets at amortised costs

	<u>Group and Association</u>	
	<u>2023</u>	<u>2022</u>
	\$	\$
Fair value of Singapore Treasury bills	<u>13,044,047</u>	<u>3,129,118</u>

12. TRADE AND OTHER RECEIVABLES

	<u>Group</u>		<u>Association</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	\$	\$	\$	\$
Trade receivables	867,817	297,693	862,857	281,293
Less: Allowance for impairment	<u>(83,913)</u>	<u>(59,970)</u>	<u>(83,913)</u>	<u>(54,840)</u>
	<u>783,904</u>	<u>237,723</u>	<u>778,944</u>	<u>226,453</u>
<u>Other receivables:</u>				
Subsidiaries	-	-	1,965,710	1,595,555
Event advances	49,788	27,112	49,788	26,582
Grants receivables	468,749	637,964	267,977	416,187
Interest receivables	119,012	85,885	106,303	75,853
Other receivables	374,127	314,325	374,038	314,325
Less: Allowance for impairment on receivables from subsidiaries	<u>-</u>	<u>-</u>	<u>(400,000)</u>	<u>-</u>
	<u>1,011,676</u>	<u>1,065,286</u>	<u>2,363,816</u>	<u>2,428,502</u>
	<u>1,795,580</u>	<u>1,303,009</u>	<u>3,142,760</u>	<u>2,654,955</u>

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12. TRADE AND OTHER RECEIVABLES (continued)

Movements in allowance for expected credit losses ("ECLs") are as follows:

	<u>Group</u>		<u>Association</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	\$	\$	\$	\$
Balance at beginning of the year	59,970	52,678	54,840	47,421
Allowance made	45,277	36,381	445,277	36,381
Amount written back	(5,535)	(11,769)	(405)	(11,642)
Bad debts written off	(15,799)	(17,320)	(15,799)	(17,320)
Balance at end of the year	<u>83,913</u>	<u>59,970</u>	<u>483,913</u>	<u>54,840</u>

The ECLs on the above trade receivables are based on the simplified approach to measuring ECLs which uses a lifetime ECLs allowance approach for all trade receivables recognised from initial recognition of these assets. These assets are grouped based on shared credit risk characteristics and the days past due for measuring the ECLs. The allowance matrix is based on the historical observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

At each subsequent reporting date, an evaluation is made as to whether there is significant change in credit risk by comparing the debtor's credit risk at initial recognition (based on the original, unmodified cash flows) with the credit risk at reporting date (based on modified cash flows). Adjustment to loss allowance is made for any increase or decrease in credit risk.

As part of the process of setting customer credit limits, different credit terms are used. The average credit period generally granted to customers is between 14 to 30 days (2022: 14 to 30 days). However, certain customers may take a longer period to settle the amounts.

There is no concentration of credit risk with respect to trade receivables as there are a large number of customers.

There are no collateral held as security and other credit enhancements for the trade receivables.

Other receivables shown above are also subject to the ECLs model under the financial reporting standard on financial instruments. The other receivables can be graded for credit risk individually. At inception they are recorded net of expected 12 month credit losses. At each reporting date, an evaluation is made whether there is a significant change in credit risk by comparing the debtor's credit risk at initial recognition (based on the original, unmodified cash flows) with the credit risk at the reporting date (based on the modified cash flows).

Adjustment to the loss allowance is made for any increase or decrease in credit risk. At the end of the reporting year a loss allowance is recognised at an amount equal to the lifetime expected credit losses if there has been a significant increase in credit risk since initial recognition. No loss allowance was necessary.

At each subsequent reporting date, an evaluation is made as to whether there is significant change in credit risk by comparing the debtor's credit risk at initial recognition (based on the original, unmodified cash flows) with the credit risk at reporting date (based on modified cash flows). Adjustment to loss allowance is made for any increase or decrease in credit risk.

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12. TRADE AND OTHER RECEIVABLES (continued)

Other receivables are normally with no fixed terms and therefore there is no maturity. Other receivables due from related companies are regarded to be of low credit risk if they are guaranteed by the parent or a related Group with the ability to settle the amount. Other receivables are regarded as of low credit risk if they have a low risk of default and the debtor has a strong capacity to meet its contractual cash flow obligations in the near term. The methodology applied for impairment loss depends on whether there has been a significant increase in credit risk.

