

## **YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE**

(UEN No: S61SS0045E)

### **Statement by board of directors and financial statements**

Year ended 31 December 2021

#### **RSM Chio Lim LLP**

8 Wilkie Road, #03-08  
Wilkie Edge, Singapore 228095

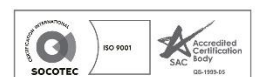
T +65 6533 7600

Audit@RSMSingapore.sg  
www.RSMSingapore.sg

*UEN: T09LL0008J*

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**YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE**

**Statement by board of directors and financial statements**

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## YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE

### Statement by board of directors

The board of directors of the Young Men's Christian Association of Singapore (the "Association") are pleased to present the accompanying financial statements of the Association and its subsidiary (the "Group") for the reporting year ended 31 December 2021.

In the opinion of the board of directors:

- (a) 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 drawn up in accordance with the Societies Act 1966, the Charities Act 1994 and other relevant regulations, and the Financial Reporting Standards in Singapore so as to present fairly, in all material respects, the consolidated financial position of the Group and the financial position of the Association as at 31 December 2021, and of the consolidated financial performance, consolidated changes in funds and consolidated cash flows of the Group and the financial performance and changes in funds of the Association for the year ended 31 December 2021; and
- (b) At the date of this statement, there are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due.


The board of directors approved and authorised these financial statements for issue.

On behalf of the board of directors,



.....  
Tony Soh Cheow Yeow  
President

12 April 2022



.....  
Samuel Chan  
Honorary Treasurer



**RSM Chio Lim LLP**

8 Wilkie Road, #03-08  
Wilkie Edge, Singapore 228095

T +65 6533 7600

Audit@RSMSingapore.sg  
www.RSMSingapore.sg

**Independent auditor's report to the members of  
YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE**

**Report on the audit of the financial statements**

***Opinion***

We have audited the accompanying financial statements of the Young Men's Christian Association of Singapore (the "Association") and its subsidiary (the "Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Association as at 31 December 2021, the consolidated statement of comprehensive income, consolidated statement of changes in funds and consolidated statement of cash flows of the Group and the statement of comprehensive income and statement of changes in funds of the Association for the reporting year then ended, and significant accounting policies and other explanatory 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 the Financial Reporting Standards in Singapore ("FRS") so as to present fairly, in all material respects, the consolidated financial position of the Group and the financial position of the Association as at 31 December 2021, and of the consolidated financial performance, consolidated changes in funds and consolidated cash flows of the Group and the financial performance and changes in funds of the Association for the reporting 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 ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

***Other information***

Management is responsible for the other information. The other information comprises the statement by the board of directors and the annual report 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.

**Independent auditor's report to the members of  
YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE**

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***Other information (cont'd)***

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

***Responsibilities of management and those charged with governance for the financial statements***

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

Those charged with governance are 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.



**Independent auditor's report to the members of  
YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE**

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***Auditor's responsibilities for the audit of the financial statements (cont'd)***

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

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**Independent auditor's report to the members of  
YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE**

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**Report on other legal and regulatory requirements**

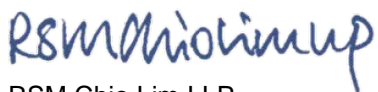
In our opinion:

- (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 and the Charities Act and Regulations; and
- (b) The fund-raising appeals held during the reporting year have 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 appeals.

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

- (a) The Association has not used the donation moneys in accordance with its objectives as required under Regulation 11 of the Charities (Institutions of a Public Character) Regulations; and
- (b) The Association has not complied with the requirements of Regulation 15 (Fund-raising expenses) of the Charities (Institutions of a Public Character) Regulations.

The engagement partner on the audit resulting in this independent auditor's report is Adrian Tan Khai-Chung.



RSM Chio Lim LLP  
Public Accountants and  
Chartered Accountants  
Singapore

12 April 2022

Engagement partner – Appointment since reporting year ended 31 December 2018

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE**

**Statements of comprehensive income  
Year ended 31 December 2021**

Note	Group									
	General fund \$	Unrestricted Designated funds \$	Total \$	Restricted funds \$	2021 \$	General fund \$	Unrestricted Designated funds \$	Total \$	Restricted funds \$	2020 \$
<b>Incoming resources</b>										
<b>Incoming resources from generated funds</b>										
<b>Voluntary income</b>										
Donation income	294,215	132,903	427,118	436,260	863,378	464,672	840,296	1,304,968	1,189,269	2,494,237
<b>Activities for generating funds</b>										
Childcare and student care centres	16,461,764	614,010	17,075,774	–	17,075,774	13,058,335	1,915,777	14,974,112	–	14,974,112
Education	77,266	1,548	78,814	–	78,814	639,974	119,964	759,938	–	759,938
International House	2,160,322	38,639	2,198,961	–	2,198,961	2,771,369	240,442	3,011,811	–	3,011,811
Membership	171,677	3,592	175,269	–	175,269	142,726	31,276	174,002	–	174,002
Outdoor and adventure	–	–	–	–	–	5,397	15,470	20,867	–	20,867
Fund raising events	49,389	801,659	851,048	–	851,048	6,048	406,394	412,442	–	412,442
Corporate services	1,263,452	85,644	1,349,096	–	1,349,096	1,093,479	380,246	1,473,725	–	1,473,725
Amortisation of building asset capitalisation reserve	114,732	–	114,732	–	114,732	114,732	–	114,732	–	114,732
	<u>20,592,817</u>	<u>1,677,995</u>	<u>22,270,812</u>	<u>436,260</u>	<u>22,707,072</u>	<u>18,296,732</u>	<u>3,949,865</u>	<u>22,246,597</u>	<u>1,189,269</u>	<u>23,435,866</u>
<b>Investment income</b>										
Interest and dividend income	211,489	–	211,489	–	211,489	379,526	–	379,526	–	379,526
(Loss)/Gain on fair value of investments through profit or loss	(7,781)	–	(7,781)	–	(7,781)	13,021	–	13,021	–	13,021
	<u>20,796,525</u>	<u>1,677,995</u>	<u>22,474,520</u>	<u>436,260</u>	<u>22,910,780</u>	<u>18,689,279</u>	<u>3,949,865</u>	<u>22,639,144</u>	<u>1,189,269</u>	<u>23,828,413</u>
<b>Incoming resources from charitable activities</b>										
Community services *	4,658	124,517	129,175	382,964	512,139	4,815	340,756	345,571	351,390	696,961
Volunteer and youth development programmes	–	42,187	42,187	–	42,187	–	135,941	135,941	51,398	187,339
International service programmes	102,299	5,321	107,620	–	107,620	154,667	42,319	196,986	600	197,586
	<u>106,957</u>	<u>172,025</u>	<u>278,982</u>	<u>382,964</u>	<u>661,946</u>	<u>159,482</u>	<u>519,016</u>	<u>678,498</u>	<u>403,388</u>	<u>1,081,886</u>
<b>Total incoming resources</b>	4	<u>20,903,482</u>	<u>1,850,020</u>	<u>22,753,502</u>	<u>819,224</u>	<u>23,572,726</u>	<u>18,848,761</u>	<u>4,468,881</u>	<u>23,317,642</u>	<u>24,910,299</u>

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE**

**Statements of comprehensive income  
Year ended 31 December 2021**

	-----Group-----										
	Note	General fund \$	Unrestricted Designated funds \$	Total \$	Restricted Funds \$	2021 \$	General fund \$	Unrestricted Designated funds \$	Total \$	Restricted funds \$	2020 \$
<b><u>Resources expended</u></b>											
<b>Cost of generating funds</b>											
Childcare and student care centres		14,985,859	1,053,194	16,039,053	–	16,039,053	12,713,158	–	12,713,158	–	12,713,158
Education		123,044	–	123,044	–	123,044	846,078	–	846,078	–	846,078
International House		3,321,561	130,638	3,452,199	–	3,452,199	5,045,511	–	5,045,511	–	5,045,511
Membership		402,606	11,374	413,980	645	414,625	498,621	–	498,621	(2,745)	495,876
Outdoor and adventure		–	–	–	–	–	61,799	–	61,799	–	61,799
Fund raising events		258,851	151,149	410,000	–	410,000	182,096	82,613	264,709	–	264,709
Corporate services		111,038	264,601	375,639	–	375,639	185,816	–	185,816	–	185,816
		<u>19,202,959</u>	<u>1,610,956</u>	<u>20,813,915</u>	<u>645</u>	<u>20,814,560</u>	<u>19,533,079</u>	<u>82,613</u>	<u>19,615,692</u>	<u>(2,745)</u>	<u>19,612,947</u>
<b>Investment expenses</b>											
Management fee		877	–	877	–	877	838	–	838	–	838
		<u>877</u>	<u>–</u>	<u>877</u>	<u>–</u>	<u>877</u>	<u>838</u>	<u>–</u>	<u>838</u>	<u>–</u>	<u>838</u>
<b>Resources expended on charitable activities</b>											
Community services *		39,916	658,410	698,326	1,103,399	1,801,725	81,205	1,106,906	1,188,111	1,021,676	2,209,787
Volunteer and youth development programmes		–	353,409	353,409	138,782	492,191	–	628,095	628,095	46,023	674,118
International service programmes		139,696	14,616	154,312	1,751	156,063	288,764	–	288,764	(776)	287,988
		<u>179,612</u>	<u>1,026,435</u>	<u>1,206,047</u>	<u>1,243,932</u>	<u>2,449,979</u>	<u>369,969</u>	<u>1,735,001</u>	<u>2,104,970</u>	<u>1,066,923</u>	<u>3,171,893</u>
Governance costs		79,376	–	79,376	–	79,376	90,210	–	90,210	–	90,210
Loss on disposal of property, plant and equipment		6,231	–	6,231	–	6,231	6,372	–	6,372	–	6,372
<b>Total resources expended</b>	6	<u>19,469,055</u>	<u>2,637,391</u>	<u>22,106,446</u>	<u>1,244,577</u>	<u>23,351,023</u>	<u>20,000,468</u>	<u>1,817,614</u>	<u>21,818,082</u>	<u>1,064,178</u>	<u>22,882,260</u>

