

ASSOCIATION OF WOMEN FOR ACTION AND RESEARCH

UEN No.: S85SS0089B

*(Registered under the Societies Act, Chapter 311 and
Charities Act, Chapter 37, Singapore)*

**FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
31 DECEMBER 2020**

ASSOCIATION OF WOMEN FOR ACTION AND RESEARCH

UEN No. S85SS0089B

(Registered under the Societies Act, Chapter 311 and Charities Act, Chapter 37, Singapore)

**REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

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ASSOCIATION OF WOMEN FOR ACTION AND RESEARCH

UEN No. S85SS0089B

(Registered under the Societies Act, Chapter 311 and Charities Act, Chapter 37, Singapore)

**STATEMENT BY BOARD OF MANAGEMENT
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

In the opinion of the Board of Management,


- (a) the financial statements of Association of Women for Action and Research (the "Society") are drawn up in accordance with the provisions of the Societies Act, Chapter 311 ('the Societies Act'), the Charities Act, Chapter 37 and other relevant regulations (the "Charities Act and Regulations") and Financial Reporting Standards in Singapore so as to give a true and fair view of the state of affairs of the Society as at 31 December 2020 and the results and cash flows of the Society for the financial year then ended;
- (b) at the date of this statement, there are reasonable grounds to believe that the Society will be able to pay its debts as and when they fall due;
- (c) the accounting and other records required to be kept by the Society have been properly kept in accordance with the provisions of the Societies Regulations enacted under the Societies Act and the Charities Act and Regulations;
- (d) the use of the donation money is in accordance with the objectives of the Society as required under Regulation 11 (Use of donations) of the Charities (Institution of Public Character) Regulations;
- (e) the fund-raising appeals conducted by the Society during the financial year ended 31 December 2020 have been carried out in accordance with Regulation 6 (Fund-raising appeal records) of the Societies Regulations issued under the Societies Act and proper accounts and other records have been kept of the fund-raising appeal; and
- (f) the Society has complied with the requirements of Regulation 15 (Fund-raising expenses) of the Charities (Institution of Public Character) Regulations.

The Board of Management, comprising the following, authorised the issue of these financial statements.


President
1st Vice President
2nd Vice President
Treasurer
Assistant Treasurer
Secretary
Board Member
Board Member
Board Member

Thomas Margaret
Shone Penelope Margaret
Low Su-Im Jean
Aarathi Arumugam
Zheng Huifen
Elisa Kang Geok Sue
Asiyah Binte Ahmad Arif
Goh Wei Wei @ Wynthia Goh
Jasmine Ng Kin Kia

On behalf of the Board of Management,

DocuSigned by:

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THOMAS MARGARET
President

DocuSigned by:

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AARATHI ARUMUGAM
Treasurer

Date: 9 March 2021

Helmi Talib LLP



Registration No. (UEN): T20LL1986E
Chartered Accountants of Singapore
An Independent Member Firm of IAPA

- 133 Cecil Street Keck Seng Tower, #15-02 Singapore 069535
- Tel : (65) 6339 2776
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- E-mail : enquiry@helmitalib.com.sg
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INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF MANAGEMENT OF ASSOCIATION OF WOMEN FOR ACTION AND RESEARCH

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of ASSOCIATION OF WOMEN FOR ACTION AND RESEARCH (the "Society"), which comprise the statement of financial position of the Society as at 31 December 2020, and the statement of financial activities, statement of changes in funds and statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Societies Act, Chapter 311 (the "Societies Act"), the Charities Act, Chapter 37 and other relevant regulations (the "Charities Act and Regulations") and Financial Reporting Standards in Singapore ("FRSs") so as to present fairly, in all material respects, the state of affairs of the Society as at 31 December 2020 and the results, changes in funds and cash flows of the Society for the financial 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 Society 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 Board of Management set out on page 1.

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.

An Independent Member Firm of:



Helmi Talib LLP is an accounting limited liability partnership [Registration Number (UEN) T20LL1986E] registered in Singapore under the Limited Liability Partnerships Act (Chapter 163A).

Helmi Talib LLP is converted from Helmi Talib & Co [Registration Number (UEN) S92PF0459G] effective from 10 December 2020.

Helmi Talib LLP

Responsibilities of Management and those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the provisions of the Societies Act, the Charities Act and Regulations and FRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Society'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 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 Society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Society'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 Society 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 Board of 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.

An Independent Member Firm of:



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Helmi Talib LLP is converted from Helmi Talib & Co [Registration Number (UEN) S92PF0459G] effective from 10 December 2020.

Helmi Talib LLP

Report on Other Legal and Regulatory Requirements

In our opinion,

- (a) the accounting and other records required to be kept by the Society have been properly kept in accordance with the provisions of the Societies Regulations enacted under the Societies Act, the Charities Act and Regulations; and
- (b) the fund-raising appeals held during the financial year ended 31 December 2020 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 financial year:

- (a) the Society 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 Society has not complied with the requirements of Regulation 15 of the Charities (Institutions of a Public Character) Regulations.

DocuSigned by:
Helmi Talib LLP
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HELMI TALIB LLP
Public Accountants and
Chartered Accountants

Singapore

Date: 9 March 2021

Partner-in-charge
PAB No.

