

METHODIST GIRLS' SCHOOL ALUMNAE ASSOCIATION

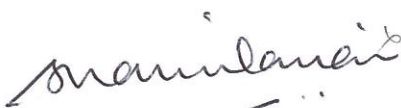
ACCOUNTS - 31 DECEMBER 2020

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 (the "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 2020 and its financial performance, changes in funds and cash flows for the year then ended.

On behalf of the Management Committee



Sharmila Nair
President



Fang Lum
Honorary Treasurer

Singapore, 9 April 2021

T11LL1819B

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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 2020, 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 2020, 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 2020Management'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 activities, 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

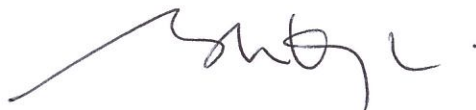
INDEPENDENT AUDITORS' REPORT FOR THE FINANCIAL YEAR
ENDED 31 DECEMBER 2020

- 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.



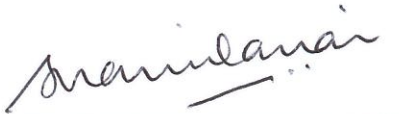
S.H. ONG LLP
PUBLIC ACCOUNTANTS and
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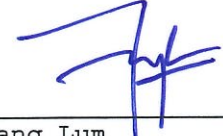
METHODIST GIRLS' SCHOOL ALUMNAE ASSOCIATION

STATEMENT OF FINANCIAL POSITION - 31 DECEMBER 2020

	Note	2020 \$	2019 \$
ASSETS			
NON-CURRENT ASSETS			
Plant & equipment	3	122,915	200,055
INTANGIBLE ASSET			
Web Development	4	12,503	18,993
CURRENT ASSETS			
Stocks	2g	23,654	19,507
Deposits	5	31,500	31,500
Receivables & Prepayments		652	1,533
Fixed deposits		111,499	110,802
Bank balances		380,624	341,835
		547,929	505,177
TOTAL ASSETS		683,347	724,225
FUNDS AND LIABILITIES			
MEMBERS' FUNDS			
Accumulated Fund		555,227	598,609
M.E. Lau Scholarship Fund	6	20,125	19,987
Tan Ley Chee Scholarship Fund	7	50,124	49,782
Tan Ley Chee Award Fund	8	14,099	14,202
MGS Alumnae Association Award Fund (Ellice Handy Medal)	9	11,859	12,177
Ruth Wong Award Fund	10	14,523	14,623
Wong Hee Hua Award Fund	11	14,470	14,570
		680,427	723,950
CURRENT LIABILITIES			
Accruals & other liability		2,920	275
		2,920	275
TOTAL FUNDS AND LIABILITIES		683,347	724,225

On behalf of the Management Committee


 Sharmila Nair
 President


 Fang Lum
 Honorary Treasurer

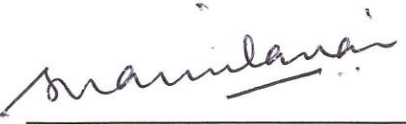
See Accompanying Notes

METHODIST GIRLS' SCHOOL ALUMNAE ASSOCIATION

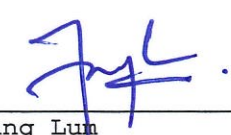
STATEMENT OF RECEIPTS & DISBURSEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 \$	2019 \$
RECEIPTS			
Life membership subscriptions		75,261	54,401
Founder's Day		-	69,882
Special functions	13	28,442	47,991
Donations		978	301
Interest income		697	348
		<u>105,378</u>	<u>172,923</u>
DISBURSEMENTS			
Alumnae Day expenses		-	572
Accounting fees		2,300	2,200
Founder's Day		4,130	64,081
Heritage expenses		-	319
Special functions	13	28,506	48,740
Awards & Medals		423	3,674
Bank charges		2,604	517
Depreciation		84,665	80,185
Postage		291	630
Printing & stationery		380	1,379
Miscellaneous expenses		1,738	1,305
Web maintenance		608	781
Welfare Fund		23,019	-
		<u>148,664</u>	<u>204,383</u>
Deficit for the year before taxation		(43,286)	(31,460)
Taxation - prior year	14	(96)	(22)
DEFICIT FOR THE YEAR AFTER TAXATION		<u>(43,382)</u>	<u>(31,482)</u>

On behalf of the Management Committee



Sharmila Nair
President



Fang Lun
Honorary Treasurer

See Accompanying Notes

METHODIST GIRLS' SCHOOL ALUMNAE ASSOCIATION

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2020

	2020 \$	2019 \$
Operating activities :		
Deficit for the year before taxation	(43,286)	(31,460)
Adjust for :		
Depreciation	84,665	80,185
	<u>41,379</u>	<u>48,725</u>
Operating surplus before working funds changes		
Add/(Less) changes in working funds:		
Stocks	(4,147)	(2,551)
Other receivables	881	(375)
Other payables	2,595	(137,616)
	<u></u>	<u></u>
Cash generated from/(used in)		
Operating Activities	40,708	(91,817)
Tax paid	(46)	(22)
	<u></u>	<u></u>
Net cash from/(used in) Operating Activities	<u>40,662</u>	<u>(91,839)</u>
Investing Activities:		
Interest income	859	497
Cost of Web development	(1,035)	(8,038)
	<u></u>	<u></u>
Net cash used in Investing Activities	<u>(176)</u>	<u>(7,541)</u>
Funding Activities:		
Net changes in funds	(1,000)	(1,000)
	<u></u>	<u></u>
Net cash used in Funding Activities	<u>(1,000)</u>	<u>(1,000)</u>
Cash and cash equivalents :		
Net change	39,486	(100,380)
At beginning of year	452,637	553,017
	<u></u>	<u></u>
At end of year (note 12)	<u>492,123</u>	<u>452,637</u>

See Accompanying Notes

METHODIST GIRLS' SCHOOL ALUMNAE ASSOCIATION

NOTES TO THE ACCOUNTS - 31 DECEMBER 2020

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 (SFRS) and under the historical cost convention.