Grants receivables comprise the following:

	<u>Group</u>		<u>Association</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	\$	\$	\$	\$
YEP funding	249,089	123,749	249,089	123,749
Care and Share matching grant	-	290,000	-	290,000
National Heritage Board - Speak Good English Movement	-	2,438	-	2,438
Transformation grant	18,888	-	18,888	-
ECDA Partner Operator grant	200,772	221,777	-	-
	<u>468,749</u>	<u>637,964</u>	<u>267,977</u>	<u>416,187</u>

YEP funding is the funding provided by NYC to support youths from educational institutions and registered organisations to embark on service learning projects that involve communities in Singapore, Asean, China and India. Movements in YEP funding receivables are as follows:

	<u>Group and Association</u>	
	<u>2023</u>	<u>2022</u>
	\$	\$
Balance at beginning of the year	123,749	75,807
Less: Grants received	(82,018)	(67,859)
Add: Grants utilised	207,358	115,801
Balance at end of the year	<u>249,089</u>	<u>123,749</u>

13. OTHER ASSETS

	<u>Group</u>		<u>Association</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	\$	\$	\$	\$
Deposits to secure services	341,090	301,296	335,902	295,793
Prepayments	70,143	31,253	70,143	31,119
	<u>411,233</u>	<u>332,549</u>	<u>406,045</u>	<u>326,912</u>

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14. FIXED DEPOSITS WITH FINANCIAL INSTITUTIONS

	<u>Group</u>		<u>Association</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	\$	\$	\$	\$
Fixed deposits with original maturities				
- not more than 3 months	5,025,846	13,567,396	5,025,846	13,567,396
- between 3 and 12 months	<u>10,208,465</u>	<u>6,619,822</u>	<u>9,172,104</u>	<u>5,615,685</u>
	<u>15,234,311</u>	<u>20,187,218</u>	<u>14,197,950</u>	<u>19,183,081</u>

The fixed deposits bear interest at rates ranging from 2.85% to 3.95% and 2.85% to 3.95% (2022: 0% to 4.05% and 0% to 4.05%) per annum of the Group and of the Association respectively.

15. CAPITAL REPLACEMENT FUND

	<u>Group and Association</u>	
	<u>2023</u>	<u>2022</u>
	\$	\$
Balance at beginning of the year	15,155,710	13,870,560
Transfers from general fund	1,332,000	1,371,400
Utilisation during the year	<u>-</u>	<u>(86,250)</u>
Balance at end of the year	<u>16,487,710</u>	<u>15,155,710</u>

The capital replacement fund was established for capital replacement purposes. Previously, 9.00% of the annual revenue derived from the childcare and student care centres, education centre and International House were allocated to this fund. From 2021, the allocation basis was revised such that the amount allocated will be based on the floor area occupied in the YMCA building by the respective divisions and computed at \$1.70 psf.

16. BUILDING ASSET CAPITALISATION RESERVE

	<u>Group and Association</u>	
	<u>2023</u>	<u>2022</u>
	\$	\$
Balance at beginning of the year	1,262,027	1,376,759
Amortisation during the year	<u>(114,732)</u>	<u>(114,732)</u>
Balance at end of the year	<u>1,147,295</u>	<u>1,262,027</u>

Designated donations for the renovation/construction of the YMCA building are credited to the building asset capitalisation reserve. These amounts are recognised in statements of comprehensive income over the period necessary to match the depreciation on the portion statements of the certification of the renovation/construction funded by such donation.

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17. OTHER FUNDS

	Balance at beginning of the year	Receipts	Expenses	Transfer between funds	Balance at end of the year
	\$	\$	\$	\$	\$
<u>Group and Association</u>					
<u>2023</u>					
<u>Unrestricted funds - Designated</u>					
YMCA Community Services Fund	712,848	824,599	(644,323)	(216,167)	676,957
YMCA - Lim Kim San Volunteers Programme Fund	719,821	604,521	(872,350)	-	451,992
YMCA - Robert Loh Social Services Internship	100,000	-	-	-	100,000
Job Support Fund	1,053,421	-	(1,053,421)	-	-
	<u>2,586,090</u>	<u>1,429,120</u>	<u>(2,570,094)</u>	<u>(216,167)</u>	<u>1,228,949</u>
<u>Restricted funds</u>					
ISP Project Fund	19,502	2,100	-	-	21,602
YMCA Project Bridge Fund	335,456	389,670	(645,468)	-	79,658
Rebuilding Community Programme @ Dujiangyan Fund	10,054	-	-	-	10,054
YMCA - Seet Hiong Kiat and Kuah Siew Eng Education Fund	3,536	-	(889)	-	2,647
Club accounts	3,667	-	640	-	4,307
	<u>372,215</u>	<u>391,770</u>	<u>(645,717)</u>	<u>-</u>	<u>118,268</u>
	<u>2,958,305</u>	<u>1,820,890</u>	<u>(3,215,811)</u>	<u>(216,167)</u>	<u>1,347,217</u>