Mari Jane Tiburcio
01780

An Independent Member Firm of:



Helmi Talib LLP is an accounting limited liability partnership [Registration Number (UEN) T20LL1986E] registered in Singapore under the Limited Liability Partnerships Act (Chapter 163A).

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ASSOCIATION OF WOMEN FOR ACTION AND RESEARCH

UEN No. S85SS0089B

(Registered under the Societies Act, Chapter 311 and Charities Act, Chapter 37, Singapore)

STATEMENT OF FINANCIAL ACTIVITIES

For the financial year ended 31 December 2020

	Note	<u>2020</u> \$	<u>2019</u> \$
<u>INCOME</u>			
Income from generated funds			
- Voluntary income		2,652,061	2,199,329
- Activities for generating funds		1,145,678	1,367,320
Other income		285,509	71,760
Total income		<u>4,083,248</u>	<u>3,638,409</u>
<u>EXPENDITURE</u>			
Costs of generating funds		(122,381)	(246,484)
Charitable activities		(2,599,060)	(2,403,285)
Governance costs		(13,100)	(6,000)
Other expenditures		(26,074)	(47,657)
Total expenditure		<u>(2,760,615)</u>	<u>(2,703,426)</u>
Net income before transfer	7	1,322,633	934,983
Transfers from/(to) funds		-	-
Net income after transfer		1,322,633	934,983
<u>RECONCILIATION OF FUNDS</u>			
Total funds brought forward		4,925,389	3,990,406
Total funds carried forward		<u>6,248,022</u>	<u>4,925,389</u>

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

ASSOCIATION OF WOMEN FOR ACTION AND RESEARCH

UEN No. S85SS0089B

(Registered under the Societies Act, Chapter 311 and Charities Act, Chapter 37, Singapore)

STATEMENT OF FINANCIAL POSITION

As at 31 December 2020

	Note	<u>2020</u> \$	<u>2019</u> \$
Assets			
Current assets			
Cash and cash equivalents	8	6,366,139	5,292,406
Receivables	9	307,906	233,524
Total current assets		<u>6,674,045</u>	<u>5,525,930</u>
Non-current assets			
Plant and equipment	10	90,898	114,791
Total non-current assets		<u>90,898</u>	<u>114,791</u>
Total assets		<u>6,764,943</u>	<u>5,640,721</u>
Liabilities and funds			
Liabilities			
Current liabilities			
Payables	11	516,921	715,332
Total current liabilities		<u>516,921</u>	<u>715,332</u>
Total liabilities		<u>516,921</u>	<u>715,332</u>
Funds			
Unrestricted funds			
Accumulated funds	12	4,898,624	3,235,124
Total unrestricted funds		<u>4,898,624</u>	<u>3,235,124</u>
Restricted funds			
Project Funds	12	692,319	1,005,075
In Memory of Jagraj Verma Fund		1,851	4,571
Sexual Assault Care Centre Fund		381,398	368,411
Support Services (Helpline) Fund		273,830	312,208
Total restricted funds		<u>1,349,398</u>	<u>1,690,265</u>
Total funds		<u>6,248,022</u>	<u>4,925,389</u>
Total liabilities and funds		<u>6,764,943</u>	<u>5,640,721</u>

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

ASSOCIATION OF WOMEN FOR ACTION AND RESEARCH

UEN No. S85SS0089B

(Registered under the Societies Act, Chapter 311 and Charities Act, Chapter 37, Singapore)

STATEMENT OF CHANGES IN FUNDS

For the financial year ended 31 December 2020

	Unrestricted funds	Restricted funds					Total funds
	Accumulated funds \$	Project Funds \$	In memory of Jagraj Verma Fund \$	Sexual Assault Care Centre Fund \$	Support Services (Helpline) Fund \$	Total restricted funds \$	\$
At 31 December 2018	2,646,321	591,330	4,571	341,999	406,185	1,344,085	3,990,406
Net income/(loss) for the financial year	846,476	166,572	-	21,412	(99,477)	88,507	934,983
Transfers from/(to)	(257,673)	247,173	-	5,000	5,500	257,673	-
At 31 December 2019	3,235,124	1,005,075	4,571	368,411	312,208	1,690,265	4,925,389
Net income/(loss) for the financial year	1,616,571	(240,827)	(2,720)	12,987	(63,378)	(293,938)	1,322,633
Transfers from/(to)	46,929	(71,929)	-	-	25,000	(46,929)	-
At 31 December 2020	<u>4,898,624</u>	<u>692,319</u>	<u>1,851</u>	<u>381,398</u>	<u>273,830</u>	<u>1,349,398</u>	<u>6,248,022</u>

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

ASSOCIATION OF WOMEN FOR ACTION AND RESEARCH

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STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2020

