

SINGAPORE HERITAGE SOCIETY

(Unique Entity Number: S87SS0042J)

(Incorporated in the Republic of Singapore)

**Annual Report for the Year Ended
31 March 2014**

LOUISE NEO & COMPANY

Public Accountants and

Chartered Accountants of Singapore

Registration no. T05PF0864K

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SINGAPORE HERITAGE SOCIETY
(Unique Entity Number: S87SS0042J)
(Registered under the Charities Act, Cap 37 and Societies Act, Cap. 311)

MANAGEMENT COMMITTEE

PRESIDENT

Dr. Chua Ai Lin

VICE PRESIDENT

Dr. Terence Chong

HONORARY SECRETARY

Dr. Yeo Kang Shua

COMMITTEE MEMBERS

Dinesh Naidu

Alex Tan Tiong Hee

Dr. Chistina Loong

Siva S Krishnasamy

Tan Say Kiong

HONORARY TREASURER

Pwee Kok Ann Timothy

ADVISOR ON FINANCE & GOVERNANCE

Tan Wee Cheng

AUDITORS

Louise Neo & Company

Public Accountants and

Chartered Accountants

1 Fifth Avenue

#03-08 Guthrie House

Singapore 268802

REGISTERED OFFICE

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Singapore 428769

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
SINGAPORE HERITAGE SOCIETY**
(Unique Entity Number: S87SS0042J)
(Registered under the Charities Act, Cap 37 and Societies Act, Cap. 311)

Report on the Financial Statements

We have audited the accompanying financial statements of Singapore Heritage Society (the "Society"), which comprise the statement of financial position as at 31 March 2014, and the statement of financial activities and statement of cash flow for the financial year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Constitution of the Society, the Charities Act, Cap 37, the Societies Act, Cap 311 and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair statement of financial activities and statement of financial position and to maintain accountability of assets.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

LOUISE NEO & COMPANY

Public Accountants and
Chartered Accountants
Registration No.: T05PF0864K

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
SINGAPORE HERITAGE SOCIETY**

(Unique Entity Number: S87SS0042J)
(Registered under the Charities Act, Cap 37 and Societies Act, Cap. 311)

Opinion

In our opinion, the financial statements are properly drawn up in accordance with the provisions of Constitution of the Society, the Charities Act, Cap 37, the Societies Act, Cap 311 and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Society as at 31 March 2014 and the results and cash flows of the Society for the financial year ended on that date.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the above regulations to be kept by the Society have been properly kept in accordance with those Regulations.

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

- (a) the total fund-raising expenses of the society exceed 30% of the total gross receipts from fund-raising;
- (b) the use of donation money received is not in accordance with the society's objectives.

LOUISE NEO & COMPANY

Public Accountants and
Chartered Accountants
Singapore,

STATEMENT BY MANAGEMENT COMMITTEE MEMBERS

We, Chua Ai Lin, Pwee Kok Ann Timothy and Yeo Kang Shua on behalf of Management Committee, do hereby state that,

- (a) the financial statements as set out on pages 4 to 20 are properly drawn up in accordance with the provisions of the Constitution of the Society, the Charities Act, Cap 37, the Societies Act, Cap 311 and Singapore Financial Reporting Standards, so as to give a true and fair view of the state of affairs of the Society as at 31 March 2014, and the statement of financial activities and cash flows of the Society for the financial year ended;
- (b) the accounting and other records required by those regulations to be kept by the Society have been properly kept in accordance with the above Regulation; and
- (c) the receipt, expenditure and the acquisition and disposal of assets by the Society during the year have been in accordance with the By-laws of the Society and the Societies Regulations.

