

METHODIST GIRLS' SCHOOL ALUMNAE ASSOCIATION

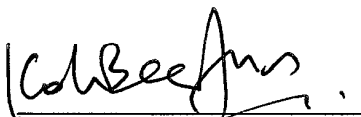

ACCOUNTS - 31 DECEMBER 2019

METHODIST GIRLS' SCHOOL ALUMNAE ASSOCIATION
(UEN S61SS0081H)

STATEMENT BY THE MANAGEMENT COMMITTEE

We, being two members of the Management Committee of Methodist Girls' School Alumnae Association, state that in the opinion of the Management Committee, the accompanying Statement of Financial Position, Statement of Changes in Funds, Statement of Receipts & Disbursements, Statement of Cash Flows, together with the notes thereon, are properly drawn up in accordance with the provisions of the Societies Act, Cap. 311 and the Singapore Financial Reporting Standards so as to give a true and fair view of the financial position of the Association as at 31 December 2019 and its financial performance, changes in funds and cash flows for the year then ended.

On behalf of the Management Committee


Koh Bee Ann
President
Fang Lum
Honorary Treasurer

Singapore, 22 April 2020

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE
METHODIST GIRLS' SCHOOL ALUMNAE ASSOCIATION**

Report on the Audit of the financial statements

Opinion

We have audited the financial statements of Methodist Girls' School Alumnae Association, which comprise the statement of financial position as at 31 December 2019, the statements of receipts & disbursements, changes in funds and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements are properly drawn up in accordance with the provisions of the Societies Act, Cap.311 and Singapore Financial Reporting Standards so as to give a true and fair view of the financial position of the Association as at 31 December 2019, and of the financial performance, changes in funds and cash flows of the Association for the year then ended.

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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Association in accordance with the Accounting and Corporate Regulatory Authority (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 Management committee.

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

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

METHODIST GIRLS' SCHOOL ALUMNAE ASSOCIATION

INDEPENDENT AUDITORS' REPORT FOR THE FINANCIAL YEAR
ENDED 31 DECEMBER 2019Management's Responsibilities for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Societies Act, 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 financial statements and to maintain accountability of assets.

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

The management's responsibilities include overseeing the Association's financial reporting process.

Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level 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 Association's internal control.

METHODIST GIRLS' SCHOOL ALUMNAE ASSOCIATION

INDEPENDENT AUDITORS' REPORT FOR THE FINANCIAL YEAR
ENDED 31 DECEMBER 2019

- 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 Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the regulations enacted under the Societies Act, Cap. 311 to be kept by the Association have been properly kept in accordance with those regulations.



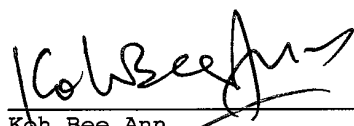
S.H.ONG LLP
PUBLIC ACCOUNTANTS and
CHARTERED ACCOUNTANTS
SINGAPORE

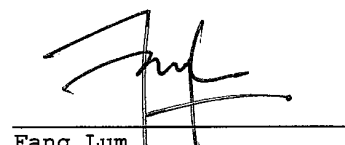
METHODIST GIRLS' SCHOOL ALUMNAE ASSOCIATION

STATEMENT OF FINANCIAL POSITION - 31 DECEMBER 2019

	Note	2019 \$	2018 \$
ASSETS			
NON-CURRENT ASSETS			
Plant & equipment	3	200,055	277,195
INTANGIBLE ASSET			
Web Development	4	18,993	14,000
CURRENT ASSETS			
Stocks	2g	19,507	16,956
Deposits	5	31,500	31,500
Prepayments		1,533	1,158
Fixed deposits		110,802	110,454
Bank balances		341,835	442,563
		<u>505,177</u>	<u>602,631</u>
TOTAL ASSETS		<u><u>724,225</u></u>	<u><u>893,826</u></u>
FUNDS AND LIABILITIES			
MEMBERS' FUNDS			
Accumulated Fund		598,609	630,091
M.E. Lau Scholarship Fund	6	19,987	19,908
Tan Ley Chee Scholarship Fund	7	49,782	49,586
Tan Ley Chee Award Fund	8	14,202	14,345
MGS Alumnae Association Award Fund (Ellice Handy Medal)	9	12,177	12,528
Ruth Wong Award Fund	10	14,623	14,765
Wong Hee Hua Award Fund	11	14,570	14,712
		<u>723,950</u>	<u>755,935</u>
CURRENT LIABILITIES			
Accruals & other liability		275	137,891
		<u>275</u>	<u>137,891</u>
TOTAL FUNDS AND LIABILITIES		<u><u>724,225</u></u>	<u><u>893,826</u></u>