	Note	<u>2020</u> \$	<u>2019</u> \$
Cash flows from operating activities			
Net income for the financial year	7	1,322,633	934,983
Adjustments for:			
Depreciation of plant and equipment	10	26,074	47,657
Interest income		(34,927)	(50,640)
Total adjustments to statement of financial activities		(8,853)	(2,983)
Operating cash flows before changes in working capital		1,330,627	932,000
Changes in working capital			
Increase in receivables		(96,657)	(2,280)
(Decrease)/Increase in payables		(198,411)	268,610
Total changes in working capital		(295,069)	266,330
Cash generated from operations		1,018,712	1,198,330
Interest income received		57,202	50,640
Net cash flows from operating activities		<u>1,075,914</u>	<u>1,248,970</u>
Cash flows used in investing activity			
Purchase of plant and equipment, representing cash flows used in investing activity	10	(2,181)	-
Net increase in cash and cash equivalents		1,073,733	1,248,970
Cash and cash equivalents at beginning of financial year		5,292,406	4,043,436
Cash and cash equivalents at end of financial year	8	<u>6,366,139</u>	<u>5,292,406</u>
Net cash flows			
Net cash flows from operating activities		<u>1,075,914</u>	<u>1,248,970</u>
Cash flows used in investing activity		<u>(2,181)</u>	<u>-</u>

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

ASSOCIATION OF WOMEN FOR ACTION AND RESEARCH

UEN No. S85SS0089B

*(Registered under the Societies Act, Chapter 311 and Charities Act, Chapter 37, Singapore)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2020*

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

1 GENERAL INFORMATION

Association of Women for Action and Research (the "Society") is registered and domiciled in Singapore with its registered office and principal place of business at 5 Dover Crescent, #01-22, Singapore 130005.

The Society is a registered charity under the Charities Act, Chapter 37 since 23 March 2005 and has been accorded the status of an Institution of a Public Character ("IPC"). The current licence runs from 1 September 2020 to 31 August 2022.

The principal activities of the Society are those of promoting gender equality, in particular, equal access to opportunities for women.

The financial statements of the Society for the financial year ended 31 December 2020 were authorised for issue in accordance with a resolution of the Board of Management on the date of Statement by Board of Management.

2 BOARD OF MANAGEMENT

The Society is governed by the Board of Management. For the financial year under review, the members of the Board of Management 2021 - 2022 at the date of this statement are as follows:

President	- Thomas Margaret	
1 st Vice President	- Shone Penelope Margaret	Appointed on 09 June 2020
2 nd Vice President	- Low Su-Im Jean	Appointed on 09 June 2020
Treasurer	- Aarathi Arumugam	Appointed on 09 June 2020
Assistant Treasurer	- Zheng Huifen	Appointed on 09 June 2020
Secretary	- Elisa Kang Geok Sue	Appointed on 09 June 2020
Board Member	- Asiyah Binte Ahmad Arif	Appointed on 09 June 2020
Board Member	- Goh Wei Wei @ Wynthia Goh	Appointed on 09 June 2020
Board Member	- Jasmine Ng Kin Kia	Appointed on 09 June 2020

3 IMPACT OF COVID-19

The COVID-19 pandemic has affected almost all countries of the world, and resulted in order closures, production stoppages, workplace closures, movement controls and other measures imposed by the various governments. The Society's operations in Singapore have been affected by the COVID-19 pandemic in 2020.

Set out below are the impact of COVID-19 on the Society's financial performance reflected in this set of financial statements for the financial year ended 31 December 2020:

- (i) The Society has assessed that the going concern basis of preparation for this set of financial statements remains appropriate.
- (ii) The workplace closures have resulted in periods where the Society's operations were temporarily suspended to adhere to the respective Government's movement control measures. These have resulted in decreased income, specifically counselling and training contribution. In addition, the Society carried out most of its operations remotely, including the render of services and in carrying out research and organisation of events and workshops, through the use of technologies such as Zoom and Velox.

ASSOCIATION OF WOMEN FOR ACTION AND RESEARCH

UEN No. S85SS0089B

*(Registered under the Societies Act, Chapter 311 and Charities Act, Chapter 37, Singapore)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2020***3 IMPACT OF COVID-19 (Continued)**

- (ii) The Society also incurred some additional expenses to expand its services by increasing phone lines and launching a new chat service to support more women in crisis during this period, in particular, those facing domestic violence and abuse.
- (iii) The pandemic affected the ability of some of its regular major donors to fund the Society and has prevented the Society from holding its regular fundraising event physically. Hence, the Society launched a few online fundraisers, the Vulnerable Women's Fund, the Domestic Violence Fund and the NextGen Fund, to raise money from the public. Further, Society has organised an online fundraiser in lieu of its regular fundraiser activity. The Society has also applied to Toteboard to match the funds raised through these activities.
- (iv) The Society also benefitted from the Government's Job Support Scheme that provide wage support to employers to help retain the local staffs during this period as disclosed in Note 7 to the financial statements.
- (v) The Society also received rental rebates for its office premises. The effects of such rental concessions received are disclosed in Notes 7 and 15 to the financial statements.

As the global COVID-19 situation remains very fluid as at the date these financial statements were authorised for issuance, the Society cannot reasonably ascertain the full extent of the probable impact of the COVID-19 disruptions on its operating and financial performance for the financial year ending 31 December 2021.

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**4.1 Basis of preparation**

The financial statements of the Society have been drawn up in accordance with the provisions of the Societies Act (Chapter 311), Charities Act (Chapter 37), and Financial Reporting Standards in Singapore ("FRSs"). The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollar ("SGD" or "\$") which is the Society's functional currency.

The accounting policies adopted are consistent with those of the previous financial year except for those as described in Note 4.2 to the financial statements.

4.2 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 Society has adopted all the new and amended standards and interpretations which are relevant to the Society and are effective for annual 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 Society.