On behalf of Management Committee,



Chua Ai Lin
President



Pwee Kok Ann Timothy
Honorary Treasurer



Yeo Kang Shua
Honorary Secretary

Singapore,

STATEMENT OF FINANCIAL POSITION
 As at 31 March 2014

	Note	2014 \$	2013 \$
ASSETS			
Current Assets			
Inventories	4	24,834	9,563
Trade and other receivables	5	39,436	2,976
Prepayments		3,187	8,845
Cash and cash equivalents	6	<u>184,353</u>	<u>189,513</u>
TOTAL ASSETS		<u><u>251,810</u></u>	<u><u>210,897</u></u>
RESERVES AND LIABILITIES			
Reserves			
Accumulated funds	7	175,733	156,275
Current Liabilities			
Trade and other payables	8	13,166	14,000
Deferred income	9	<u>58,079</u>	<u>34,329</u>
		<u>71,245</u>	<u>48,329</u>
Non-Current Liabilities			
Deferred income	9	4,832	6,293
TOTAL RESERVES AND LIABILITIES		<u><u>251,810</u></u>	<u><u>210,897</u></u>

STATEMENT OF FINANCIAL ACTIVITIES
 For the year ended 31 March 2014

	Note	2014 \$	2013 \$
INCOMING RESOURCES			
Incoming resources from generating funds			
<u>Voluntary income</u>			
Donations and sponsorships		94,880	113,644
Members' subscriptions		10,409	11,102
Government grants		27,050	109,627
		<u>132,339</u>	<u>234,373</u>
<u>Activities from generating funds</u>			
Sale of books		31,013	8,579
Sale of railway sleepers		-	2,650
		<u>31,013</u>	<u>11,229</u>
Total incoming resources from generating funds		<u>163,352</u>	<u>245,602</u>
Incoming resources from charitable activities			
<u>Project income</u>			
Celebration Bukit Brown exhibition		3,000	-
		<u>3,000</u>	<u>-</u>
Tour income		32,604	10,575
SJD 25th Anniversary		-	19,328
		<u>32,604</u>	<u>29,903</u>
Total incoming resources from charitable activities		<u>35,604</u>	<u>29,903</u>
Other incoming resources			
Interest income		142	174
Other income	10	2,512	294
Total other incoming resources		<u>2,654</u>	<u>468</u>
Total incoming resources		<u>201,610</u>	<u>275,973</u>

STATEMENT OF FINANCIAL ACTIVITIES - CONT'D
 For the year ended 31 March 2014

	2014 \$	2013 \$
RESOURCES EXPENDED		
Cost of generating funds		
Cost of sales		
Opening inventories	9,563	14,846
Production cost	41,000	-
Write off of railway sleepers	-	(1,480)
Less: Closing inventories	(24,834)	(9,563)
	<u>25,729</u>	<u>3,803</u>
Cost of charitable services		
Project cost		
Adam Park archaeological project	-	92,430
Celebration Bukit Brown exhibition	999	-
CSYA project	103,522	41,650
Raffles' Letter Exhibition	-	49,000
Singapore Railway heritage	500	-
Spaces of the Dead book project	-	6,700
Tanjong Pagar railway station	-	30,000
	<u>105,021</u>	<u>219,780</u>
Tour expenses	28,380	9,358
SJD 25th Anniversary	-	11,491
	<u>133,401</u>	<u>240,629</u>
Governance and administrative costs		
Accountancy fee	2,000	2,000
Administrative fee	40	-
Allowance for impairment	-	2,430
Audit fee	1,000	1,000
Bad debt written off	-	240
Bank charges	63	79
Books	150	-
Credit card charges	112	211
Donations	250	-
Entertainment	7	67
Exchange loss	-	7
Event	200	1,714
Inventory written off	-	1,480
Maintenance - webhosting	102	-
Postage and courier	553	488
Printing and stationery	621	640
Printing of calendars	1,000	1,000
Professional fee	2,250	-
Royalties	1,249	1,710
Secretarial fee	12,000	10,200
Storage charges	835	492
Subscription fee	535	490
Transportation	55	69
	<u>23,022</u>	<u>24,317</u>
Total resources expended	<u>182,152</u>	<u>268,749</u>
Surplus for the year	<u>19,458</u>	<u>7,224</u>