(b) Accounting estimates

The preparation of financial statements in conformity with SFRS 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) Adoption of new and amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Association has adopted all the new and amended standards which are relevant to the Association and are effective for annual financial periods beginning on or after 1 January 2020. The adoption of these standards did not have any material effect on the financial performance or position of the Association.

NOTES TO THE ACCOUNTS - 31 DECEMBER 2020

(d) Standards issued but not yet effective
The Association has not adopted the following standards that have been issued but are not yet effective :

<u>Description</u>	<u>Effective for annual periods beginning on or after</u>
Amendments to SFRS37 Provisions, Contingent Liabilities and Contingent Assets :	
Onerous Contracts - Cost of Fulfilling a Contract	1 January 2022
Annual Improvements to SFRSs 2018-2020	1 January 2022
Amendments to SFRS 1 Presentation of Financial Statements : Classification of Liabilities as Current or Non-current	1 January 2023

The Management expects that the adoption of the standards above will have no material impact on the financial statements in the year of initial application.

Plant and equipment are stated at cost less accumulated depreciation and impairment loss, if any. Depreciation is calculated on the straight-line method 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.

Web development is stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation is calculated using the straight-line method to allocate the cost of the asset over its estimated useful life of 3 years.

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.

Stocks consisting of umbrellas, collar pins, T-shirts, caps and other items valued on a first in first out basis are stated at the lower of cost and net realisable value. In arriving at the net realisable value, due allowance is made for all obsolete and slow-moving items.

METHODIST GIRLS' SCHOOL ALUMNAE ASSOCIATION

NOTES TO THE ACCOUNTS - 31 DECEMBER 2020

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(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.

(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) Income Recognition

Membership subscriptions are recognised when approved and due. Income from functions are recognised on completion of the functions. 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. Fixed deposits form part of the cash management that are readily convertible to known amount of cash and which are subject to insignificant risk of changes in value.

3. PLANT & EQUIPMENT

	Renovation	
	2020	2019
	\$	\$
COST		
At beginning & end of year	385,701	385,701
	<u> </u>	<u> </u>
DEPRECIATION		
At beginning of year	185,646	108,506
Charge for the year	77,140	77,140
	<u> </u>	<u> </u>
At end of year	262,786	185,646
	<u> </u>	<u> </u>
NET BOOK VALUE		
At end of year	122,915	200,055
	<u> </u>	<u> </u>

METHODIST GIRLS' SCHOOL ALUMNAE ASSOCIATION

NOTES TO THE ACCOUNTS - 31 DECEMBER 2020

4. INTANGIBLE ASSET

Web Development	2020	2019
	\$	\$
COST		
At beginning of year	22,038	14,000
Additions	1,035	8,038
	<u>23,073</u>	<u>22,038</u>
At end of year	<u>23,073</u>	<u>22,038</u>
DEPRECIATION		
At beginning of year	3,045	-
Addition	7,525	3,045
	<u>10,570</u>	<u>3,045</u>
At end of year	<u>10,570</u>	<u>3,045</u>
NET BOOK VALUE		
At end of year	<u>12,503</u>	<u>18,993</u>

5. DEPOSITS

These are advance deposits for 2021 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 2020

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

	2020	2019
	\$	\$
Bank Balances	380,624	341,835
Fixed deposits	111,499	110,802
	<u>492,123</u>	<u>452,637</u>

At the reporting date, the interest rate for these deposits is at 0.05% to 0.75% (2019: 1.4%) per annum.

13. SPECIAL FUNCTIONS

	2020	2019
	\$	\$
Receipts :		
Alumnae Day activities	-	220
Teachers' Day contribution	3,000	24,590
Love MGS	10,811	10,749
Sale of souvenirs	14,631	8,661
P6 Homecoming	-	3,771
	<u>28,442</u>	<u>47,991</u>

METHODIST GIRLS' SCHOOL ALUMNAE ASSOCIATION

NOTES TO THE ACCOUNTS - 31 DECEMBER 2020

13. SPECIAL FUNCTIONS (Cont'd)

	2020 \$	2019 \$
Disbursements :		
Teachers' Day	(6,460)	(23,242)
Teachers' Day gifts - 2019/2020	-	(5,517)
Love MGS	(13,869)	(9,054)
Cost of souvenirs - sold	(5,129)	(4,648)
Cost of souvenirs - gifts	(348)	(54)
P6 Reunion/Youth Chapter/Past vs Present	-	(3,525)
Other special functions	(2,700)	(2,700)
	<u>(28,506)</u>	<u>(48,740)</u>
Deficit from special functions	<u>(64)</u>	<u>(749)</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% (2019 : 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 the objectives, policies or processes during the financial years ended 31 December 2020 and 31 December 2019.

METHODIST GIRLS' SCHOOL ALUMNAE ASSOCIATION

NOTES TO THE ACCOUNTS - 31 DECEMBER 2020

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.

18. EFFECTS OF COVID-19 PANDEMIC

On 31 January 2020, the World Health Organisation announced the COVID-19 outbreak as a global health emergency.

In response to the COVID-19 outbreak, the Singapore Multi-Ministry Taskforce implemented an elevated set of safe distancing measures as a circuit breaker from 7 April 2020, to pre-empt the trend of increasing local transmission of COVID-19. As a result, the Association suspended most of the in-person activities/special functions from 7 April 2020.