On behalf of the Management Committee


 Kah Bee Ann
 President


 Fang Lum
 Honorary Treasurer

See Accompanying Notes

STATEMENT OF CHANGES IN FUNDS FOR THE YEAR ENDED 31 DECEMBER 2019

		M.E.Lau Scholarship Fund	Tan Ley Chee Scholarship Fund	Tan Ley Chee Award Fund	MGS Alumnae Association Award Fund (Ellice Handy Medal)	Ruth Wong Award Fund	Wong Hee Hua Award Fund	Total
		\$	\$	\$	\$	\$	\$	\$
2018								
At beginning of the year	650,684	19,871	49,494	14,519	12,904	14,738	14,884	777,094
Interest income		37	92	26	24	27	28	234
Awards given				(200)	(400)		(200)	(800)
Deficit for the year	(20,593)							(20,593)
	630,091	19,908	49,586	14,345	12,528	14,765	14,712	755,935
2019								
At beginning of the year	630,091	19,908	49,586	14,345	12,528	14,765	14,712	755,935
Interest income		79	196	57	49	58	58	497
Awards given				(200)	(400)	(200)	(200)	(1,000)
Deficit for the year	(31,482)							(31,482)
	598,609	19,987	49,782	14,202	12,177	14,623	14,570	723,950

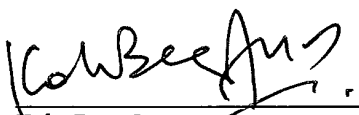
See Accompanying Notes

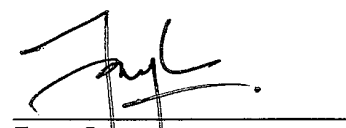
METHODIST GIRLS' SCHOOL ALUMNAE ASSOCIATION

STATEMENT OF RECEIPTS & DISBURSEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	2019 \$	2018 \$
RECEIPTS			
Life membership subscriptions		54,401	55,000
Founder's Day dinner		69,882	82,290
Special functions	13	47,991	34,398
Donations - Heritage Centre		-	10,000
Donations		301	-
Interest income		348	152
		<u>172,923</u>	<u>181,840</u>
DISBURSEMENTS			
Alumnae Day expenses		572	496
Alumnae room maintenance		-	970
Accounting fees		2,200	-
Founder's Day Dinner		64,081	80,500
Heritage expenses		319	-
Special functions	13	48,740	36,604
Awards & Medals		3,674	2,603
Bank charges		517	133
Depreciation		80,185	76,305
Postage		630	1,235
Printing & stationery		1,379	1,927
Miscellaneous expenses		1,305	1,644
Web maintenance		781	-
		<u>204,383</u>	<u>202,417</u>
Deficit for the year before taxation		(31,460)	(20,577)
Taxation - prior year	14	(22)	(16)
DEFICIT FOR THE YEAR AFTER TAXATION		<u>(31,482)</u>	<u>(20,593)</u>

On behalf of the Management Committee


 Koh Bee Ann
 President


 Fang Lum
 Honorary Treasurer

See Accompanying Notes

METHODIST GIRLS' SCHOOL ALUMNAE ASSOCIATION

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2019

	2019 \$	2018 \$
Operating activities :		
Deficit for the year before taxation	(31,460)	(20,577)
Adjust for :		
Depreciation	80,185	76,305
Operating surplus before working funds changes	48,725	55,728
Add/(Less) changes in working funds:		
Stocks	(2,551)	(8,593)
Other receivables	(375)	1
Other payables	(137,616)	2,921
Cash generated from/(used in)		
Operating Activities	(91,817)	50,057
Tax paid	(22)	(16)
Net cash from/(used in) Operating Activities	(91,839)	50,041
Investing Activities:		
Interest income	497	234
Purchase of Plant & equipment	-	(4,560)
Cost of Web development	(8,038)	(14,000)
Net cash used in Investing Activities	(7,541)	(18,326)
Funding Activities:		
Net changes in funds	(1,000)	(800)
Net cash used in Funding Activities	(1,000)	(800)
Cash and cash equivalents :		
Net change	(100,380)	30,915
At beginning of year	553,017	522,102
At end of year (note 12)	452,637	553,017

See Accompanying Notes

METHODIST GIRLS' SCHOOL ALUMNAE ASSOCIATION**NOTES TO THE ACCOUNTS - 31 DECEMBER 2019**

These notes form an integral part of the financial statements.