The accompanying notes form part of the financial statements

STATEMENT OF CASH FLOW
For the year ended 31 March 2014

	Note	2014 \$	2013 \$
Cash Flows From Operating Activities:			
Surplus for the year		19,458	7,224
<u>Adjustment for:</u>			
Interest income		(142)	(174)
Operating cash flows before working capital changes		<u>19,316</u>	<u>7,050</u>
<u>Changes in working capital:</u>			
Inventories		(15,271)	5,283
Trade and other receivables		(36,460)	24,261
Prepayments		5,658	(5,845)
Trade and other payables		(834)	(63,951)
Deferred income		<u>22,289</u>	<u>7,455</u>
Cash flows used in operations		<u>(5,302)</u>	<u>(25,747)</u>
Interest received		<u>142</u>	<u>174</u>
Net cash flows used in operating activities		<u>(5,160)</u>	<u>(25,573)</u>
Net decrease in cash and cash equivalents		(5,160)	(25,573)
Cash and cash equivalents at beginning of year		189,513	215,086
Cash and cash equivalents at end of year	6	<u><u>184,353</u></u>	<u><u>189,513</u></u>

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

1 General

Singapore Heritage Society (the Society) is a society registered under the Charities Act, Cap 37 and Societies Act, Cap. 311 in the Republic of Singapore.

The registered address of the Society is located at 50 East Coast Road #02-73 Roxy Square Singapore 428769.

The principal objects of the Society consist of the promotion of active interest in the cultural life and history of Singapore and initiating action on research, evaluation, documentation, publication, collection and display, preservation and restoration of skills and items of historical interest.

A statement of changes in members' fund is not presented here in accordance with the Singapore Financial Reporting Standards 1 as the members have no rights to the Society's funds.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The Society's financial statements, measured and presented in Singapore dollars, have been prepared in accordance with the provisions of Singapore Financial Reporting Standards ("FRS") including related Interpretations to FRS ("INT FRS") and the disclosure requirements of the Recommended Accounting Practice 6.

The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

2.2 Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year; the Society has adopted all the new and revised standards and Interpretations of FRS (INT FRS) that are effective for annual periods beginning on or after 1 April 2013. The adoption of these standards and interpretations did not have any effect on the financial performance or position of the Society.

2.3 Standards issued but not yet effective

The Society has not adopted the following standards and interpretations that have been issued but not yet effective:

Description	Effective for annual periods beginning on or after
Amendments to FRS 32 <i>Offsetting Financial Assets and Financial Liabilities</i>	1 January 2014
FRS 36 <i>Recoverable Amount Disclosures for Non-Financial Assets</i>	1 January 2014

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONT'D

2.3 Standards issued but not yet effective – cont'd

The Society expects that the adoption of the standards and interpretations above will have no material impact on the financial statements in the period of initial application.

2.4 Functional and foreign currency

(i) Functional currency

Items included in the financial statements of the Society are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to entity. The financial statements of the Society are presented in Singapore dollars (\$) which is the functional currency of the Society.

(ii) Transactions and balances

Transactions in foreign currencies are measured in the respective functional currencies of the Society and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss.

2.5 Financial instruments

a) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when, the Society becomes a party to the contractual provisions of the financial instrument. The Society determines the classification of its financial assets at initial recognition.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

(i) Loans and receivables

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortization process.

2 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONT'D**

2.5 Financial instruments - cont'd

a) Financial assets - cont'd

Subsequent measurement - cont'd

(ii) Financial liabilities at fair value through profit or loss

As at year end date there were no financial asset classified in this category.

(iii) Held-to-maturity investments

As at year end date there were no financial asset classified in this category.

(iv) Available-for-sale financial assets

As at year end date there were no financial asset classified in this category.

De-recognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

Regular way purchase or sale of a financial asset

All regular way purchases and sales of financial assets are recognised or derecognised on the trade date i.e., the date that the Society commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention or convention in the marketplace concerned.

b) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Society becomes a party to the contractual provisions of the financial instruments. The Society determines the classification of its financial liabilities at initial recognition.

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

2 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONT'D**

2.5 Financial instruments - cont'd

b) Financial liabilities - cont'd

Subsequent measurement

The measurement of financial liabilities depends on their classification as follows:

(i) Financial liabilities at fair value through profit or loss

As at year end date there were no financial liabilities classified in this category.

(ii) Financial liabilities at amortised cost

After initial recognition, financial liabilities that are carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortization process.

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

c) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the amount is presented in the balance sheets, when and only when, there is a currently enforceable legal right to set off the recognised amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

2.6 Impairment of financial assets

The Society assesses at each reporting date whether there is any objective evidence that a financial asset is impaired.