Early adoption of amendment to FRS 116 *Leases: Covid-19-Related Rent Concessions*

The Society has early adopted the amendment to FRS 116 which introduced an optional practical expedient for lessees from assessing whether a rent concession related to COVID-19 is a lease modification. The Society has applied this practical expedient to all property leases.

ASSOCIATION OF WOMEN FOR ACTION AND RESEARCH

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(Registered under the Societies Act, Chapter 311 and Charities Act, Chapter 37, Singapore)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**4.3 Standards issued but not yet effective**

The Society has not adopted the following standards applicable to the Society that have been issued but not yet effective.

	<u>Description</u>	<u>Effective for annual periods beginning on or after</u>
Amendments to FRS 109, FRS 39, FRS 107, FRS 104 and FRS 116	: Interest Rate Benchmark Reform – Phase 2	1 January 2021
Amendments to FRS 16	: Property, Plant and Equipment: Proceeds before Intended Use	1 January 2022
Amendments to FRS 37	: Provisions, Contingent Liabilities and Contingent Assets (Onerous Contracts – Cost of Fulfilling a Contract)	1 January 2022
Various	: Annual Improvements to FRSs 2018 –2020	1 January 2022
Amendments to FRS 1	: Presentation of Financial Statements (Classification of Liabilities as Current or Non-current)	1 January 2023

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

4.4 Plant and equipment

All items of plant and equipment are initially recorded at cost. Subsequent to recognition, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated using the straight-line method to allocate depreciable amounts basis over their estimated useful lives. The estimated useful lives are as follows:

	<u>Years</u>
Office equipment and furniture	-
Computers	3
Air conditioners	-
Renovation	3
	-
	5 - 6

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful lives and depreciation method are reviewed at the end of each reporting period, and are adjusted prospectively, if appropriate.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in profit or loss in the year the asset is derecognised.

ASSOCIATION OF WOMEN FOR ACTION AND RESEARCH

UEN No. S85SS0089B

(Registered under the Societies Act, Chapter 311 and Charities Act, Chapter 37, Singapore)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**4.5 Impairment of non-financial assets**

The Society assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or, where applicable, when an annual impairment testing for an asset is required, the Society makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in profit or loss.

A previously recognised impairment loss 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. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

4.6 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 instruments.

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

Trade receivables are measured at the amount of consideration to which the Society expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

Subsequent measurement***Amortised cost***

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through the amortisation process.

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received is recognised in profit or loss.

ASSOCIATION OF WOMEN FOR ACTION AND RESEARCH

UEN No. S85SS0089B

*(Registered under the Societies Act, Chapter 311 and Charities Act, Chapter 37, Singapore)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2020***4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)****4.6 Financial instruments (Continued)****(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 instrument. 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 FVPL, directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at FVPL 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 amortisation process.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

4.7 Impairment of financial assets

The Society recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at FVPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Society expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For receivables, the Society applies a simplified approach in calculating ECLs. Therefore, the Society does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Society has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment which could affect debtor's ability to pay.

The Society considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Society may also consider a financial asset to be in default when internal or external information indicates that the Society is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Society. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

ASSOCIATION OF WOMEN FOR ACTION AND RESEARCH

UEN No. S85SS0089B

*(Registered under the Societies Act, Chapter 311 and Charities Act, Chapter 37, Singapore)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2020***4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)****4.8 Cash and cash equivalents**

Cash and cash equivalents comprise of cash at banks and on hand and fixed and short-term deposits, which are subject to an insignificant risk of changes in value.

4.9 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 resources embodying economic benefits will be recognised to settle the obligation 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.

4.10 Government grants

Grants are not recognised until there is reasonable assurance that the grant will be received and all conditions attached to it have been met. Grants for capital expenditures are recognised in the statement of financial activities when the Society has entitlement to the income and not deferred over the useful life of the asset.

4.11 Employee benefits**(a) Defined contribution plans**

As required by law, the Society contributes to the employees' Central Provident Fund ("CPF") scheme in Singapore, a defined contribution pension scheme. Contributions to CPF are recognised as compensation expenses in the same period as the employment that gives rise to the contribution.

(b) Employee leave entitlement

Employee entitlements to annual leave are recognised as a liability when they are accrued to the employees. The undiscounted liability for leave expected to be settled wholly before twelve months after the end of the reporting period is recognised for services rendered by employees up to the end of the reporting period.

4.12 Leases

The Society assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As lessee

The Society applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. During the financial year, the Society's short-term leases and leases of contracts are of low value asset.

Short-term leases and leases of low-value assets

The Society applies the short-term lease recognition exemption to its short-term leases of office premise (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of photocopier machine that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

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*(Registered under the Societies Act, Chapter 311 and Charities Act, Chapter 37, Singapore)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2020***4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)****4.12 Leases (Continued)**

The Society has applied the amendment to FRS 116 *Leases: Covid-19 Related Rent Concessions*. The Society applies the practical expedient allowing it not to assess whether a rent concession related to COVID-19 is a lease modification. The Society applies the practical expedient consistently to contracts with similar characteristics and in similar circumstances. For rent concessions in leases to which the Society chooses not to apply the practical expedient, or that do not qualify for the practical expedient, the Society assesses whether there is a lease modification.