1. GENERAL

The Methodist Girls' School Alumnae Association was registered under the Societies Act Cap. 311 in the Republic of Singapore on 15 May 1961. The registered office is at 11 Blackmore Drive, Singapore 599986.

The principal activities of the Association are to maintain contact between the Methodist Girls School and her former pupils and staff and to develop the team spirit of loyalty and love for the Alumnae.

The board of the Management Committee authorized these financial statements for issue on the date of the Statement by the Management Committee.

2. SIGNIFICANT ACCOUNTING POLICIES**(a) Basis of Preparation**

The financial statements, expressed in Singapore Dollars, which is also its functional currency have been prepared in accordance with the provisions of the Societies Act, Cap. 311, Singapore Financial Reporting Standards (FRS) and under the historical cost convention. The accounting policies applied by the Association are consistent with those used in the previous financial year.

(b) Accounting estimates

The preparation of financial statements in conformity with FRS requires management's best ability and knowledge to make judgement, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Such judgement, estimates and assumptions are assessed on an on going basis and are based on current events, historical experience and other apparent factors under the circumstances. Actual results may differ from those estimates and assumptions which the Association makes concerning the future.

(c) Changes in accounting policies

The Association adopted all the new and revised FRS that are applicable and relevant to its operations and effective for this financial year. The adoption of new/revised FRS has no material impact on the financial statements. Preliminary assessment of FRS which have been issued but not effective indicates that these will have no material financial impact on the financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

- Effective for annual
periods beginning
on or after

(e) Plant and Equipment
Plant and equipment are stated at cost less accumulated depreciation and impairment loss, if any. Depreciation is calculated on the straight-line method to write off the cost of the assets over their estimated useful lives as follows :

Fully depreciated assets are retained in the accounts until they are no longer in use. The useful lives and depreciation method are reviewed annually to ensure that these are consistent with the pattern of economic benefits provided by the assets. Annual reviews are carried out by the management to assess whether any plant and equipment is impaired and needs to be revalued to the recoverable amount.

- Annual reviews are carried out by the management to assess whether the intangible asset is impaired and needs to be revalued to the recoverable amount.

- (h) Payables and Provisions
Payables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method. Past events are reviewed to ascertain whether provisions are required and to recognise such obligations in the financial statements if these can be estimated reliably.

METHODIST GIRLS' SCHOOL ALUMNAE ASSOCIATION

NOTES TO THE ACCOUNTS - 31 DECEMBER 2019

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

- (i) **Funds Accounting**
 Monies received for specific purposes, including transfers from the Accumulated fund, are credited directly to the respective fund accounts. Income and expenditure relating to specific funds are accounted for directly in the funds to which they relate. Assets and liabilities of the specific funds are pooled in the statement of financial position.
- (j) **Recognition of Income and Expenditure**
 Income and expenditure are recognised on the accrual basis. Donations are recorded when received. Interest income is recognised using the effective interest method.
- (k) **Income Taxes**
 Income derived from sources such as interest from fixed deposit accounts, are subject to tax in the name of the Association. The rate of tax are those under part B of schedule 2 of the Income Tax Act.
- (l) **Cash and cash equivalents**
 These comprise fixed deposits and bank balances excluding any bank overdraft and pledged bank deposit used for financing activities.

3. PLANT & EQUIPMENT

	Renovation	
	2019	2018
	\$	\$
COST		
At beginning of year	385,701	381,141
Addition	-	4,560
At end of year	<u>385,701</u>	<u>385,701</u>
DEPRECIATION		
At beginning of year	108,506	32,201
Addition	77,140	76,305
At end of year	<u>185,646</u>	<u>108,506</u>
NET BOOK VALUE		
At end of year	<u>200,055</u>	<u>277,195</u>

METHODIST GIRLS' SCHOOL ALUMNAE ASSOCIATION

NOTES TO THE ACCOUNTS - 31 DECEMBER 2019

4. INTANGIBLE ASSET

	Web Development	
	2019	2018
	\$	\$
COST		
At beginning of year	14,000	-
Additions	8,038	14,000
At end of year	<u>22,038</u>	<u>14,000</u>
DEPRECIATION		
At beginning of year	-	-
Addition	3,045	-
At end of year	<u>3,045</u>	<u>-</u>
NET BOOK VALUE		
At end of year	<u>18,993</u>	<u>14,000</u>

Depreciation has been provided for 5 months from August 2019, since the asset has been in use.