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE**

**Statements of comprehensive income  
Year ended 31 December 2021**

	<b>Group</b>										
	<u>Note</u>	<u>General fund</u> \$	<u>Unrestricted Designated funds</u> \$	<u>Total</u> \$	<u>Restricted Funds</u> \$	<u>2021</u> \$	<u>General fund</u> \$	<u>Unrestricted Designated funds</u> \$	<u>Total</u> \$	<u>Restricted funds</u> \$	<u>2020</u> \$
Net surplus/(deficit) before tax		1,434,427	(787,371)	647,056	(425,353)	221,703	(1,151,707)	2,651,267	1,499,560	528,479	2,028,039
Income tax expense	8	-	-	-	-	-	-	-	-	-	-
Net surplus/(deficit) and total comprehensive income/(loss) for the year		1,434,427	(787,371)	647,056	(425,353)	221,703	(1,151,707)	2,651,267	1,499,560	528,479	2,028,039
Funds at beginning of year		12,172,142	17,014,004	29,186,146	2,356,076	31,542,222	15,488,249	12,258,033	27,746,282	1,882,633	29,628,915
Transfers between funds		(1,333,994)	1,272,694	(61,300)	61,300	-	(2,164,400)	2,104,704	(59,696)	59,696	-
Amortisation of building asset capitalisation reserve		-	-	-	(114,732)	(114,732)	-	-	-	(114,732)	(114,732)
<b>Funds at end of year</b>		<u>12,272,575</u>	<u>17,499,327</u>	<u>29,771,902</u>	<u>1,877,291</u>	<u>31,649,193</u>	<u>12,172,142</u>	<u>17,014,004</u>	<u>29,186,146</u>	<u>2,356,076</u>	<u>31,542,222</u>

\* 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**

**Statements of comprehensive income  
Year ended 31 December 2021**

	Note	Association									
		General fund \$	Unrestricted Designated funds \$	Total \$	Restricted funds \$	2021 \$	General fund \$	Unrestricted Designated funds \$	Total \$	Restricted funds \$	2020 \$
<b>Incoming resources</b>											
<b>Incoming resources from generated funds</b>											
<b>Voluntary income</b>											
Donation income		294,215	132,903	427,118	436,260	863,378	470,527	840,296	1,310,823	1,189,269	2,500,092
<b>Activities for generating funds</b>											
Childcare and student care centres		16,461,764	614,010	17,075,774	–	17,075,774	13,058,335	1,915,777	14,974,112	–	14,974,112
Education			1,548	1,548	–	1,548	22,231	119,964	142,195	–	142,195
International House		2,160,322	38,639	2,198,961	–	2,198,961	2,774,359	240,442	3,014,801	–	3,014,801
Membership		171,677	3,592	175,269	–	175,269	142,726	31,276	174,002	–	174,002
Outdoor and adventure		–	–	–	–	–	5,397	15,470	20,867	–	20,867
Fund raising events		49,389	801,659	851,048	–	851,048	6,048	406,394	412,442	–	412,442
Corporate services		1,263,452	85,644	1,349,096	–	1,349,096	1,093,479	380,246	1,473,725	–	1,473,725
Amortisation of building asset capitalisation reserve		114,732	–	114,732	–	114,732	114,732	–	114,732	–	114,732
		<u>20,515,551</u>	<u>1,677,995</u>	<u>22,193,546</u>	<u>436,260</u>	<u>22,629,806</u>	<u>17,687,834</u>	<u>3,949,865</u>	<u>21,637,699</u>	<u>1,189,269</u>	<u>22,826,968</u>
<b>Investment income</b>											
Interest and dividend income		210,468	–	210,468	–	210,468	360,286	–	360,286	–	360,286
(Loss)/Gain on fair value of investments through profit or loss		(7,781)	–	(7,781)	–	(7,781)	13,021	–	13,021	–	13,021
		<u>20,718,238</u>	<u>1,677,995</u>	<u>22,396,233</u>	<u>436,260</u>	<u>22,832,493</u>	<u>18,061,141</u>	<u>3,949,865</u>	<u>22,011,006</u>	<u>1,189,269</u>	<u>23,200,275</u>
<b>Incoming resources from charitable activities</b>											
Community services *		4,658	124,517	129,175	382,964	512,139	4,815	340,756	345,571	351,390	696,961
Volunteer and youth development programmes		–	42,187	42,187	–	42,187	–	135,941	135,941	51,398	187,339
International service programmes		102,299	5,321	107,620	–	107,620	154,667	42,319	196,986	600	197,586
		<u>106,957</u>	<u>172,025</u>	<u>278,982</u>	<u>382,964</u>	<u>661,946</u>	<u>159,482</u>	<u>519,016</u>	<u>678,498</u>	<u>403,388</u>	<u>1,081,886</u>
<b>Total incoming resources</b>	4	<u>20,825,195</u>	<u>1,850,020</u>	<u>22,675,215</u>	<u>819,224</u>	<u>23,494,439</u>	<u>18,220,623</u>	<u>4,468,881</u>	<u>22,689,504</u>	<u>1,592,657</u>	<u>24,282,161</u>

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE**

**Statements of comprehensive income  
Year ended 31 December 2021**

-----Association-----											
Note	General fund \$	Unrestricted Designated funds \$	Total \$	Restricted funds \$	2021 \$	General fund \$	Unrestricted Designated funds \$	Total \$	Restricted funds \$	2020 \$	
<b>Resources expended</b>											
<b>Cost of generating funds</b>											
Childcare and student care centres	14,985,859	1,053,194	16,039,053	-	16,039,053	12,713,158	-	12,713,158	-	12,713,158	
Education	7,776	-	7,776	-	7,776	226,206	-	226,206	-	226,206	
International House	3,321,561	130,638	3,452,199	-	3,452,199	5,045,511	-	5,045,511	-	5,045,511	
Membership	402,606	11,374	413,980	645	414,625	498,621	-	498,621	(2,745)	495,876	
Outdoor and adventure	-	-	-	-	-	61,799	-	61,799	-	61,799	
Fund raising events	258,851	151,149	410,000	-	410,000	182,096	82,613	264,709	-	264,709	
Corporate services	111,038	264,601	375,639	-	375,639	185,816	-	185,816	-	185,816	
	<u>19,087,691</u>	<u>1,610,956</u>	<u>20,698,647</u>	<u>645</u>	<u>20,699,292</u>	<u>18,913,207</u>	<u>82,613</u>	<u>18,995,820</u>	<u>(2,745)</u>	<u>18,993,075</u>	
<b>Investment expenses</b>											
Management fee	877	-	877	-	877	838	-	838	-	838	
	<u>877</u>	<u>-</u>	<u>877</u>	<u>-</u>	<u>877</u>	<u>838</u>	<u>-</u>	<u>838</u>	<u>-</u>	<u>838</u>	
<b>Resources expended on charitable activities</b>											
Community services *	39,916	658,410	698,326	1,103,399	1,801,725	81,205	1,106,906	1,188,111	1,021,676	2,209,787	
Volunteer and youth development programmes	-	353,409	353,409	138,782	492,191	-	628,095	628,095	46,023	674,118	
International service programmes	139,696	14,616	154,312	1,751	156,063	288,764	-	288,764	(776)	287,988	
	<u>179,612</u>	<u>1,026,435</u>	<u>1,206,047</u>	<u>1,243,932</u>	<u>2,449,979</u>	<u>369,969</u>	<u>1,735,001</u>	<u>2,104,970</u>	<u>1,066,923</u>	<u>3,171,893</u>	
Governance costs	75,138	-	75,138	-	75,138	81,944	-	81,944	-	81,944	
Loss on disposal of property, plant and equipment	6,231	-	6,231	-	6,231	6,372	-	6,372	-	6,372	
<b>Total resources expended</b>	6	<u>19,349,549</u>	<u>2,637,391</u>	<u>21,986,940</u>	<u>1,244,577</u>	<u>23,231,517</u>	<u>19,372,330</u>	<u>1,817,614</u>	<u>21,189,944</u>	<u>1,064,178</u>	<u>22,254,122</u>

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE**

**Statements of comprehensive income  
Year ended 31 December 2021**

	-----Association-----										
	Note	Unrestricted			Restricted funds	2021	Unrestricted			Restricted funds	2020
		General fund	Designated funds	Total			General fund	Designated funds	Total		
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Net surplus/(deficit) before tax		1,475,646	(787,371)	688,275	(425,353)	262,922	(1,151,707)	2,651,267	1,499,560	528,479	2,028,039
Income tax expense	8	-	-	-	-	-	-	-	-	-	-
Net surplus/(deficit) and total comprehensive income/(loss) for the year		1,475,646	(787,371)	688,275	(425,353)	262,922	(1,151,707)	2,651,267	1,499,560	528,479	2,028,039
Funds at beginning of year		12,172,142	17,014,004	29,186,146	2,356,076	31,542,222	15,488,249	12,258,033	27,746,282	1,882,633	29,628,915
Transfers between funds		(1,333,994)	1,272,694	(61,300)	61,300	-	(2,164,400)	2,104,704	(59,696)	59,696	-
Amortisation of building asset capitalisation reserve		-	-	-	(114,732)	(114,732)	-	-	-	(114,732)	(114,732)
<b>Funds at end of year</b>		<u>12,313,794</u>	<u>17,499,327</u>	<u>29,813,121</u>	<u>1,877,291</u>	<u>31,690,412</u>	<u>12,172,142</u>	<u>17,014,004</u>	<u>29,186,146</u>	<u>2,356,076</u>	<u>31,542,222</u>