4.13 Funds**(a) Unrestricted funds**

The accumulated funds are used for the general purposes of the Society as set out in its governing document. If part of an unrestricted fund is earmarked for a particular project, it may be designated as a separate fund (known as 'Designated Fund'). The designation has an administrative purpose only, and does not legally restrict the Board of Management's discretion to apply the fund. The Society respects the donors' intended use of the funds and will endeavour to request for donors' permission should a change of use be deemed necessary.

(b) Restricted funds

Restricted funds are funds subject to specific funded programmes by government, charity bodies and donors, but still within the wider objects of the Society.

Restricted funds may only be utilised in accordance with the purposes established by the sources of such funds and are in contrast with unrestricted funds over which the Board of Management retains full control to use in achieving its institutional purposes.

The Society classifies the following funds as restricted funds:

- Project Funds
- In memory of Jagraj Verma Fund
- Sexual Assault Care Centre Fund
- Support Services (Helpline) Fund

4.14 Income

Income is measured based on the consideration to which the Society expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Income is recognised when the Society satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of income recognised is the amount allocated to the satisfied performance obligation.

(a) Donations and sponsorships

Donations are recognised when received with unconditional entitlement to the receipts. Sponsorship-in-kinds are recognised when the fair value of the assets received can be reasonably ascertained.

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For the financial year ended 31 December 2020

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.14 Income (Continued)

(b) Fund raising

Income from special events are recognised when the event takes place.

(c) Government grants

Comprised of government subventions and grants for the programmes run by the Society. These are recognised as income according to the conditions of the funding agreements. The grants are recognised as income on a systematic basis over the period in which the Society recognises the expenses and related costs for which the grants are intended to compensate.

(d) Rendering of services

Income arising from the rendering of services which are of short-term duration is recognised when the services have been performed and rendered and satisfying the performance obligation.

(e) Other income

Comprised of government credits, refunds and reimbursements are recognised as and when received. Other income also comprises of COVID-19 Business Support Measures in the form of Job Support Scheme grant provided by the Singapore Government as well as interest earned from fixed deposits placed with banks.

4.15 Recognition of expenditures

Expenditures are recognised in the statement of financial activities once the services have been received unless the expenditure qualifies for capitalisation as assets such as plant and equipment. Expenditure on performance-related grants are recognised to the extent the specified service has been provided. Expenditures in the statement of financial activities are classified under the costs of generating funds, charitable activities' expenses and governance costs.

(a) Classification

(i) Costs of generating funds

All costs associated with generating income from all sources other than from undertaking charitable activities are included under cost of generating funds.

(ii) Charitable activities expenses

All resources applied in undertaking activities to meet the Society's charitable objectives are classified under charitable activities expenses.

(iii) Governance costs

This includes costs of governance arrangements that relate to the general running of the Society as opposed to the direct management functions inherent in generating funds, service delivery and programme or project work. These activities provide the governance infrastructure, which allows the charity to operate, and to generate the information required for public accountability. They include the strategic planning processes that contribute to future development of the Society.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.15 Recognition of expenditures (Continued)

- (b) Allocation of costs

Where appropriate, expenditures that are specifically identifiable to each cost classification are allocated directly to the type of costs incurred.

4.16 Contingencies

A contingent liability is:

- (a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Society; or
- (b) a present obligation that arises from past events but is not recognised because:
- (i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- (ii) The amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Society.

Contingent liabilities and assets are not recognised on the statement of financial position of the Society, except for contingent liabilities assumed in a business combination that are present obligations and for which the fair values can be reliably determined.

5 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The Society made judgements, estimates and assumptions about the carrying amounts of assets and liabilities that were not readily apparent from other sources in the application of the Society's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors that are considered to be reasonable under the circumstances. Actual results may differ from the estimates.

5.1 Judgements made in applying accounting policies

Management is of the opinion that there are no significant judgements made in applying accounting estimates and policies that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

5.2 Key sources of estimation uncertainty

Government funding receivables

The Society has recognised its receivables from government agencies on the basis that the Society will meet and comply with all the regulatory requirements of the funding agreements and the full amount fund allocated will be received by the Society. The management has relied on past experiences, knowledge and judgement in making these estimates. The carrying amount of the assets arising from the government funding receivables at the end of the reporting period is disclosed in Note 9 to the financial statements.

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6 SIGNIFICANT RELATED PARTY TRANSACTIONS

In addition to the related party information disclosed elsewhere in the financial statements, the following transactions with related parties took place at terms agreed between the parties during the financial year.

(a) Significant related party transactions

	<u>2020</u>	<u>2019</u>
	\$	\$
<i>Members of the Board of Management</i>		
Training and development fees	-	15,360
Other activities operating expenses	-	5,000
International Travel	-	1,967
IT and computer expenses	-	945
General expenses	-	76
	<u>2020</u>	<u>2019</u>
	\$	\$
<i>Related party</i>		
Consultancy fees	35,313	50,598
General consultancy fees	-	6,000
Expenses paid on behalf of the Society	-	2,711
Training and development fees	-	360
IT and computer expenses	-	120

(b) Remuneration of key management personnel

During the financial year ended 31 December 2020, the Society has one key management personnel (2019: one). The key management personnel consists of only the Executive Director who has the responsibility to plan, direct and control the activities of the Society.