5. DEPOSITS

These are advance deposits for 2020 MGS Founder's Day Dinner event.

6. M.E. LAU SCHOLARSHIP FUND

M.E. Lau Scholarship Fund was established with the aim of helping needy students to further their studies.

7. TAN LEY CHEE SCHOLARSHIP FUND

Tan Ley Chee Scholarship Fund was established in memory of the late Mrs Tan Ley Chee to award scholarships to deserving students for higher studies.

8. TAN LEY CHEE AWARD FUND

Tan Ley Chee Award Fund was established in memory of the late Mrs Tan Ley Chee. The Fund awards annually a Tan Ley Chee Medal to the best all-round students.

METHODIST GIRLS' SCHOOL ALUMNAE ASSOCIATION

NOTES TO THE ACCOUNTS - 31 DECEMBER 2019

9. MGS ALUMNAE ASSOCIATION AWARD FUND
(ELLICE HANDY MEDAL)

M.G.S Alumnae Association Award Fund (Ellice Handy Medal) is awarded each year to the school's top student in the General Certificate of Education 'O' Level Examination.

10. RUTH WONG AWARD FUND

Ruth Wong Award Fund was established in memory of the late Dr Ruth Wong. The Fund awards annually a Ruth Wong medal to the best all-round Primary School Leaving Examination (PSLE) student.

11. WONG HEE HUA AWARD FUND

Wong Hee Hua Award Fund was established in memory of the late Ms Wong Hee Hua. The Fund awards annually a Wong Hee Hua medal to the best student in music.

12. CASH AND CASH EQUIVALENTS

	2019	2018
	\$	\$
Bank Balances	341,835	442,563
Fixed deposits	110,802	110,454
	<u>452,637</u>	<u>553,017</u>

At the reporting date, the interest rate for these deposits is at 1.4% (2018: 0.6% to 0.8%) per annum.

13. SPECIAL FUNCTIONS

	2019	2018
	\$	\$
Receipts :		
Alumnae Day activities	220	-
Teachers' Day contribution	24,590	17,940
Love MGS Donations	3,400	4,400
Sale of souvenirs	16,010	12,058
P6 Homecoming	3,771	-
	<u>47,991</u>	<u>34,398</u>

METHODIST GIRLS' SCHOOL ALUMNAE ASSOCIATION

NOTES TO THE ACCOUNTS - 31 DECEMER 2019

13. SPECIAL FUNCTIONS (Cont'd)

	2019 \$	2018 \$
Disbursements :		
Teachers' Day	(23,242)	(15,540)
Love MGS	(9,054)	(9,887)
Cost of souvenirs sold	(10,219)	(7,722)
P6 Reunion/Youth Chapter/Past vs Present	(3,525)	(203)
Other special functions	(2,700)	(3,252)
	<u>(48,740)</u>	<u>(36,604)</u>
Deficit from special functions	<u>(749)</u>	<u>(2,206)</u>

14. INCOME TAX EXPENSES

Income tax is based on income assessed under Section 10(1)(d) of the Income Tax Act and is taxed at corporate tax rate of 17% (2018 : 17%).

15. FINANCIAL RISK MANAGEMENT

The Association's activities expose it to minimal financial risks. The Management Committee has oversight to the overall risk management of the Association. The policies for managing these risks are briefly as follows :

(a) Liquidity Risk

The Association monitors and maintains a level of cash and cash equivalents deemed adequate by the Management Committee to finance its operations and mitigate the effects of fluctuations in cash flows. The Association has no significant liquidity risk.

(b) Interest Rate Risk

The Association has no significant exposure to market risk for changes in interest rates.

16. FUND MANAGEMENT

The Association's funds are managed so as to maintain adequate working funds for the development of its principal activities over the longer term through significant support in the form of subscriptions and donations. No changes were made in objectives, policies or processes during the financial years ended 31 December 2019 and 31 December 2018.

METHODIST GIRLS' SCHOOL ALUMNAE ASSOCIATION

NOTES TO THE ACCOUNTS - 31 DECEMER 2019

17. FAIR VALUES

The fair values of the current financial assets and financial liabilities in the statement of financial position approximate their carrying values due to their short-term nature.

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