\* 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

### Statements of financial position As at 31 December 2021

	Note	Group		Association	
		2021 \$	2020 \$	2021 \$	2020 \$
<b>ASSETS</b>					
<b><u>Non-current assets</u></b>					
Property, plant and equipment	10	3,957,254	4,236,366	3,957,254	4,235,956
<b>Total non-current assets</b>		<u>3,957,254</u>	<u>4,236,366</u>	<u>3,957,254</u>	<u>4,235,956</u>
<b><u>Current assets</u></b>					
Inventories	12	–	13,674	–	13,674
Trade and other receivables	13	991,102	933,801	2,035,130	2,005,690
Other assets	14	377,160	400,221	377,160	397,716
Other financial assets	11	2,232,875	2,498,156	2,232,875	2,498,156
Cash and cash equivalents	15	28,240,724	28,442,889	27,166,076	27,348,691
<b>Total current assets</b>		<u>31,841,861</u>	<u>32,288,741</u>	<u>31,811,241</u>	<u>32,263,927</u>
<b>Total assets</b>		<u>35,799,115</u>	<u>36,525,107</u>	<u>35,768,495</u>	<u>36,499,883</u>
<b>FUNDS AND LIABILITIES</b>					
<b><u>Unrestricted fund</u></b>					
General fund		12,272,575	12,172,142	12,313,794	12,172,142
Capital replacement fund	16	13,870,560	12,440,360	13,870,560	12,440,360
Other funds	18	3,628,767	4,573,644	3,628,767	4,573,644
<b>Total unrestricted fund</b>		<u>29,771,902</u>	<u>29,186,146</u>	<u>29,813,121</u>	<u>29,186,146</u>
<b><u>Restricted funds</u></b>					
Building asset capitalisation reserve	17	1,376,759	1,491,491	1,376,759	1,491,491
Other funds	18	500,532	864,585	500,532	864,585
<b>Total restricted fund</b>		<u>1,877,291</u>	<u>2,356,076</u>	<u>1,877,291</u>	<u>2,356,076</u>
<b>Total funds</b>		<u>31,649,193</u>	<u>31,542,222</u>	<u>31,690,412</u>	<u>31,542,222</u>
<b><u>Current liabilities</u></b>					
Trade and other payables	20	3,429,858	3,599,130	3,358,019	3,575,454
Other liabilities	21	720,064	1,383,755	720,064	1,382,207
<b>Total current liabilities</b>		<u>4,149,922</u>	<u>4,982,885</u>	<u>4,078,083</u>	<u>4,957,661</u>
<b>Total liabilities</b>		<u>4,149,922</u>	<u>4,982,885</u>	<u>4,078,083</u>	<u>4,957,661</u>
<b>Total funds and liabilities</b>		<u>35,799,115</u>	<u>36,525,107</u>	<u>35,768,495</u>	<u>36,499,883</u>

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

YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE

Statements of changes in funds  
Year ended 31 December 2021

<u>Group</u>	Unrestricted			Restricted		<u>Total</u> \$
	<u>General</u> <u>fund</u> \$	<u>Designated</u>		<u>Building</u> <u>asset</u> <u>capitalisation</u> <u>reserve</u> \$	<u>Other</u> <u>funds</u> \$	
		<u>Capital</u> <u>replacement</u> <u>fund</u> \$	<u>Other</u> <u>funds</u> \$			
<b>At 1 January 2021</b>	12,172,142	12,440,360	4,573,644	1,491,491	864,585	31,542,222
<b>Changes in funds</b>						
Net surplus/(deficit) and total comprehensive income/(loss) for the year	1,434,427	–	(787,371)	–	(425,353)	221,703
Transfers during the year	(1,333,994)	1,430,200	(157,506)	–	61,300	–
Amortisation of building asset capitalisation reserve	–	–	–	(114,732)	–	(114,732)
<b>At 31 December 2021</b>	<u>12,272,575</u>	<u>13,870,560</u>	<u>3,628,767</u>	<u>1,376,759</u>	<u>500,532</u>	<u>31,649,193</u>
<b>At 1 January 2020</b>	15,488,249	10,548,745	1,709,288	1,606,223	276,410	29,628,915
<b>Changes in funds</b>						
Net (deficit)/surplus and total comprehensive (loss)/income for the year	(1,151,707)	–	2,651,267	–	528,479	2,028,039
Transfers during the year	(2,164,400)	1,891,615	213,089	–	59,696	–
Amortisation of building asset capitalisation reserve	–	–	–	(114,732)	–	(114,732)
<b>At 31 December 2020</b>	<u>12,172,142</u>	<u>12,440,360</u>	<u>4,573,644</u>	<u>1,491,491</u>	<u>864,585</u>	<u>31,542,222</u>

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

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE**

**Statements of changes in funds  
Year ended 31 December 2021**

<b>Association</b>	Unrestricted			Restricted		<b>Total</b>
	<b>General fund</b>	<b>Designated</b>		<b>Building asset capitalisation reserve</b>	<b>Other funds</b>	
		<b>Capital replacement fund</b>	<b>Other funds</b>			
<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	
<b>At 1 January 2021</b>	12,172,142	12,440,360	4,573,644	1,491,491	864,585	31,542,222
<b>Changes in funds</b>						
Net (deficit)/surplus and total comprehensive (loss)/income for the year	1,475,646	–	(787,371)	–	(425,353)	262,922
Transfers during the year	(1,333,994)	1,430,200	(157,506)	–	61,300	–
Amortisation of building asset capitalisation reserve	–	–	–	(114,732)	–	(114,732)
<b>At 31 December 2021</b>	<b>12,313,794</b>	<b>13,870,560</b>	<b>3,628,767</b>	<b>1,376,759</b>	<b>500,532</b>	<b>31,690,412</b>
<b>At 1 January 2020</b>	15,488,249	10,548,745	1,709,288	1,606,223	276,410	29,628,915
<b>Changes in funds</b>						
Net surplus/(deficit) and total comprehensive income/(loss) for the year	(1,151,707)	–	2,651,267	–	528,479	2,028,039
Transfers during the year	(2,164,400)	1,891,615	213,089	–	59,696	–
Amortisation of building asset capitalisation reserve	–	–	–	(114,732)	–	(114,732)
<b>At 31 December 2020</b>	<b>12,172,142</b>	<b>12,440,360</b>	<b>4,573,644</b>	<b>1,491,491</b>	<b>864,585</b>	<b>31,542,222</b>

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

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE**

**Consolidated statement of cash flows**  
**Year ended 31 December 2021**

	<u>Group</u>	
	<u>2021</u>	<u>2020</u>
	\$	\$
<b><u>Cash flows from operating activities</u></b>		
Surplus before tax	221,703	2,028,039
Adjustments for:		
Depreciation of property, plant and equipment	486,277	706,737
Amortisation of building asset capitalisation reserve	(114,732)	(114,732)
Loss on disposal of property, plant and equipment	6,231	6,372
Interest income	(211,489)	(379,526)
Gain on fair value of investments through profit or loss	7,781	(13,021)
Operating surplus before changes in working capital	<u>395,771</u>	<u>2,233,869</u>
Inventories	13,674	14
Trade and other receivables	(169,235)	631,702
Other assets	23,061	(76,261)
Trade and other payables	(169,272)	102,054
Other liabilities	(663,691)	(285,704)
Net cash flows (used in)/from operating activities	<u>(569,692)</u>	<u>2,605,674</u>
<b><u>Cash flows from investing activities</u></b>		
Grants received for acquisition of property, plant and equipment	9,918	466,370
Proceeds from disposal of property, plant and equipment	1,630	29,821
Proceeds from disposal of financial assets	257,500	500,000
Purchase of property, plant and equipment	(224,944)	(128,775)
Interest received	323,423	278,609
Net cash flows from investing activities	<u>367,527</u>	<u>1,146,025</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>	(202,165)	3,751,699
Cash and cash equivalents at beginning of year	<u>28,442,889</u>	<u>24,691,190</u>
<b>Cash and cash equivalents at end of year (note 15)</b>	<u><u>28,240,724</u></u>	<u><u>28,442,889</u></u>

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

## YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE

### Notes to the financial statements Year ended 31 December 2021

#### 1. General

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 financial statements of the Association and its subsidiary (the "Group") are presented in Singapore dollars.

The board of directors approved and authorised these financial statements for issue on the date of the statement by the board of directors. The directors have the power to amend and reissue the financial statements.

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 been registered under the Enhanced Registration Framework with the Committee for Private Education for a period of four years and is valid until 11 October 2022. YMCA Education Centre was also given the EduTrust award which was valid until 15 December 2020. RSM Chio Lim LLP are the independent auditors of YMCA Education Centre.

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

#### **Statement of compliance with financial reporting standards**

These financial statements have been prepared in accordance with the Financial Reporting Standards in Singapore ("FRS") and the related interpretations to FRS ("INT FRS") as issued by the Singapore Accounting Standards Council. They are also in compliance with the provisions of the Societies Act and the Charities Act.

#### **Accounting convention**

The financial statements are prepared on a going concern basis under the historical cost convention except where a financial reporting standard requires an alternative treatment (such as fair values) as disclosed where appropriate in these financial statements. The accounting policies in the financial reporting standards may not be applied when the effect of applying them is not material. The disclosures required by financial reporting standards may not be provided if the information resulting from that disclosure is not material.

## YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE

### 1. General (cont'd)

#### **Basis of preparation of financial statements**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting year. Actual results could differ from those estimates.

The estimates and assumptions are reviewed on an ongoing basis. Apart from those involving estimations, management has made judgements in the process of applying the entity's accounting policies. The areas requiring management's most difficult, subjective or complex judgements, or areas where assumptions and estimates are significant to the financial statements, are disclosed at the end of this footnote, where applicable.