	<u>2020</u>	<u>2019</u>
	\$	\$
Salaries and other short-term employee benefits	122,372	118,492
Employer's CPF contributions	12,677	15,315
Annual remuneration	<u>135,049</u>	<u>133,807</u>

(b) Remuneration of key management personnel (Continued)

The total annual remuneration of the Society's three highest paid staff, including the key management personnel, is as follows. They do not serve as Board of Management of the Society.

	<u>2020</u>	<u>2019</u>
	No. of staff	No. of staff
Annual remuneration band		
\$100,000 to \$200,000	<u>3</u>	<u>2</u>

The Board of Management does not receive remuneration from the Society.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

7 DETAILED STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted Funds	Restricted Funds				Total Funds	
	Accumulated Funds \$	Project Funds \$	In memory of Jagraj Verma Fund \$	Sexual Assault Care Centre Fund \$	Support Services (Helpline) Fund \$	Total restricted Funds \$	\$
2020 INCOME							
Income from generating funds							
Voluntary income							
Tax deductible donations	610,118	615,932	-	224,236	209,670	1,049,838	1,659,956
Non-tax deductible donations	121,385	109,598	-	3,951	665	114,214	235,599
Grants							
- Bicentennial Community Fund	400,000	-	-	-	-	-	400,000
- Community Chest	3,000	-	-	-	-	-	3,000
- Tote Board Social Service Fund	-	-	-	99,618	99,619	199,237	199,237
- Other grants	52,495	50,632	-	-	-	50,632	103,127
Membership subscriptions	14,355	-	-	-	-	-	14,355
Sponsorship-in-kind	36,787	-	-	-	-	-	36,787
	<u>1,238,140</u>	<u>776,162</u>	<u>-</u>	<u>327,805</u>	<u>309,954</u>	<u>1,413,921</u>	<u>2,652,061</u>
Activities for generating funds							
Counselling and training contribution	520,894	6,641	-	12,281	61,898	80,820	601,714
Fund raising activities							
- AWARE House Party 2020 event (tax deductible donations)	458,991	-	-	-	-	-	458,991
- AWARE House Party 2020 event (non-tax deductible donations)	37,114	-	-	-	-	-	37,114
- AWARE Festival 2020 (non-tax deductible donations)	21,744	-	-	-	-	-	21,744
AWARE Festival Income	8,955	-	-	-	-	-	8,955
Activities income	116	17,044	-	-	-	17,044	17,160
	<u>1,047,814</u>	<u>23,685</u>	<u>-</u>	<u>12,281</u>	<u>61,898</u>	<u>97,864</u>	<u>1,145,678</u>
Other income							
Interest on fixed deposits	34,927	-	-	-	-	-	34,927
* Other income	250,047	535	-	-	-	535	250,582
	<u>284,974</u>	<u>535</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>535</u>	<u>285,509</u>
TOTAL INCOME	<u>2,570,928</u>	<u>800,382</u>	<u>-</u>	<u>340,086</u>	<u>371,852</u>	<u>1,512,320</u>	<u>4,083,248</u>
EXPENDITURE							
Costs of generating funds							
Costs of generating activities							
AWARE House Party 2020 event expenses	(72,147)	-	-	-	-	-	(72,147)
AWARE Festival 2020 expenses	(12,779)	-	-	-	-	-	(12,779)
Voluntary operating expenses	-	-	-	-	(668)	(668)	(668)
	<u>(84,926)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(668)</u>	<u>(668)</u>	<u>(85,594)</u>
Costs of generating voluntary income							
Costs of sponsorship-in-kind	(36,787)	-	-	-	-	-	(36,787)
	<u>(121,713)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(668)</u>	<u>(668)</u>	<u>(122,381)</u>

* In the current financial year, included in other income are COVID-19 Business Support Measures in the form of Job Support Scheme grant provided by the Singapore Government which amounted to \$219,006.

** In the current financial year, included within rental of premises, equipment and miscellaneous under facilities costs are COVID-19 related rent concessions received from lessor of \$3,428 to which the Society applied the practical expedient as disclosed in Note 4.2 to the financial statements.