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17. OTHER FUNDS (continued)

<u>Group and Association</u>	<u>Balance at beginning of the year</u>	<u>Receipts</u>	<u>Expenses</u>	<u>Transfer between funds</u>	<u>Balance at end of the year</u>
	\$	\$	\$	\$	\$
<u>2022</u>					
<u>Unrestricted funds – Designated</u>					
YMCA Community Services Fund	430,481	1,160,512	(752,166)	(125,979)	712,848
YMCA - Lim Kim San Volunteers Programme Fund	852,532	656,313	(692,324)	(96,700)	719,821
YMCA - Robert Loh Social Services Internship	100,000	-	-	-	100,000
Job Support Fund	2,245,754	-	(1,192,333)	-	1,053,421
	<u>3,628,767</u>	<u>1,816,825</u>	<u>(2,636,823)</u>	<u>(222,679)</u>	<u>2,586,090</u>
<u>Restricted funds</u>					
ISP Project Fund	19,502	-	-	-	19,502
YMCA Project Bridge Fund	462,777	463,700	(591,021)	-	335,456
Rebuilding Community Programme @ Dujiangyan Fund	10,054	-	-	-	10,054
YMCA - Seet Hiong Kiat and Kuah Siew Eng Education Fund	3,536	-	-	-	3,536
Club accounts	4,663	-	(996)	-	3,667
	<u>500,532</u>	<u>463,700</u>	<u>(592,017)</u>	<u>-</u>	<u>372,215</u>
	<u>4,129,299</u>	<u>2,280,525</u>	<u>(3,228,840)</u>	<u>(222,679)</u>	<u>2,958,305</u>

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17. OTHER FUNDS (continued)

YMCA Community Services Fund is set up for the purpose of funding YMCA Community Services.

YMCA - Lim Kim San - Volunteers Programme Fund is set up for the purpose of promoting volunteerism and to recruit, retain and recognise volunteers.

YMCA - Robert Loh Social Service Internship for tertiary students aims to promote social causes, increase talent pool for the social service sector and inculcate Christian ethos and values of giving and serving the community.

Job Support Fund is set up for the purpose of retaining employees and keeping their pay competitive, retraining workers to keep them relevant and recruiting workers for necessary positions.

ISP Project Fund is set up for the International Service Programme and it is to be used for future projects.

YMCA Project Bridge Fund supports YMCA Project Bridge programmes that aim to provide personal development and counselling for early school-leavers and youths-at-risk.

Rebuilding Community Programme @ Dujiangyan Fund is set up for the purpose of supporting the Association's rebuilding community programmes in Sichuan, China.

YMCA - Seet Hiong Kiat and Kuah Siew Eng Education Fund is set up to provide educational sponsorship for needy international students who desire to pursue higher education but do not have adequate means to do so.

18. TRADE AND OTHER PAYABLES

	<u>Group</u>		<u>Association</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	\$	\$	\$	\$
<u>Trade payables</u>				
Outside parties and accrued expenses	2,619,398	2,046,272	2,381,029	1,816,894
<u>Other payables</u>				
Deposit payables	<u>1,277,862</u>	<u>1,382,896</u>	<u>1,120,930</u>	<u>1,232,627</u>
	<u>3,897,260</u>	<u>3,429,168</u>	<u>3,501,959</u>	<u>3,049,521</u>

Trade payables are unsecured, non-interest bearing and normally settled on 60 days' (2022: 60 days') terms.

Other payables are unsecured, non-interest bearing and repayable on demand.