#### **Basis of presentation**

The consolidated financial statements of the Group include the financial statements made up to the end of the reporting year of the Association and its subsidiary. The consolidated financial statements are the financial statements of the Group presented as those of a single economic entity and are prepared using uniform accounting policies for like transactions and other events in similar circumstances. All significant intragroup balances and transactions are eliminated on consolidation. Subsidiaries are consolidated from the date the reporting entity obtains control of the investee and cease when the reporting entity loses control of the investee.

Changes in the Group's ownership interest in a subsidiary that do not result in the loss of control are accounted for within equity as transactions with owners in their capacity as owners. The carrying amounts of the Group's and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. When the Group loses control of a subsidiary it de-recognises the assets and liabilities and related equity components of the former subsidiary. Any gain or loss is recognised in profit or loss. Any investment retained in the former subsidiary is measured at fair value at the date when control is lost and is subsequently accounted for in accordance with the financial reporting standard on financial instruments.

#### **Uncertainties relating to COVID-19 pandemic**

The COVID-19 pandemic and its aftermath have caused, and will continue to cause, disruptions resulting in uncertainties surrounding the Group's business, including affecting its relationships with its existing and future customers, suppliers and employees, and which had and will continue to have an adverse effect on its financial position, financial performance of operations, cash flows and prospects for the foreseeable future. There is significant uncertainty around the medium to long term impact of the COVID-19 pandemic. These uncertainties gave rise to difficulties in making an accurate assessment by management of the future financial impact on the Group. Management will continue to closely monitor the economic developments and easing of the prevailing restrictions to carefully manage its operations and impact of the COVID-19 pandemic on the Group's revenue and results for the next reporting year.

## YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE

### 2. Significant accounting policies and other explanatory information (cont'd)

#### 2A. Significant accounting policies

##### **Revenue recognition**

The financial reporting standard on revenue from contracts with customers establishes a five-step model to account for revenue arising from contracts with customers. Revenue is recognised at an amount that reflects the consideration to which the entity expects to be entitled in exchange for transferring goods or services to a customer (which excludes estimates of variable consideration that are subject to constraints, such as right of return exists, trade discounts, volume rebates and changes to the transaction price arising from modifications), net of any related sales taxes and excluding any amounts collected on behalf of third parties. An asset (goods or services) is transferred when or as the customer obtains control of that asset. As a practical expedient the effects of any significant financing component is not adjusted if the payment for the good or service will be within one year.

##### 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.

##### Donations

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

##### Interest income

Interest is recognised using the effective interest method.

##### 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.

##### Rental income

Rental income is recognised on a time-proportion basis that takes into account the effective yield on the asset on a straight-line basis over the lease term.

##### **Gifts in kind**

A gift-in-kind (if any) is included in the statement of comprehensive income 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.

## YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE

### 2. Significant accounting policies and other explanatory information (cont'd)

#### 2A. Significant accounting policies (cont'd)

##### **Government and other grants**

A grant is recognised at fair value when there is reasonable assurance that the conditions attaching to them will be complied with and that the grants will be received. Grants in recognition of specific expenses are recognised in profit or loss on a systematic basis over the periods necessary to match them with the related costs that they are intended to compensate. Grant related to assets is deducted in calculating the carrying amount of the asset and therefore the grant is recognised in profit or loss over the life of a depreciable asset as reduced depreciation expenses.

##### **Employee benefits**

Contributions to a defined contribution retirement benefit plan are recorded as an expense as they fall due. The entity's legal or constructive obligation is limited to the amount that it is obligated to contribute to an independently administered fund (such as the Central Provident Fund in Singapore, a government managed defined contribution retirement benefit plan). For employee leave entitlement the expected cost of short-term employee benefits in the form of compensated absences is recognised in the case of accumulating compensated absences, when the employees render service that increases their entitlement to future compensated absences; and in the case of non-accumulating compensated absences, when the absences occur. A liability for bonuses is recognised where the entity is contractually obliged or where there is constructive obligation based on past practice.

##### **Foreign currency transactions**

The functional currency is the Singapore dollar as it reflects the primary economic environment in which the entity operates. Transactions in foreign currencies are recorded in the functional currency at the rates ruling at the dates of the transactions. At each end of the reporting year, recorded monetary balances and balances measured at fair value that are denominated in non-functional currencies are reported at the rates ruling at the end of the reporting year and fair value measurement dates respectively. All realised and unrealised exchange adjustment gains and losses are dealt with in profit or loss except when a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. The presentation is in the functional currency.



## YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE

### 2. Significant accounting policies and other explanatory information (cont'd)

#### 2A. Significant accounting policies (cont'd)

##### Income tax

As an approved charity under the Charities Act, the Association is exempted from income tax under Section 13(1)(zm) of the Income Tax Act, Cap 134.

In respect of other entities in the Group, income taxes are accounted using the asset and liability method that requires the recognition of taxes payable or refundable for the current year and deferred tax liabilities and assets for the future tax consequence of events that have been recognised in the financial statements or tax returns. The measurements of current and deferred tax liabilities and assets are based on provisions of the enacted or substantially enacted tax laws; the effects of future changes in tax laws or rates are not anticipated. Tax expense (tax benefit) is the aggregate amount included in the determination of profit or loss for the reporting year in respect of current tax and deferred tax.

Current and deferred income taxes are recognised as income or as an expense in profit or loss unless the tax relates to items that are recognised in the same or a different period outside profit or loss. For such items recognised outside profit or loss the current tax and deferred tax are recognised (a) in other comprehensive income if the tax is related to an item recognised in other comprehensive income and (b) directly in equity if the tax is related to an item recognised directly in equity.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same income tax authority. The carrying amount of deferred tax assets is reviewed at each end of the reporting year and is reduced, if necessary, by the amount of any tax benefits that, based on available evidence, are not expected to be realised. A deferred tax amount is recognised for all temporary differences, unless the deferred tax amount arises from the initial recognition of an asset or liability in a transaction which (i) is not a business combination; and (ii) at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

##### Property, plant and equipment

Property, plant and equipment are carried at cost on initial recognition and after initial recognition at cost less any accumulated depreciation and any accumulated impairment losses. Depreciation is provided on a straight-line method to allocate the gross carrying amounts of the assets less their residual values over their estimated useful lives of each part of an item of these assets. The annual rates of depreciation are as follows:

Leasehold land and building	–	2%
Plant and machinery	–	12.5% to 20%
Renovation	–	6.25% to 20%
Computer equipment	–	20% to 33.3%
Office equipment	–	20%
Furniture and fittings	–	20%
Computer software	–	33.3%

An asset is depreciated when it is available for use until it is de-recognised even if during that period the item is idle. Fully depreciated assets still in use are retained in the financial statements.

## YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE

### 2. Significant accounting policies and other explanatory information (cont'd)

#### 2A. Significant accounting policies (cont'd)

##### Property, plant and equipment (cont'd)

The gain or loss arising from de-recognition of an item of property, plant and equipment is recognised in profit or loss. The residual value and the useful life of an asset is reviewed at least at each end of the reporting year and, if expectations differ significantly from previous estimates, the changes are accounted for as a change in an accounting estimate, and the depreciation charge for the current and future periods are adjusted.

Cost also includes acquisition cost, borrowing cost capitalised and any cost directly attributable to bringing the asset or component to the location and condition necessary for it to be capable of operating in the manner intended by management. Subsequent costs are recognised as an asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss when they are incurred.

Cost includes the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

##### Leases

A lease conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration. A right-of-use asset is capitalised in the statement of financial position, measured at the present value of the unavoidable future lease payments to be made over the lease term. A liability corresponding to the capitalised right-of-use asset is also recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs. The right-of-use asset is depreciated over the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. An interest expense is recognised on the lease liability (included in finance costs). For short-term leases of 12 months or less and leases of low-value assets (such as personal computers and small office equipment) where an accounting policy choice exists under the lease standard, the lease payments are expensed to profit or loss as incurred on a straight line basis over the remaining lease term.

##### Lessors

For a lessor each of lease is classified as either an operating lease or a finance lease. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset. Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease unless another systematic basis is representative of the time pattern of the user's benefit, even if the payments are not on that basis.

## YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE

### 2. Significant accounting policies and other explanatory information (cont'd)

#### 2A. Significant accounting policies (cont'd)

##### **Subsidiaries**

A subsidiary is an entity including unincorporated and special purpose entity that is controlled by the reporting entity and the reporting entity 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. The existence and effect of substantive potential voting rights that the reporting entity has the practical ability to exercise (that is, substantive rights) are considered when assessing whether the reporting entity controls another entity.

In the Association's separate financial statements, investment in subsidiary is accounted for at cost less any allowance for impairment in value. Impairment loss recognised in profit or loss for a subsidiary is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying value and the net book value of the investment in a subsidiary are not necessarily indicative of the amount that would be realised in a current market exchange. The subsidiary is a company limited by guarantee and does not have share capital. As a result, there is no cost of investment.

##### **Inventories**

Inventories are measured at the lower of cost (first in first out method) and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

##### **Carrying amounts of non-financial assets**

Irrespective of whether there is any indication of impairment, an annual impairment test is performed at about the same time every year on an intangible asset with an indefinite useful life or an intangible asset not yet available for use. The carrying amount of other non-financial assets is reviewed at each end of the reporting year for indications of impairment and where an asset is impaired, it is written down through profit or loss to its estimated recoverable amount. The impairment loss is the excess of the carrying amount over the recoverable amount and is recognised in profit or loss. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs of disposal and its value in use. When the fair value less costs of disposal method is used, any available recent market transactions are taken into consideration. When the value in use method is adopted, in assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). At each end of the reporting year non-financial assets other than goodwill with impairment loss recognised in prior periods are assessed for possible reversal of the impairment. 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 measured, net of depreciation or amortisation, if no impairment loss had been recognised.

## YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE

### 2. Significant accounting policies and other explanatory information (cont'd)

#### 2A. Significant accounting policies (cont'd)

##### Financial instruments

###### Recognition and de-recognition of financial instruments

A financial asset or a financial liability is recognised in the statement of financial position when, and only when, the entity becomes party to the contractual provisions of the instrument. All other financial instruments (including regular-way purchases and sales of financial assets) are recognised and de-recognised, as applicable, using trade date accounting or settlement date accounting. A financial asset is de-recognised when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the entity neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. A financial liability is removed from the statement of financial position when, and only when, it is extinguished, that is, when the obligation specified in the contract is discharged or cancelled or expires. At initial recognition the financial asset or financial liability is measured at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

###### Classification and measurement of financial assets

(i) Financial asset classified as measured at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss ("FVTPL"), that is: (a) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Typically trade and other receivables, bank and cash balances are classified in this category.

(ii) Financial asset that is a debt asset instrument classified as measured at fair value through other comprehensive income ("FVTOCI")

There were no financial assets classified in this category at reporting year end date.

(iii) Financial asset that is an equity investment measured at FVTOCI

There were no financial assets classified in this category at reporting year end date.

(iv) Financial asset classified as measured at FVTPL

All other financial assets are classified as measured at FVTPL. In addition, on initial recognition, management may irrevocably designate a financial asset as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

## YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE

### 2. Significant accounting policies and other explanatory information (cont'd)

#### 2A. Significant accounting policies (cont'd)

##### Financial instruments (cont'd)

###### Classification and measurement of financial liabilities

Financial liabilities are classified as at FVTPL in either of the following circumstances:

- (i) The liabilities are managed, evaluated and reported internally on a fair value basis; or
- (ii) The designation eliminates or significantly reduces an accounting mismatch that would otherwise arise.

All other financial liabilities are carried at amortised cost using the effective interest method. Reclassification of any financial liability is not permitted.

##### Cash and cash equivalents

Cash and cash equivalents in the statement of cash flows include bank and cash balances, on demand deposits and any highly liquid debt asset instruments purchased with an original maturity of three months or less. For the statement of cash flows the item includes cash and cash equivalents less cash subject to restriction and bank overdrafts payable on demand that form an integral part of cash management.

##### Fair value measurement

The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When measuring the fair value of an asset or a liability, market observable data to the extent possible is used. If the fair value of an asset or a liability is not directly observable, an estimate is made using valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs (e.g., by use of the market comparable approach that reflects recent transaction prices for similar items, discounted cash flow analysis, or option pricing models refined to reflect the issuer's specific circumstances). Inputs used are consistent with the characteristics of the asset/liability that market participants would take into account. The entity's intention to hold an asset or to settle or otherwise fulfil a liability is not taken into account as relevant when measuring fair value.

Fair values are categorised into different levels in a fair value hierarchy based on the degree to which the inputs to the measurement are observable and the significance of the inputs to the fair value measurement in its entirety: Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 fair value measurements are those derived from 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 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs). Transfers between levels of the fair value hierarchy are recognised at the end of the reporting period during which the change occurred.

## **YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE**

### **2. Significant accounting policies and other explanatory information (cont'd)**

#### **2A. Significant accounting policies (cont'd)**

##### **Fair value measurement (cont'd)**

The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value. The fair values of non-current financial instruments may not be disclosed separately unless there are significant differences at the end of the reporting year and in the event the fair values are disclosed in the relevant notes to the financial statements.

#### **2B. Other explanatory information**

##### **Provisions**

A liability or provision is recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. A provision is made using best estimates of the amount required in settlement and where the effect of the time value of money is material, the amount recognised is the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense. Changes in estimates are reflected in profit or loss in the reporting year they occur.

##### **Funds**

All income and expenditures are reflected in the statement of comprehensive income. Income and expenditures specifically relating to any of the funds separately set up by the Association are allocated subsequently to those funds. Fund balances restricted by outside sources are so indicated and are distinguished from unrestricted funds allocated to specific purposes, if any, by action of the management. Externally restricted funds may only be utilised in accordance with the purposes established by the source of such funds or through the terms of an appeal and are in contrast with unrestricted funds over which management retains full control to use in achieving any of its institutional purposes. An expense resulting from the operating activities of a fund that is directly attributable to the fund is charged to that fund. Common expenses if any are allocated on a reasonable basis to the funds based on a method most suitable to that common expense unless impractical to do so. Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, e.g. allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

#### **2C. Critical judgements, assumptions and estimation uncertainties**

The critical judgements made in the process of applying the accounting policies that have the most significant effect on the amounts recognised in the financial statements and the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting year, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities currently or within the next reporting year are discussed below. These estimates and assumptions are periodically monitored to ensure they incorporate all relevant information available at the date when financial statements are prepared. However, this does not prevent actual figures differing from estimates.

## YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE

### 2. Significant accounting policies and other explanatory information (cont'd)

#### 2C. Critical judgements, assumptions and estimation uncertainties (cont'd)

##### Assessment of impairment of trade receivables

The allowance for expected credit losses ("ECL") assessment requires a degree of estimation and judgement. It is based on the lifetime ECL for trade receivables. In measuring the expected credit losses, management considers all reasonable and supportable information such as the reporting entity's past experience at collecting receipts, any increase in the number of delayed receipts in the portfolio past the average credit period, and forward looking information such as forecasts of future economic conditions (including the impact of the Covid-19 pandemic). The carrying amounts might change materially within the next reporting year but these changes may not arise from assumptions or other sources of estimation uncertainty at the end of the reporting year. The carrying amount is disclosed in the Note on trade and other receivables..

##### Assessment of useful lives of property, plant and equipment

The estimates for the useful lives and related depreciation charges for property, plant and equipment are based on commercial and other factors which could change significantly as a result of innovations and in response to market conditions. The depreciation charge is increased where useful lives are less than previously estimated lives, or the carrying amounts written off or written down for technically obsolete items or assets that have been abandoned. It is impracticable to disclose the extent of the possible effects. It is reasonably possible, based on existing knowledge, that outcomes within the next reporting year that are different from assumptions could require a material adjustment to the carrying amount of the balances affected. The carrying amounts of the Group's class of assets at end of reporting year affected by the assumption are disclosed in note 10.

### 3. Related party relationships and transactions

The financial reporting standard on related party disclosures requires the reporting entity to disclose: (a) transactions with its related parties; and (b) relationships between parents and subsidiaries irrespective of whether there have been transactions between those related parties. A party is related to a party if the party controls, or is controlled by, or can significantly influence or is significantly influenced by the other party.

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.

## YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE

### 3. Related party relationships and transactions (cont'd)

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 and key management 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.

### 3A. Related party transactions

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.

### 3B. Key management compensation

	<u>2021</u> \$	<u>2020</u> \$
Salaries and other short-term employee benefits	737,631	793,853
Contributions to defined contribution plan	55,294	66,137
	<u>792,925</u>	<u>859,990</u>
Number of key management personnel	<u>5</u>	<u>7</u>

The above amounts are included under resources expended.

The annual remuneration (comprising basic salary, bonuses, allowances and employer's contributions to Central Provident Fund) of key management personnel classified by remuneration bands are as follows:

	<u>2021</u> \$	<u>2020</u> \$
\$100,001 to \$200,000	3	2
\$200,001 and above	<u>1</u>	<u>1</u>



## YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE

### 3. Related party relationships and transactions (cont'd)

#### 3C. Other receivables from related parties

Movements in other receivables from related parties are as follows:

	<u>Subsidiary</u>	
	<u>2021</u> \$	<u>2020</u> \$
At beginning of year	1,071,949	2,816,017
Amount paid in and settlement of liabilities on behalf of the Association	<u>(8,537)</u>	<u>(1,744,068)</u>
At end of year (note 13)	<u>1,063,412</u>	<u>1,071,949</u>

#### 4. Total incoming resources

Included in total incoming resources are the following items:

	<u>Group</u>		<u>Association</u>	
	<u>2021</u> \$	<u>2020</u> \$	<u>2021</u> \$	<u>2020</u> \$
Student and childcare subsidy from Ministry of Social and Family Development ("MSF")	4,374,723	3,631,812	4,374,723	3,631,812
Project Bridge Vocational and Soft Skills Programme grant				
- from NCSS	243,998	241,037	243,998	241,037
Project Bridge Enhanced Step-Up grant				
- from NCSS	-	3,309	-	3,309
Youth Expedition Project ("YEP") funding from National Youth Council ("NYC") (note 13)	75,807	88,375	75,807	88,375
Project Elevate grant				
- from NCSS	-	49,652	-	49,652
Transformation grants from NCSS	179,718	-	179,718	-
Citi-Youth For Causes				
- from Citibank	-	383,235	-	383,235
Bicentennial Community Fund	-	400,000	-	400,000
Early Childhood Development Agency ("ECDA") Partner Operator grant	879,232	-	879,232	-
Rental (note 23)	466,382	354,567	466,382	354,567
Government grant for rental support	384,542	171,000	384,542	171,000
Special employment credit	89,431	118,168	89,293	114,804
Government grant from Job Support Scheme	817,447	2,999,068	815,900	2,903,845
Wage credit scheme	<u>219,164</u>	<u>289,780</u>	<u>217,836</u>	<u>281,596</u>

## YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE

### 5. Donation and fundraising income

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 reporting years ended 31 December 2020 and 2021.