(i) Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Society first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Society determines that no objective evidence of impairment exists for an individually assessed financial assets, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be recognised are not included in a collective assessment of impairment.

2 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONT'D**

2.6 Impairment of financial assets - cont'd

(i) Financial assets carried at amortised cost - cont'd

If there is objective evidence that an impairment loss on financial assets carried at amortized cost has been incurred, the amount of the loss is measured as the difference between the assets's carrying amount and the present value of estimated future cash flows discounted at financial asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The impairment loss is recognised in profit or loss.

When the asset becomes uncollectible, the carrying amount of impaired financial asset is reduced directly or if an amount was charged to the allowance account, the amounts charged to the allowance account are written off against the carrying value of the financial asset.

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred; the Society considers factors such as the probability of insolvency of significant financial difficulties of the debtor and default or significant delay in payments.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

(ii) Financial assets carried at cost

If there is objective evidence (such as significant adverse changes in the business environment where the issuer operates, probability of insolvency or significant financial difficulties of the issuer) that an impairment loss on financial assets carried at cost had been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed in subsequent periods.

2.7 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

2.8 Inventories

Inventories, consisting of books and publications, are valued at the lower of cost and net realisable value. Cost is determined on first-in first-out basis. Cost comprises cost of purchase and other direct cost incurred in bringing the inventories to its current location and condition. Net realisable value is the price at which the inventories can be realized in the normal course of business after allowing for costs of realization. Provision is made where necessary, for obsolete, slow-moving and defective inventories.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONT'D

2.9 Provisions

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

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.10 Government grants

Government grants are recognised when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Where the grant relates to an asset, the fair value is recognised as deferred capital grant on the balance sheet and is amortised to profit or loss over the expected useful life of the relevant asset by equal annual instalments.

Where loans or similar assistance are provided by governments or related institutions with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as additional government grant.

2.11 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Society and the revenue can be reliably measured. Revenue is measured at the fair value of consideration received or receivable, excluding discounts, rebates and sales taxes or duty.

Revenue from sale of books is recognised when the Society has delivered the books to the customer and the customer has accepted the books.

Interest from bank accounts and donations are accounted for on receipt basis.

Members' subscriptions are recognised as revenue as and when subscriptions become due and payable.

Government grants are recognised at their fair value when there is a reasonable assurance that the grant will be received and all attaching conditions will be complied with. They are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate on a systematic basis.

2.12 Taxes

No provision for taxation has been made as the Society has been registered as a Charity under the Charities Act (Cap. 37).

2.13 Accumulated funds

Accumulated fund represents the amounts accumulated from the transfer of the net surplus or deficit of each financial year.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONT'D

2.14 Fair value of financial instruments

The carrying values of current financial assets and financial liabilities including cash, receivables, and payables approximate their fair values due to the short-term maturity of these instruments. The fair values of non-current financial instruments are not disclosed unless there are significant items at the end of the year and in the event the fair values are disclosed in the relevant notes. Disclosures of fair value are not made when the carrying amount is a reasonable approximation of fair value. The maximum exposure to credit risk is the fair value of the financial instruments at the end of the reporting period. The fair value of a financial instrument is derived from an active market.

2.15 Related party

A related party is defined as follows:

A person or a close member of that person's family is related to the Society if that person:

- (i) Has control or joint control over the Society;
- (ii) Has significant influence over the Society; or
- (iii) Is a member of the key management personnel of the Society;

An entity is related to the Society if any of the following conditions applies:

- (i) The entity and the Society are members of the same group.
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Society or an entity related to the Society. If the Society is itself such a plan, the sponsoring employers are also related to the Society;
- (vi) The entity is controlled or jointly controlled by a person identified in (a);
- (vii) A person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION

Critical judgements in applying the Society's accounting policies

The preparation of financial statements in conformity with FRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and disclosures made. These are made based on historical experience and other factors that are believed to be reasonable under the circumstances. These estimates and underlying assumptions are reviewed on an ongoing basis.