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19. OTHER LIABILITIES

	<u>Group</u>		<u>Association</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	\$	\$	\$	\$
Care and Share matching grant	-	-	-	-
Fees and grants received in advance	1,050,139	864,693	993,873	856,751
	<u>1,050,139</u>	<u>864,693</u>	<u>993,873</u>	<u>856,751</u>

Care and Share matching grant represents the dollar-to-dollar funding matched by the government in celebration of SG50 to build capabilities and capacities of the social service sector. Movements in deferred Care and Share matching grant are as follows:

	<u>Group and Association</u>	
	<u>2023</u>	<u>2022</u>
	\$	\$
Balance at beginning of the year	-	119,308
Less grants utilised for qualifying expenses	-	(119,308)
Balance at end of the year	<u>-</u>	<u>-</u>

20. CASH AND CASH EQUIVALENTS

	<u>Group</u>	
	<u>2023</u>	<u>2022</u>
	\$	\$
Cash and bank balances	4,588,610	7,575,367
Fixed deposits with financial institutions	15,234,311	20,187,218
Cash and cash equivalents (Statements of Financial Position)	19,822,921	27,762,585
Less: Fixed deposits with original maturities between 3 to 12 months	(10,208,465)	(6,619,822)
Cash and cash equivalents (Consolidated Statement of Cash Flows)	<u>9,614,456</u>	<u>21,142,763</u>

21. CAPITAL COMMITMENTS

Estimated amounts committed at end of reporting year for future capital expenditure but not recognised in the financial statements are as follows:

	<u>Group and Association</u>	
	<u>2023</u>	<u>2022</u>
	\$	\$
Commitments to purchase property, plant and equipment	-	32,000

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22. OPERATING LEASE INCOME COMMITMENTS

(i) As Lessor

A maturity analysis of the undiscounted lease amounts to be received on an annual basis for a minimum of each of the first five years and a total of the amounts for the remaining years is as follows:

	<u>Group and Association</u>	
	<u>2023</u>	<u>2022</u>
	\$	\$
Lease income receivables		
Within 1 year	<u>614,026</u>	<u>330,637</u>
Rental income for the year	<u>589,624</u>	<u>545,070</u>

The above operating leases do not provide for contingent rents.

(ii) As Lessee

The Group and the Association have the following lease commitments which have not been provided for in the financial statements.

	<u>Group</u>		<u>Association</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	\$	\$	\$	\$
Short-term leases				
- within 1 year	<u>120,915</u>	<u>120,222</u>	<u>50,099</u>	<u>83,570</u>

These represent lease of premises with the Housing and Development Board ("HDB") for the operation of child development centres. These leases do not have a fixed tenure and allow for termination with advance notification of one month. The yearly lease expenses for the financial year are included in the disclosure of lease expenses in note 5 to the financial statements.

23. RELATED PARTIES

For the purpose of these financial statements, parties are considered to be related to the Group if the Group has the ability to, directly or indirectly, control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

A related party includes the directors and key management of the Association. It also includes an entity or person that directly or indirectly controls, is controlled by, or is under common or joint control with these persons; members of the key management personnel or close members of the family of any individual referred to herein and others who have the ability to control, jointly control or significantly influence by or for which significant voting power in such entity resides with, directly or indirectly, any such individual. Key management personnel include the directors and the direct reporting senior members.

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23. RELATED PARTIES (continued)

All members of the Board of Directors and key management of the Association are required to read and understand the conflict of interest policy in place and make full disclosure of interests and relationships that could potentially result in a conflict of interests. When a conflict of interest situation arises, the members or staff shall abstain from participating in the discussion, decision making and voting on the matter.

The members of the Board of Directors are volunteers and receive no monetary remuneration for their contributions, except for reimbursement of out-of-pocket expenses, if any claimed.

There are no paid staff who are close members of the family of the Board of Directors and whose remuneration each exceeds \$50,000 during the year.

There are transactions and arrangements between the Association and related parties and the effects of these on the basis determined between the parties are reflected in these financial statements. The related party balances and transfer of resources, services or obligations if any are unsecured, without fixed repayment terms and interest or charge unless stated otherwise. Intragroup transactions and balances that have been eliminated in these consolidated financial statements are not disclosed as related party transactions and balances.