### 6. Total resources expended

Included in total resources expended are the following items:

	<u>Group</u>		<u>Association</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	\$	\$	\$	\$
Cleaning expenses	337,449	322,731	337,449	322,731
Commission	111,968	452,529	52,088	92,176
Contract security	85,750	109,711	85,750	109,711
Donation to overseas	–	690	–	690
Depreciation of property, plant and equipment (note 10)	486,277	706,737	485,867	695,644
Education related expenses	1,596,461	1,218,602	1,596,461	1,227,496
Food and beverages	5,036	105,985	5,036	105,985
Instructor/coach fees	71,133	61,728	71,133	61,728
Insurance	168,692	156,814	168,692	156,814
International service programmes fee	67,020	54,074	67,020	54,074
IT expenses	453,187	248,223	451,906	243,843
License and rental	93,190	109,057	93,190	109,057
Outdoor and adventure expenses	–	2,271	–	2,271
Programme fees	421,727	793,069	421,727	793,069
Property tax	256,500	–	256,500	–
Repairs and maintenance	344,981	329,336	344,981	329,365
Utilities	387,772	331,952	387,772	331,952
Employee benefits expenses (note 7)	<u>16,529,467</u>	<u>15,857,047</u>	<u>16,480,599</u>	<u>15,776,771</u>

### 7. Employee benefits expenses

	<u>Group</u>		<u>Association</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	\$	\$	\$	\$
Salaries and related costs	14,681,008	14,191,299	14,633,652	14,121,763
Contributions to defined contribution plan	<u>1,848,459</u>	<u>1,665,748</u>	<u>1,846,947</u>	<u>1,655,008</u>
	<u>16,529,467</u>	<u>15,857,047</u>	<u>16,480,599</u>	<u>15,776,771</u>

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE**

**8. Income tax**

**8A. Components of tax expense recognised in profit or loss**

	<u>Group and Association</u>	
	<u>2021</u>	<u>2020</u>
	\$	\$
<u>Current tax</u>		
Current tax expense	—	—

The income tax expense in profit or loss varied from the amount of income tax amount determined by applying the Singapore statutory tax rate of 17% (2020: 17%) to surplus before tax as a result of the following differences:

	<u>Group</u>		<u>Association</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	\$	\$	\$	\$
Surplus before tax	<u>221,703</u>	<u>2,028,039</u>	<u>262,922</u>	<u>2,028,039</u>
Income tax at statutory rate	37,690	344,767	44,697	344,767
Non-deductible items	(2,751)	(30,768)	—	—
Income not subject to tax	—	—	—	—
Exemptions	(44,697)	(344,767)	(44,697)	(344,767)
Unrecognised deferred tax assets	<u>9,758</u>	<u>30,768</u>	<u>—</u>	<u>—</u>
	—	—	—	—

**8B. Deferred tax in profit or loss**

	<u>Group</u>		<u>Association</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	\$	\$	\$	\$
Excess of tax value over net book value of plant and equipment	(69)	2,649	—	—
Donations carried forward	(2,488)	(18,949)	—	—
Unutilised Losses and Capital Allowances carried forward	(7,201)	(14,468)	—	—
Unrecognised deferred tax assets	<u>9,758</u>	<u>30,768</u>	<u>—</u>	<u>—</u>
	—	—	—	—

## YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE

### 8. Income tax (cont'd)

#### 8C. Deferred tax in statement of financial position

	<u>Group</u>		<u>Association</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	\$	\$	\$	\$
<u>Deferred tax liabilities</u>				
Excess of net book value of plant and equipment over tax value	508	439	-	-
	<u>508</u>	<u>439</u>	<u>-</u>	<u>-</u>
<u>Deferred tax assets</u>				
Unutilised Losses and Capital Allowances carried forward	21,669	14,468	-	-
Donations carried forward	886,833	884,345	-	-
Unrecognised deferred tax assets	(909,010)	(899,252)	-	-
	<u>(508)</u>	<u>(439)</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 is exempted from income tax under Section 13(1)(zm) of the Income Tax Act.

### 9. Tax exempt donations

The Association received tax exempt donations amounting to \$747,860 (2020: \$1,544,476) during the reporting year.

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE**

**10. 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 2020	12,079,195	1,384,072	5,727,917	668,199	482,506	631,033	360,537	5,000	21,338,459
Additions	–	–	41,761	35,483	12,400	6,821	20,550	11,760	128,775
Grants received/receivable	–	(373,870)	(85,158)	(2,920)	(1,012)	(3,410)	–	–	(466,370)
Disposals	–	(12,007)	(32,110)	(46,338)	(68,237)	(39,589)	(72,000)	–	(270,281)
Reclassifications	–	–	–	–	18,150	(18,150)	–	–	–
At 31 December 2020	12,079,195	998,195	5,652,410	654,424	443,807	576,705	309,087	16,760	20,730,583
Additions	–	14,600	27,810	111,758	25,880	4,576	35,840	4,480	224,944
Grants received/receivable	–	–	–	(8,668)	(1,250)	–	–	–	(9,918)
Disposals	–	–	(18,855)	(10,518)	(5,883)	(13,783)	–	–	(49,039)
At 31 December 2021	12,079,195	1,012,795	5,661,365	746,996	462,554	567,498	344,927	21,240	20,896,570
<u>Accumulated depreciation</u>									
At 1 January 2020	8,450,665	906,856	4,820,549	538,192	390,830	558,319	356,157	–	16,021,568
Depreciation for the year	241,584	111,607	212,715	66,883	34,191	30,644	9,113	–	706,737
Disposals	–	(9,791)	(14,339)	(38,339)	(64,975)	(34,644)	(72,000)	–	(234,088)
Reclassifications	–	–	–	–	18,150	(18,150)	–	–	–
At 31 December 2020	8,692,249	1,008,672	5,018,925	566,736	378,196	536,169	293,270	–	16,494,217
Depreciation for the year	241,584	(22,720)	134,816	71,288	25,766	17,124	18,419	–	486,277
Disposals	–	–	(13,191)	(10,518)	(3,686)	(13,783)	–	–	(41,178)
At 31 December 2021	8,933,833	985,952	5,140,550	627,506	400,276	539,510	311,689	–	16,939,316
<u>Carrying value</u>									
At 1 January 2020	3,628,530	477,216	907,368	130,007	91,676	72,714	4,380	5,000	5,316,891
At 31 December 2020	3,386,946	(10,477)	633,485	87,688	65,611	40,536	15,817	16,760	4,236,366
At 31 December 2021	3,145,362	26,843	520,815	119,490	62,278	27,988	33,238	21,240	3,957,254

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE**

**10. Property, plant and equipment (cont'd)**

<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 2020	12,079,195	1,384,072	5,695,807	620,521	476,039	613,523	288,537	5,000	21,162,694
Additions	–	–	41,761	35,483	12,400	6,821	20,550	11,760	128,775
Grants received/receivable	–	(373,870)	(85,158)	(2,920)	(1,012)	(3,410)	–	–	(466,370)
Disposals	–	(12,007)	–	–	(61,770)	(22,079)	–	–	(95,856)
Reclassifications	–	–	–	–	18,150	(18,150)	–	–	–
At 31 December 2020	12,079,195	998,195	5,652,410	653,084	443,807	576,705	309,087	16,760	20,729,243
Additions	–	14,600	27,810	111,758	25,880	4,576	35,840	4,480	224,944
Grants received/receivable	–	–	–	(8,668)	(1,250)	–	–	–	(9,918)
Disposals	–	–	(18,855)	(10,518)	(5,883)	(13,783)	–	–	(49,039)
At 31 December 2021	12,079,195	1,012,795	5,661,365	745,656	462,554	567,498	344,927	21,240	20,895,230
<u>Accumulated depreciation</u>									
At 1 January 2020	8,450,665	906,855	4,810,495	504,538	386,556	543,863	284,156	–	15,887,128
Depreciation for the year	241,584	111,607	208,433	61,268	33,729	29,910	9,113	–	695,644
Disposals	–	(9,791)	–	–	(60,240)	(19,454)	–	–	(89,485)
Reclassifications	–	–	–	–	18,150	(18,150)	–	–	–
At 31 December 2020	8,692,249	1,008,671	5,018,928	565,806	378,195	536,169	293,269	–	16,493,287
Depreciation for the year	241,584	(22,720)	134,816	70,878	25,766	17,124	18,419	–	485,867
Disposals	–	–	(13,191)	(10,518)	(3,686)	(13,783)	–	–	(41,178)
At 31 December 2021	8,933,833	985,951	5,140,553	626,166	400,275	539,510	311,688	–	16,937,976
<u>Carrying value</u>									
At 1 January 2020	3,628,530	477,217	885,312	115,983	89,483	69,660	4,381	5,000	5,275,566
At 31 December 2020	3,386,946	(10,476)	633,482	87,278	65,612	40,536	15,818	16,760	4,235,956
At 31 December 2021	3,145,362	26,844	520,812	119,490	62,279	27,988	33,239	21,240	3,957,254

## YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE

### 10. Property, plant and equipment (cont'd)

Depreciation expense is charged in statement of comprehensive income under:

	<u>Group</u>		<u>Association</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	\$	\$	\$	\$
Childcare and student care centres	50,083	73,719	50,083	73,719
Education	410	11,540	–	447
International House	70,005	117,811	70,005	117,811
Membership and corporate activities	2,040	5,543	2,040	5,543
Fund raising events	1,967	1,382	1,967	1,382
Corporate Services	343,122	468,900	343,122	468,900
Charitable activities	18,650	27,842	18,650	27,842
	<u>486,277</u>	<u>706,737</u>	<u>485,867</u>	<u>695,644</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 \$9,918 (2020: \$49,915) and grant from the Building and Construction Authority (“BCA”) amounting to nil (2020: \$416,455), respectively.

### 11. Other financial assets

	<u>Group and Association</u>	
	<u>2021</u>	<u>2020</u>
	\$	\$
Debt instruments (quoted) at FVTPL	<u>2,232,875</u>	<u>2,498,156</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 2021, debt instruments comprise corporate bonds with interest rates ranging from 3.13% to 4.00% (2020: 2.95% to 4.00%) per annum and maturity dates ranging from 31 January 2022 to 23 August 2027 (2020: 31 January 2022 to 23 August 2027).