3 **CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION - CONT'D**

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimations uncertainty at the end of the reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed as below:

Impairment of loans and receivables

The Society assesses at the end of each reporting period whether there is any objective evidence that a financial asset is impaired. To determine whether there is objective evidence of impairment, the Society considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

When there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics. The carrying amount of the Society's loans and receivables at the end of the reporting period is disclosed in Note 11 to the financial statements.

4 **INVENTORIES**

	2014 \$	2013 \$
Book and publications	24,834	9,563
	<u>24,834</u>	<u>9,563</u>

The cost of inventories recognised as expense and included in 'cost of sales' amounted to \$25,729 (2013: \$3,803).

5 **TRADE AND OTHER RECEIVABLES**

	2014 \$	2013 \$
Trade receivables	41,866	5,406
Less: Allowance for impairment	(2,430)	(2,430)
	<u>39,436</u>	<u>2,976</u>

Trade and other receivables are denominated in the following currencies:

	2014 \$	2013 \$
Singapore Dollars	39,436	2,997
Malaysian Ringgit	-	(21)
	<u>39,436</u>	<u>2,976</u>

5 TRADE AND OTHER RECEIVABLES - CONT'D

Trade receivables are non-interest bearing and are generally on 30 days' terms. They are recognised at their original invoice amounts which represents their fair values on initial recognition.

Receivables that are past due but not impaired

The Society has trade receivables amounting to \$3,332 (2013:\$4,686) that are past due at the end of the reporting period but not impaired. These receivables are unsecured and the analyses of its aging at the end of the reporting period are as follow:

	2014	2013
	\$	\$
Trade receivables past due:		
Less than 30 days	752	1,866
30 to 60 days	-	150
More than 60 days	2,580	2,670
	<u>3,332</u>	<u>4,686</u>

Receivables that are impaired

Trade receivables that are individually determined to be impaired as at the end of the reporting period relates to receivables that are in financial difficulties and have defaulted in payments. These receivables are not secured by any collateral or credit enhancements.

The movement of the allowance account for the Society that are individually impaired is as follows:

	2014	2013
	\$	\$
At the beginning of year	2,430	-
Charge for the year	-	2,430
At end of year	<u>2,430</u>	<u>2,430</u>

6 CASH AND CASH EQUIVALENTS

	2014	2013
	\$	\$
Cash at bank	<u>184,353</u>	<u>189,513</u>

Cash at bank earns interest at floating rates based on daily bank deposit rates.

7 ACCUMULATED FUNDS

	2014	2013
	\$	\$
Balance at beginning of year	156,275	149,051
Surplus for the year	19,458	7,224
Balance at end of year	<u>175,733</u>	<u>156,275</u>

8 TRADE AND OTHER PAYABLES

	2014	2013
	\$	\$
Trade payables	10,166	10,000
Accruals	3,000	4,000
	<u>13,166</u>	<u>14,000</u>

Trade payables are non-interest bearing and are generally on 30 days' terms. They are recognised at their original invoice amounts which represents their fair values on initial recognition.

9 DEFERRED INCOME

	2014	2013
	\$	\$
Government grants	11,142	11,142
Memberships' subscriptions	13,819	13,092
Others	37,950	16,388
	<u>62,911</u>	<u>40,622</u>
Non-current	4,832	6,293
Current	58,079	34,329
	<u>62,911</u>	<u>40,622</u>

Government grants refer to funding received under the URA's Architecture and Urban Design Excellence Programme and NHB's Heritage Industry Incentive Programme for the Society's publications and research activities.

Government grants are recognised as income in proportion to the cost incurred for the project in the respective financial years. Details and movements in the deferred income – government grants are as follows:-

	2014	2013
	\$	\$
Total grant received	-	109,627
Cumulative amount recognised in income	-	(109,627)
Deferred balance at 31 March	<u>-</u>	<u>-</u>

9 DEFERRED INCOME - CONT'D

	2014	2013
	\$	\$
Balance at 1 April	-	22,518
Grant received during the year	-	87,109
Recognised as income during the year	-	(109,627)
Balance at 31 March	<u>-</u>	<u>-</u>

10 OTHER INCOME

	2014	2013
	\$	\$
Miscellaneous income	2,500	-
Sale of calendars	12	294
	<u>2,512</u>	<u>294</u>

11 FINANCIAL INSTRUMENTS, RISK MANAGEMENT AND POLICIES

(i) Financial risk management

The main purpose of financial instruments is to raise finance for the Society operations. The Society's financial instruments are exposed to mainly credit risk, liquidity risk, foreign currency risk and interest rate risk. The Society does not use derivatives and other instruments in its risk management activities and does not enter into derivatives contracts for trading purposes. The Society conducts regular reviews and agrees policies for managing the financial risks to minimize the potential adverse financial impact of these exposures.