- (i) The total key management personnel compensation included in employee benefits expense are as follows:

	<u>2023</u>	<u>Group</u> <u>2022</u>
	\$	\$
Short-term employee benefits	801,605	665,554
Employer's contributions to Central Provident Fund	<u>67,986</u>	<u>55,961</u>
	<u>869,591</u>	<u>721,515</u>
Number of key management personnel	<u>5</u>	<u>7</u>

- (ii) The annual remuneration of the three highest paid staff classified by remuneration bands are as follows:

	<u>No. of Staff</u> <u>2023</u>	<u>2022</u>
Annual remuneration		
- more than \$100,000 but less than \$200,000	2	3
- more than \$200,000 but less than \$300,000	1	-

- (iii) Significant transactions with the subsidiaries, not otherwise disclosed in the financial statements, are as follows:

	<u>Association</u> <u>2023</u>	<u>2022</u>
	\$	\$

With subsidiaries

- Liabilities settled on behalf of subsidiaries	72,046	89,928
- Advances for working capital	<u>298,109</u>	<u>442,215</u>

Related party transactions are based on terms agreed between the parties concerned.

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24. FINANCIAL RISK MANAGEMENT

The main purpose for holding or issuing financial instruments is to raise and manage the finances for the entity's operating, investing and financing activities. There are exposures to the financial risks on the financial instruments such as credit risk, liquidity risk and market risk comprising interest rate, currency risk and price risk exposures. The Group has undertaken certain practices for the management of financial risks based on acceptable market practice. There have been no changes to the exposures to risks; the objectives, policies and processes for managing the risks and the methods used to measure the risks.

The Group maintains positions in a variety of financial instruments in accordance with its investment objectives and guidelines.

The Group's investment committee is tasked with the responsibility to review the investment operations of the Association and to make appropriate investment decisions. The investment committee works within the guidelines of the Association's investment policy.

The investment committee meets regularly to assess and review the risks as well as performance of the investments.

The Board of Directors reviews and agrees on policies for managing each of the financial risks and they are summarised below:

24.1 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 Group as and when they fall due.

(i) *Risk Management*

The Group's exposure to credit risk arises primarily from cash balances with banks, cash equivalents, receivables and other financial assets. The maximum exposure to credit risk is the total of the fair value of the financial assets at the end of the reporting year. Credit risk on cash balances with banks and any other financial instruments is limited because the counter-parties are entities with acceptable credit ratings.

(ii) *Recognition of expected credit losses ("ECLs")*

For ECLs on financial assets, the general approach (three-stage approach) in the financial reporting standard on financial instruments is applied to measure the impairment allowance. Under this general approach the financial assets move through the three stages as their credit quality changes. On initial recognition, a day-one loss is recorded equal to the 12-month ECLs unless the assets are considered credit impaired. However, the simplified approach (that is, to measure the loss allowance at an amount equal to lifetime ECLs at initial recognition and throughout its life) permitted by the financial reporting standards on financial instruments is applied for financial assets that do not have a significant financing component, such as trade receivables and contract assets. For credit risk on trade receivables, contract assets and other financial assets an ongoing credit evaluation is performed on the financial condition of the debtors and an impairment loss is recognised in profit or loss. Reviews and assessments of credit exposures in excess of designated limits are made. Renewals and reviews of credits limits are subject to the same review process.

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24. FINANCIAL RISK MANAGEMENT (continued)

24.1 Credit risk (continued)

(ii) *Recognition of expected credit losses ("ECLs")*

The maturity of the cash and cash equivalents balances was disclosed in notes 14 and 20 to the financial statements. Cash and cash equivalents are also subject to the impairment requirements of the standard on financial instruments. There was no identified impairment loss.

24.2 Liquidity risk

Liquidity risk refers to the difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. It is expected that all the liabilities will be settled at their contractual maturity. There are no liabilities contracted to fall due after twelve months at the end of the reporting year. It is expected that all the liabilities will be settled at their contractual maturity. The average credit period taken to settle trade payables is approximately 60 days. The other payables are with short-term durations. The classification of the financial assets is shown in the statement of financial position as they may be available to meet liquidity needs and no further analysis is deemed necessary.

The non-derivative financial liabilities by remaining contractual maturity (contractual undiscounted cash flows) are equivalent to the financial liabilities disclosed in note 28 and are all due in less than one year.

24.3 Interest rate risk

The interest rate risk exposure is from changes in fixed interest rates and floating interest rates and it mainly concerns financial assets. The following table analyses the breakdown of the significant financial instruments by type of interest rate:

	<u>Group</u>		<u>Association</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	\$	\$	\$	\$
<u>Financial assets with interests</u>				
Fixed rates	<u>28,994,002</u>	<u>24,498,059</u>	<u>27,957,641</u>	<u>23,493,922</u>

Sensitivity analysis: The effect on surplus for the year relating to interest rate fluctuations is not significant.