#### 11A. Movements in fair value of financial assets measured at FVTPL

	<u>2021</u>	<u>2020</u>
	\$	\$
At beginning of year	2,498,156	2,985,136
Disposals	(257,500)	(500,000)
Gain/(Loss) on disposals through profit or loss	45,625	(11,375)
(Decrease)/Increase in fair value through profit or loss	<u>(53,406)</u>	<u>24,395</u>
At end of year	<u>2,232,875</u>	<u>2,498,156</u>

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE**

**11. Other financial assets (cont'd)**

**11B. Disclosures relating to financial assets measured at FVTPL**

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>2021</u> \$	<u>2020</u> \$	<u>2021</u> %	<u>2020</u> %
Debt instruments (quoted)	Financial services	Australia	1	251,087	253,925	11	10
Debt instruments (quoted)	Airline	Singapore	1	253,400	251,332	11	10
Debt instruments (quoted)	Financial services	Singapore	1	756,385	754,440	34	30
Debt instruments (quoted)	Investment fund	Singapore	1	208,383	207,394	9	8
Debt instruments (quoted)	Offshore and marine	Singapore	1	503,755	513,250	23	21
Debt instruments (quoted)	Properties	Singapore	1	259,865	517,815	12	21
				<u>2,232,875</u>	<u>2,498,156</u>	<u>100</u>	<u>100</u>



## YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE

### 11. Other financial assets (cont'd)

#### 11C. 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>2021</u>	<u>2020</u>
	\$	\$
A hypothetical 10% increase in market index of quoted debts securities at FVTPL would have an effect on fair value of:	<u>223,288</u>	<u>249,816</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).

### 12. Inventories

	<u>Group and Association</u>	
	<u>2021</u>	<u>2020</u>
	\$	\$
Inventories, comprising gifts and souvenirs for resale	<u>—</u>	<u>13,674</u>
Amount of inventories included in resources expanded	<u>13,674</u>	<u>13,236</u>

There were no inventories pledged as security for liabilities.

### 13. Trade and other receivables

	<u>Group</u>		<u>Association</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	\$	\$	\$	\$
<u>Trade receivables</u>				
Outside parties	347,286	93,241	322,645	93,241
Less: Allowance for impairment	(52,678)	(36,956)	(47,421)	(36,956)
	<u>294,608</u>	<u>56,285</u>	<u>275,224</u>	<u>56,285</u>
<u>Other receivables</u>				
Subsidiary (note 3)	—	—	1,063,412	1,071,949
Event advances	23,427	105,244	23,427	105,244
Grants receivable	343,805	450,916	343,805	450,916
Interest receivable	37,717	149,651	37,717	149,651
Other receivables	291,545	171,705	291,545	171,645
	<u>696,494</u>	<u>877,516</u>	<u>1,759,906</u>	<u>1,949,405</u>
	<u>991,102</u>	<u>933,801</u>	<u>2,035,130</u>	<u>2,005,690</u>

## YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE

### 13. Trade and other receivables (cont'd)

Movements in allowance for trade receivables are as follows:

	<u>Group</u>		<u>Association</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	\$	\$	\$	\$
At beginning of year	36,956	73,821	36,956	73,821
Amount utilised	–	(37,915)	–	(37,915)
Bad debts recovered	–	(957)	–	(957)
Charge to profit or loss	15,722	2,007	10,465	2,007
At end of year	<u>52,678</u>	<u>36,956</u>	<u>47,421</u>	<u>36,956</u>

The ECL on the above trade receivables are based on the simplified approach to measuring ECL which uses a lifetime ECL 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 ECL. 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 including the impact of the Covid-19 pandemic. At every reporting date the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The loss allowance for trade receivables was determined as follows:

	<u>Gross amount</u>		<u>ECL rate</u>		<u>Loss allowance</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	\$	\$			\$	\$
<u>Group</u>						
Current	144,261	10,244	0.91%	0.60%	–	–
1 to 30 days past due	61,580	50,827	9.63%	9.80%	2,600	4,786
31 to 60 days past due	69,720	7,501	20.78%	23.78%	2,850	7,501
Over 60 days past due	71,725	24,669	24.98%	49.48%	47,228	24,669
	<u>347,286</u>	<u>93,241</u>			<u>52,678</u>	<u>36,956</u>
<u>Association</u>						
Current	144,261	10,244	0.91%	0.60%	–	–
1 to 30 days past due	61,580	50,827	9.63%	9.80%	2,600	4,786
31 to 60 days past due	50,037	7,501	20.78%	23.78%	2,490	7,501
Over 60 days past due	66,767	24,669	24.98%	49.48%	42,331	24,669
	<u>322,645</u>	<u>93,241</u>			<u>47,421</u>	<u>36,956</u>

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 (2020: 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

## YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE

### 13. Trade and other receivables (cont'd)

The other receivables shown above are also subject to the ECL 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 including the impact of the Covid-19 pandemic. 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.

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 company 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 receivable comprise the following:

	<u>Group and Association</u>	
	<u>2021</u>	<u>2020</u>
	\$	\$
YEP funding	75,807	160,916
Care and Share matching grant	–	290,000
Project Bridge Vocational and Soft Skills Programme grant	61,126	–
Transformation grant	65,385	–
ECDA Partner Operator grant	141,487	–
	<u>343,805</u>	<u>450,916</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>2021</u>	<u>2020</u>
	\$	\$
At beginning of year	160,916	342,910
Less: Grants received	(160,916)	(270,369)
Add: Grants utilised	75,807	88,375
At end of year	<u>75,807</u>	<u>160,916</u>

## YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE

### 14. Other assets

	<u>Group</u>		<u>Association</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	\$	\$	\$	\$
Prepayments	68,262	112,259	68,262	112,259
Deposits to secure services	308,898	287,962	308,898	285,457
	<u>377,160</u>	<u>400,221</u>	<u>377,160</u>	<u>397,716</u>

### 15. Cash and cash equivalents

	<u>Group</u>		<u>Association</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	\$	\$	\$	\$
Bank balances	4,873,404	5,437,403	4,799,698	4,343,205
Fixed deposits	23,367,320	23,005,486	22,366,378	23,005,486
	<u>28,240,724</u>	<u>28,442,889</u>	<u>27,166,076</u>	<u>27,348,691</u>

The rate of interest for the cash on interest earning balances ranged from 0% to 2.09% (2020: 0.25% to 2.09%) per annum.

### 16. Capital replacement fund

	<u>Group and Association</u>	
	<u>2021</u>	<u>2020</u>
	\$	\$
At beginning of year	12,440,360	10,548,745
Transfers from general fund	1,444,800	1,471,960
Utilisation during the year	(14,600)	419,655
At end of year	<u>13,870,560</u>	<u>12,440,360</u>

The capital replacement fund was established for capital replacement purposes. Previously, 9% 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.

### 17. Building asset capitalisation reserve

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

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE**

**18. Other funds**

<u>Group and Association</u>	<u>At beginning of year</u> \$	<u>Receipts</u> \$	<u>Expenses</u> \$	<u>Transfers between funds</u> \$	<u>At end of year</u> \$
<u>2021</u>					
<u>Unrestricted funds – Designated</u>					
YMCA Community Services Fund	496,542	686,999	(564,283)	(188,777)	430,481
YMCA-Lim Kim San Volunteers Programme Fund	845,569	332,935	(325,972)	–	852,532
YMCA-Robert Loh Social Services Internship	100,000	–	–	–	100,000
YMCA- Tan Chin Tuan Youth Mentorship Pathways Initiative	132,464	12,639	(176,374)	31,271	–
Job Support Fund	2,999,069	817,447	(1,570,762)	–	2,245,754
	<u>4,573,644</u>	<u>1,850,020</u>	<u>(2,637,391)</u>	<u>(157,506)</u>	<u>3,628,767</u>
<u>Restricted funds</u>					
ISP Project Fund	19,502	–	–	–	19,502
YMCA Project Bridge Fund	226,351	617,464	(442,338)	61,300	462,777
Rebuilding Community Programme @ Dujiangyan Fund	10,054	–	–	–	10,054
YMCA – Seet Hiong Kiat and Kuah Siew Eng Education Fund	5,287	–	(1,751)	–	3,536
ITE Elevate Fund	138,782	–	(138,782)	–	–
Wok the Talk Fund	127,116	–	(127,116)	–	–
COVID-19 Uplift Fund	332,185	201,760	(533,945)	–	–
Club accounts	5,308	–	(645)	–	4,663
	<u>864,585</u>	<u>819,224</u>	<u>(1,244,577)</u>	<u>61,300</u>	<u>500,532</u>
	<u>5,438,229</u>	<u>2,669,244</u>	<u>(3,881,968)</u>	<u>(96,206)</u>	<u>4,129,299</u>

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE**

**18. Other funds (cont'd)**

<u>Group and Association</u>	<u>At beginning of year</u> \$	<u>Receipts</u> \$	<u>Expenses</u> \$	<u>Transfers between funds</u> \$	<u>At end of year</u> \$
<u>2020</u>					
<u>Unrestricted funds – Designated</u>					
YMCA Community Services Fund	283,389	1,101,322	(1,091,800)	203,631	496,542
YMCA FACES	47,066	62,691	(119,215)	9,458	–
YMCA-Lim Kim San Volunteers Programme Fund	1,115,881	239,723	(510,035)	–	845,569
YMCA-Robert Loh Social Services Internship	100,000	–	–	–	100,000
YMCA- Tan Chin Tuan Youth Mentorship Pathways Initiative	162,952	66,076	(96,564)	–	132,464
Job Support Fund	–	2,999,069	–	–	2,999,069
	<u>1,709,288</u>	<u>4,468,881</u>	<u>(1,817,614)</u>	<u>213,089</u>	<u>4,573,644</u>
<u>Restricted funds</u>					
ISP Project Fund	16,027	1,050	2,425	–	19,502
YMCA Project Bridge Fund	160,834	375,610	(316,378)	6,285	226,351
Rebuilding Community Programme @ Dujiangyan Fund	10,054	–	–	–	10,054
YMCA – Seet Hiong Kiat and Kuah Siew Eng Education Fund	6,936	–	(1,649)	–	5,287
ITE Elevate Fund	79,996	51,398	(46,023)	53,411	138,782
Wok the Talk Fund	–	516,514	(389,398)	–	127,116
COVID-19 Uplift Fund	–	648,085	(315,900)	–	332,185
Club accounts	2,563	–	2,745	–	5,308
	<u>276,410</u>	<u>1,592,657</u>	<u>(1,064,178)</u>	<u>59,696</u>	<u>864,585</u>
	<u>1,985,698</u>	<u>6,061,538</u>	<u>(2,881,792)</u>	<u>272,785</u>	<u>5,438,229</u>

## YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE

### 18. Other funds (cont'd)

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

YMCA FACES seeks to provide short-term supplementary financial aid to needy families and to address the growing need for employment of people with special needs by providing meaningful work training attachment opportunities. Moving forward, YMCA Faces, being part of YMCA Community Services, will be funded through the YMCA Community Services Fund.