ASSOCIATION OF WOMEN FOR ACTION AND RESEARCH

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

7 DETAILED STATEMENT OF FINANCIAL ACTIVITIES (Continued)

	Unrestricted Funds		Restricted Funds				Total Funds
	Accumulated Funds	Project Funds	In memory of Jagraj Verma Fund	Sexual Assault Care Centre Fund	Support Services (Helpline) Fund	Total restricted Funds	
	\$	\$	\$	\$	\$	\$	\$
2020							
EXPENDITURE (Continued)							
Charitable activities expenses							
Staff costs							
Staff salaries, bonus and CPF	(643,864)	(846,411)	-	(287,190)	(339,987)	(1,473,588)	(2,117,452)
Training and development fees	(7,183)	(1,160)	-	-	-	(1,160)	(8,343)
Intern allowance	(17,572)	(20,901)	-	(4,163)	(4,270)	(29,334)	(46,906)
Staff insurance	(3,880)	(548)	-	(3,293)	(3,293)	(7,134)	(11,014)
Staff welfare	(7,063)	(7)	-	(98)	(32)	(137)	(7,200)
Staff training	(4,772)	-	-	-	-	-	(4,772)
Medical fees	(1,262)	(180)	-	(1,082)	(1,082)	(2,344)	(3,606)
	<u>(685,596)</u>	<u>(869,207)</u>	<u>-</u>	<u>(295,826)</u>	<u>(348,664)</u>	<u>(1,513,697)</u>	<u>(2,199,293)</u>
Facilities costs							
Office operating expenses	(7,110)	(2,623)	-	(5,231)	(13,369)	(21,223)	(28,333)
** Rental of premises, equipment and miscellaneous	(8,430)	(2,020)	-	(3,039)	(3,039)	(8,098)	(16,528)
IT and computer expenses	(12,901)	(306)	-	(102)	(7,902)	(8,310)	(21,211)
	<u>(28,441)</u>	<u>(4,949)</u>	<u>-</u>	<u>(8,372)</u>	<u>(24,310)</u>	<u>(37,631)</u>	<u>(66,072)</u>
Programme costs							
Other activities operating expenses	(26,153)	(117,277)	(2,300)	-	-	(119,577)	(145,730)
Counselling	-	-	-	(16,080)	(55,350)	(71,430)	(71,430)
Transportation and travel	(3,807)	(1,544)	-	(833)	(361)	(2,738)	(6,545)
Refreshment	(1,436)	(91)	-	(92)	(1,290)	(1,473)	(2,909)
	<u>(31,396)</u>	<u>(118,912)</u>	<u>(2,300)</u>	<u>(17,005)</u>	<u>(57,001)</u>	<u>(195,218)</u>	<u>(226,614)</u>
Other operating expenses							
Care and share disbursement	-	(28,556)	-	-	-	(28,556)	(28,556)
General consultancy	-	(2,890)	-	-	-	(2,890)	(2,890)
Honorarium	(950)	(6,365)	(420)	-	-	(6,785)	(7,735)
Bank charges	(10,127)	(3,596)	-	(59)	-	(3,655)	(13,782)
Commission expenses	(38,958)	-	-	-	-	-	(38,958)
Insurance	(1,598)	(228)	-	(1,370)	(1,370)	(2,968)	(4,566)
Entertainment	(140)	-	-	-	-	-	(140)
Advertising	(128)	(64)	-	-	-	(64)	(192)
General expenses	(276)	(72)	-	(320)	(52)	(444)	(720)
Membership and subscription	(53)	(8)	-	(45)	(45)	(98)	(151)
Marketing and publicity	(4,379)	(2,779)	-	(1,244)	(989)	(5,012)	(9,391)
	<u>(56,609)</u>	<u>(44,558)</u>	<u>(420)</u>	<u>(3,038)</u>	<u>(2,456)</u>	<u>(50,472)</u>	<u>(107,081)</u>
	<u>(802,042)</u>	<u>(1,037,626)</u>	<u>(2,720)</u>	<u>(324,241)</u>	<u>(432,431)</u>	<u>(1,797,018)</u>	<u>(2,599,060)</u>
Governance costs							
Audit fees	(8,482)	(356)	-	(2,131)	(2,131)	(4,618)	(13,100)
Other expenditure							
Depreciation of plant and equipment	(22,120)	(3,227)	-	(727)	-	(3,954)	(26,074)
TOTAL EXPENDITURE	<u>(954,357)</u>	<u>(1,041,209)</u>	<u>(2,720)</u>	<u>(327,099)</u>	<u>(435,230)</u>	<u>(1,806,258)</u>	<u>(2,760,615)</u>
NET INCOME/(LOSS) FOR THE FINANCIAL YEAR	<u>1,616,571</u>	<u>(240,827)</u>	<u>(2,720)</u>	<u>12,987</u>	<u>(63,378)</u>	<u>(293,938)</u>	<u>1,322,633</u>

ASSOCIATION OF WOMEN FOR ACTION AND RESEARCH

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7 DETAILED STATEMENT OF FINANCIAL ACTIVITIES (Continued)

	Unrestricted Funds		Restricted Funds				Total Funds
	Accumulated Funds	Project Funds	In memory of Jagraj Verma Fund	Sexual Assault Care Centre Fund	Support Services (Helpline) Fund	Total restricted Funds	
	\$	\$	\$	\$	\$	\$	\$
2019							
INCOME							
Income from generating funds							
<u>Voluntary income</u>							
Tax deductible donations	310,823	446,166	-	168,226	147,014	761,406	1,072,229
Non-tax deductible donations	48,504	3,214	-	4,238	305	7,757	56,261
Grants							
- Care and Share	-	705,365	-	-	-	705,365	705,365
- Tote Board Social Service Fund	-	-	-	97,194	97,194	194,388	194,388
- Other grants	58,806	-	-	-	-	-	58,806
Membership subscriptions	14,210	-	-	-	-	-	14,210
Sponsorship-in-kind	98,070	-	-	-	-	-	98,070
	<u>530,413</u>	<u>1,154,745</u>	<u>-</u>	<u>269,658</u>	<u>244,513</u>	<u>1,668,916</u>	<u>2,199,329</u>
<u>Activities for generating funds</u>							
Counselling and training contribution	655,898	12,810	-	10,659	42,304	65,773	721,671
Fund raising activities							
- Time Traveller's Ball 2019 event (tax deductible donations)	481,877	-	-	-	-	-	481,877
- Time Traveller's Ball 2019 event (non-tax deductible donations)	143,164	-	-	-	-	-	143,164
- Revolution Ball 2018 event (non-tax deductible donations)	2,000	-	-	-	-	-	2,000
Activities income	4,497	14,111	-	-	-	14,111	18,608
	<u>1,287,436</u>	<u>26,921</u>	<u>-</u>	<u>10,659</u>	<u>42,304</u>	<u>79,884</u>	<u>1,367,320</u>
Other income							
Interest on fixed deposits	50,640	-	-	-	-	-	50,640
Other income	20,415	705	-	-	-	705	21,120
	<u>71,055</u>	<u>705</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>705</u>	<u>71,760</u>
TOTAL INCOME	<u>1,888,904</u>	<u>1,182,371</u>	<u>-</u>	<u>280,317</u>	<u>286,817</u>	<u>1,749,505</u>	<u>3,638,409</u>
EXPENDITURE							
Costs of generating funds							
<u>Costs of generating activities</u>							
Time Traveller's Ball 2019 event expenses	(142,314)	-	-	-	-	-	(142,314)
Voluntary operating expenses	(5,458)	-	-	(642)	-	(642)	(6,100)
	<u>(147,772)</u>	<u>-</u>	<u>-</u>	<u>(642)</u>	<u>-</u>	<u>(642)</u>	<u>(148,414)</u>
<u>Costs of generating voluntary income</u>							
Costs of sponsorship-in-kind	(98,070)	-	-	-	-	-	(98,070)
	<u>(245,842)</u>	<u>-</u>	<u>-</u>	<u>(642)</u>	<u>-</u>	<u>(642)</u>	<u>(246,484)</u>