(ii) Carrying amount of financial assets and liabilities

The following table summarises the carrying amount of financial assets and liabilities recorded at the end of the year by FRS 39 categories:

	2014	2013
	\$	\$
<u>Financial assets:</u>		
<i>Loans and receivables</i>		
Trade and other receivables	39,436	2,976
Cash and cash equivalents	184,353	189,513
Total financial assets	<u>223,789</u>	<u>192,489</u>
<u>Financial liabilities (Measured at amortised cost):</u>		
Trade and other payables	13,166	14,000
Total financial liabilities	<u>13,166</u>	<u>14,000</u>

11 FINANCIAL INSTRUMENTS, RISK MANAGEMENT AND POLICIES - CONT'D

(iii) Credit risk on financial assets

Credit risk refers to the risk of that counterparty will default on its contractual obligations resulting in financial loss to the Society.

The aggregate carrying amount of trade and other receivables and bank balance represents the Society's maximum exposure to the Society. Credit risk on bank balance is limited because the counter-party is bank with high credit rating.

Financial assets that are neither past due nor impaired

Trade and other receivables that are neither past due nor impaired are with creditworthy debtors with good payment record with the Society. Cash and cash equivalents that are neither past due nor impaired are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

Financial assets that are either past due or impaired

Information regarding financial assets that are either past due or impaired is disclosed in Note 5 (Trade and other receivables).

(iv) Liquidity risk

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

The Society monitors its cash flow requirements closely to ensure that it will always have sufficient liquidity to meet its liabilities when due.

The table below summarises the maturity profile of the Society's financial assets and liabilities at the end of the reporting period based on the contractual undiscounted repayment obligations:-

	2014 \$	2013 \$
<u>Financial assets:</u>		
<i>Less than 1 year</i>		
Trade and other receivables	39,436	2,976
Cash and cash equivalents	184,353	189,513
Total undiscounted financial assets	<u>223,789</u>	<u>192,489</u>
<u>Financial liabilities</u>		
<i>Less than 1 year</i>		
Trade and other payables	13,166	14,000
Total undiscounted financial liabilities	<u>13,166</u>	<u>14,000</u>
Total net undiscounted financial assets	<u>210,623</u>	<u>178,489</u>

11 FINANCIAL INSTRUMENTS, RISK MANAGEMENT AND POLICIES - CONT'D

(v) Liquidity risk

The Society has transactional currency exposures arising from its ordinary course of business that are denominated in a currency other than the functional currency of Singapore Dollars. The foreign currencies in which the transactions are denominated are primarily in Malaysian Ringgit.

Analysis of the Society's financial assets and liabilities denominated in non-functional currency:

	2014 \$	2013 \$
Financial assets:		
<i>Malaysian Ringgit</i>		
Trade and other receivables	-	(21)

A hypothetical 10% increase in the exchange rate of the functional currency against the Malaysian Ringgit would have a favourable effect on the surplus before taxation of:-

-	2
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Sensitivity analysis: The effect on surplus before taxation is not significant.

(vi) Interest rate risk

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

The Society's interest-yielding assets are not significant and accordingly the interest rate risk is minimal.

12 MANAGEMENT OF SOCIETY'S FUNDS

The primary objective of the Society's fund management is to safeguard its ability to continue as a going concern and to have adequate resources to support its stability and growth.

The Society manages its funds to ensure optimal structure taking into consideration future fund requirements and projected operating cash flows.

13 AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements of the Society for the financial year ended 31 March 2014 were authorized for issue in accordance with a resolution of the executive committee as stated in the Statement by Management Committee Members.