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

The Group does not have material interest-bearing financial liabilities and has incurred minimal finance costs during the year. Its exposure to changes in interest rates relates primarily to interest-bearing debt instrument and bank deposits. The Group 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 financial assets of the Group and the Association are disclosed in notes 11 and 14 to the financial statements.

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24. FINANCIAL RISK MANAGEMENT (continued)

24.4 Foreign exchange risk

Foreign exchange risk arises on financial instruments that are denominated in a foreign currency, i.e., in a currency other than the functional currency in which they are measured. For the purpose of this financial reporting standard on financial instruments: disclosures, currency risk does not arise from financial instruments that are non-monetary items or from financial instruments denominated in the functional currency.

There were no material balances in non-functional currency at the end of the reporting year.

24.5 Market price risk

These are investments in debts instruments. Such investments are exposed to market price risk arising from uncertainties about future values of the debts securities are disclosed in note 11 to the financial statements. The fair values of these debts securities as well as sensitivity analysis.

25. RESERVE POLICY

The Group has set aside reserves to provide financial stability and the means for development of the Group's principal activities. The Group targets for an optimum of three years of operating reserves. The reserve ratio stands at 0.6 (2022: 0.6) as at the reporting date.

In addition, the Group has set aside a percentage of its surpluses for large scale asset renewal as capital replacement fund (note 15). This reserve is critical for capital asset renewal purpose.

The Board of Directors regularly reviews the amount of reserves that are required to ensure that they are adequate to fulfil the Group's continuing obligations and to support its operations.

The Group is not subject to externally imposed fund requirements. There were no changes to the Group's approach to reserves management during the year.

26. FAIR VALUE OF ASSETS AND LIABILITIES

26.1 Fair Value Hierarchy

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

- Level 1 quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 valuation techniques using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

26.2 Assets and liabilities measured at fair value

The fair value of the Group's quoted investments classified as financial assets at fair value through profit or loss are based on quoted market price as at balance sheet date. These are recurring fair value measurement classified under Level 1 of the fair value hierarchy.

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26. FAIR VALUE OF ASSETS AND LIABILITIES (continued)

26.3 Fair value of financial instruments not carried at fair value

The carrying amounts of cash and cash equivalents, investments in financial assets at amortisation costs, receivables and payables classified as current assets and liabilities approximate their fair value due to their short-term nature.

27. FINANCIAL INSTRUMENTS BY CATEGORY

The aggregate carrying amounts of financial instruments by category are as follows:

	<u>Group</u>		<u>Association</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	\$	\$	\$	\$
Financial assets at amortised cost	34,670,081	32,196,966	34,534,089	32,070,499
Financial assets at FVTPL	708,111	1,179,469	708,111	1,179,469
Financial liabilities at amortised cost	3,533,862	3,143,057	3,170,669	2,791,188

28. COMPARATIVE FIGURES

The financial statements of the Group and of the Association for the financial year ended 31 December 2022 were audited by another firm of auditors who expressed an unmodified opinion on the financial statements on 19 April 2023.

During the financial year, certain comparative figures have been reclassified to conform with current year's presentation to enhance comparability and to better reflect the nature of the transactions.

The effects of reclassifications of the Group and of the Association are as follows:

	<u>For the financial year ended 31 December 2022</u>		
<u>Group</u>	<u>As previously reported</u>	<u>Reclassifications</u>	<u>As restated</u>
<u>Statements of Financial Position</u>			
<u>Current Assets</u>			
Fixed deposits with financial institutions	-	20,187,218	20,187,218
Cash and bank balances	27,762,585	(20,187,218)	7,575,367
	<u>For the financial year ended 31 December 2022</u>		
	<u>As previously reported</u>	<u>Reclassifications</u>	<u>As restated</u>
<u>Association</u>			
<u>Statement of Financial Position</u>			
<u>Current Assets</u>			
Fixed deposits with financial institutions	-	19,183,081	19,183,081
Cash and bank balances	26,284,172	(19,183,081)	7,101,091

29. AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements of the Group and the Association for the year ended 31 December 2023 were authorised for issue in accordance with a resolution of the directors dated 18 April 2024.




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