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.

YMCA-Tan Chin Tuan Youth Mentorship Pathways Initiative is set up to provide both preventive and corrective care to children and youth, offering an integrated approach to nurture their wholesome development.

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.

ITE Elevate Fund is to engage, equip and empower disadvantaged students from ITE towards completing their education and improving their prospects for employment or future education. This programme contributes to an increase in overall resilience to cope with stresses and reduction of risk behaviours for youth who are at risk.

Wok the Talk Fund was established during the COVID-19 pandemic to provide complimentary meals and groceries to marginalised communities affected by COVID-19. These communities include low-income families, vulnerable seniors, special needs individuals as well as migrant workers. Besides feeding the vulnerable, it also took the opportunity to engage and support local businesses hit by the pandemic such as hawkers and taxi drivers.

COVID-19 Uplift Fund is an emergency relief fund established to provide support to those whose livelihoods were affected by the pandemic with priority given to those in the hospitality and food and beverage sectors as well as caregivers of family members with special needs.

Clubs accounts are maintained for YMCA clubs involved in activities.

## YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE

### 19. 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 0.5 (2020: 0.5) 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 16). 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.

### 20. Trade and other payables

	<u>Group</u>		<u>Association</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	\$	\$	\$	\$
<u>Trade payables</u>				
Outside parties and accrued expenses	2,120,936	2,350,065	2,049,097	2,326,389
<u>Other payables</u>				
Deposits payables	1,308,922	1,249,065	1,308,922	1,249,065
	<u>3,429,858</u>	<u>3,599,130</u>	<u>3,358,019</u>	<u>3,575,454</u>

### 21. Other liabilities

	<u>Group</u>		<u>Association</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	\$	\$	\$	\$
Care and Share matching grant (note 21A)	119,308	409,307	119,308	409,307
Other grants received in advance	98,143	421,494	98,143	421,494
Fees received in advance	502,613	552,954	502,613	551,406
	<u>720,064</u>	<u>1,383,755</u>	<u>720,064</u>	<u>1,382,207</u>

#### 21A. Care and Share matching grant

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>2021</u>	<u>2020</u>
	\$	\$
At beginning and end of year	<u>119,308</u>	<u>409,307</u>



## YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE

### 22. 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>2021</u>	<u>2020</u>
	\$	\$
Commitments to purchase property, plant and equipment	<u>139,354</u>	<u>56,616</u>

### 23. Operating lease income commitments – 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>2021</u>	<u>2020</u>
	\$	\$
Not later than one year	465,209	267,634
Between 1 and 2 years	<u>228,667</u>	<u>355,112</u>
	<u>693,876</u>	<u>622,746</u>
Rental income for the year	<u>466,382</u>	<u>354,567</u>

Operating lease income commitments are for certain premises. The lease rental income terms are negotiated for an average term of two years and rentals are subject to an escalation clause but the amount of the rent increase is not to exceed a certain percentage.

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease unless another systematic basis is representative of the time pattern of the user's benefit, even if the payments are not on that basis. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

### 24. Financial instruments: information on financial risks

#### 24A. Categories of financial assets and liabilities

The following table categorises the carrying amount of financial assets and liabilities recorded at end of reporting year:

	<u>Group</u>		<u>Association</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	\$	\$	\$	\$
<u>Financial assets</u>				
Financial assets at amortised cost	29,231,826	29,376,690	29,201,206	29,354,381
Financial assets at FVTPL	<u>2,232,875</u>	<u>2,498,156</u>	<u>2,232,875</u>	<u>2,498,156</u>
	<u>31,464,701</u>	<u>31,874,846</u>	<u>31,434,081</u>	<u>31,852,537</u>
<u>Financial liabilities</u>				
Financial liabilities at amortised cost	<u>3,429,858</u>	<u>3,599,130</u>	<u>3,358,019</u>	<u>3,575,454</u>

Further quantitative disclosures are included throughout these financial statements.

## YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE

### **24. Financial instruments: information on financial risks (cont'd)**

#### **24B. 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.

#### **24C. Fair value of financial instruments**

The analyses of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 are disclosed in the relevant notes to the financial statements. These include the significant financial instruments stated at amortised cost and at fair value in the statement of financial position. The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value.

#### **24D. Credit risk on financial assets**

Financial assets that are potentially subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner. These arise principally 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. For ECL 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 ECL unless the assets are considered credit impaired. However, the simplified approach (that is, to measure the loss allowance at an amount equal to lifetime ECL 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.

## YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE

### 24. Financial instruments: information on financial risks (cont'd)

#### 24D. Credit risk on financial assets (cont'd)

Note 15 discloses the maturity of the cash and cash equivalents balances. Cash and cash equivalents are also subject to the impairment requirements of the standard on financial instruments. There was no identified impairment loss.

#### 24E. 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 24A and are all due in less than one year.

#### 24F. 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>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	\$	\$	\$	\$
<u>Financial assets with interests</u>				
Fixed rates	<u>25,600,195</u>	<u>25,503,642</u>	<u>24,599,253</u>	<u>25,503,642</u>

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

## YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE

### 24. Financial instruments: information on financial risks (cont'd)

#### 24G. Foreign currency 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.

Analysis of amounts denominated in non-functional currencies:

<u>Group and Association</u>	<u>USD</u> \$	<u>EUR</u> \$	<u>Others</u> \$	<u>Total</u> \$
<u>2021</u>				
<u>Financial assets</u>				
Cash and cash equivalents	<u>7,348</u>	<u>385</u>	<u>330</u>	<u>8,063</u>
<u>2020</u>				
<u>Financial assets</u>				
Cash and cash equivalents	<u>7,187</u>	<u>3</u>	<u>135</u>	<u>7,325</u>
<u>Sensitivity analysis</u>				
		<u>2021</u> \$		<u>2020</u> \$
A hypothetical 10% increase in exchange rate of functional currency S\$ against USD would have an adverse effect of:		(735)		(718)
A hypothetical 10% increase in exchange rate of functional currency S\$ against EUR would have an adverse effect of:		<u>(39)</u>		<u>—</u>

The above table shows sensitivity to a hypothetical percentage variation in the functional currency against the relevant non-functional foreign currencies. The sensitivity rate used is the reasonably possible change in foreign exchange rates. For a similar rate weakening of the functional currency against the relevant foreign currencies, there would be comparable impacts in the opposite direction.

The hypothetical in exchange rates are not based on observable market data (unobservable inputs). The sensitivity analysis is disclosed for each non-functional currency to which the entity has significant exposure at end of the reporting year. The analysis above has been carried out without taking into consideration hedged transactions.

#### 24H. Price risk of debt instruments

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

## YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE

### 25. Changes and adoption of financial reporting standards

For current reporting year, new or revised FRS were issued by the Singapore Accounting Standards Council. Those applicable to the reporting entity are listed below. Those applicable new or revised standards did not require any significant modification of the measurement methods or the presentation in the financial statements.

<u>FRS No.</u>	<u>Title</u>
FRS PS 2	FRS Practice Statement 2 Making Materiality Judgements
FRS 39;107 and 109	Interest Rate Benchmark Reform – Amendments

### 26. New or amended standards in issue but not yet effective

For future reporting years, certain new or revised FRS were issued by the Singapore Accounting Standards Council and these will only be effective for future reporting years. Those applicable to the reporting entity for future reporting years are listed below. The transfer to the applicable new or revised standards from the effective dates is not expected to result in any significant modification of the measurement methods or the presentation in the financial statements for the following year from the known or reasonably estimable information relevant to assessing the possible impact that application of the new or revised standards may have on the entity's financial statements in the period of initial application.

<u>FRS No.</u>	<u>Title</u>	<u>Effective date for periods beginning on or after</u>
FRS 103	Definition of a Business – Reference to the Conceptual Framework – Amendments	1 January 2022
FRS 16	Property, Plant and Equipment: Proceeds before Intended Use – Amendments	1 January 2022
FRS 37	Onerous Contracts – Costs of Fulfilling a Contract – Amendments	1 January 2022
FRS 109	Financial Instruments – Fees in the “10 per cent” test for derecognition of financial liabilities (Annual Improvement Project)	1 January 2022
FRS 110 and FRS 28	Sale or Contribution of Assets between and Investor and its Associate or Joint Venture	Not fixed yet
Various	Annual Improvements to FRS(I) 2018 to 2020	1 January 2022
FRS 1	Classification of Liabilities as Current or Non-current – Amendments	1 January 2023