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NOTES TO THE FINANCIAL STATEMENTS

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7 DETAILED STATEMENT OF FINANCIAL ACTIVITIES (Continued)

	Unrestricted Funds		Restricted Funds			Total restricted Funds	Total Funds
	Accumulated Funds	Project Funds	In memory of Jagraj Verma Fund	Sexual Assault Care Centre Fund	Support Services (Helpline) Fund		
	\$	\$	\$	\$	\$	\$	\$
2019							
EXPENDITURE (Continued)							
Charitable activities expenses							
Staff costs							
Staff salaries, bonus and CPF	(532,763)	(755,317)	-	(220,571)	(326,161)	(1,302,049)	(1,834,812)
Training and development fees	(18,150)	(2,320)	-	-	-	(2,320)	(20,470)
Intern allowance	(4,783)	(7,987)	-	(1,961)	(1,485)	(11,433)	(16,216)
Staff insurance	(3,017)	(401)	-	(2,403)	(2,403)	(5,207)	(8,224)
Staff welfare	(3,678)	(515)	-	(1,184)	(1,844)	(3,543)	(7,221)
Staff training	(19,991)	-	-	-	-	-	(19,991)
Medical fees	(1,441)	(200)	-	(1,231)	(1,342)	(2,773)	(4,214)
	<u>(583,823)</u>	<u>(766,740)</u>	<u>-</u>	<u>(227,350)</u>	<u>(333,235)</u>	<u>(1,327,325)</u>	<u>(1,911,148)</u>
Facilities costs							
Office operating expenses	(10,490)	(4,849)	-	(9,055)	(10,121)	(24,025)	(34,515)
Rental of premises, equipment and miscellaneous	(17,148)	(2,293)	-	(4,081)	(4,081)	(10,455)	(27,603)
IT and computer expenses	(7,563)	(979)	-	(96)	(2,211)	(3,286)	(10,849)
Library	(88)	(13)	-	(76)	(349)	(438)	(526)
	<u>(35,289)</u>	<u>(8,134)</u>	<u>-</u>	<u>(13,308)</u>	<u>(16,762)</u>	<u>(38,204)</u>	<u>(73,493)</u>
Programme costs							
Other activities operating expenses	(22,366)	(112,709)	-	-	(750)	(113,459)	(135,825)
Counselling	-	-	-	(7,260)	(27,050)	(34,310)	(34,310)
Transportation and travel	(14,850)	(5,628)	-	(2,933)	(1,395)	(9,956)	(24,806)
Refreshment	(1,915)	(6,169)	-	(569)	(521)	(7,259)	(9,174)
	<u>(39,131)</u>	<u>(124,506)</u>	<u>-</u>	<u>(10,762)</u>	<u>(29,716)</u>	<u>(164,984)</u>	<u>(204,115)</u>
Other operating expenses							
Care and share disbursement	-	(58,407)	-	-	-	(58,407)	(58,407)
General consultancy	(37,293)	(4,520)	-	(1,800)	(1,800)	(8,120)	(45,413)
Honorarium	(2,550)	(1,690)	-	-	-	(1,690)	(4,240)
Bank charges	(10,520)	(1,566)	-	(715)	(541)	(2,822)	(13,342)
Commission expenses	(78,814)	-	-	-	-	-	(78,814)
Insurance	(1,238)	(177)	-	(1,061)	(1,061)	(2,299)	(3,537)
General meeting	(315)	(45)	-	(270)	(270)	(585)	(900)
Entertainment	(1,049)	(38)	-	-	-	(38)	(1,087)
Advertising	(225)	-	-	-	-	-	(225)
Merchandise	(2,377)	-	-	-	-	-	(2,377)
General expenses	(719)	(68)	-	(212)	(138)	(418)	(1,137)
Membership and subscription	(184)	(26)	-	(158)	(158)	(342)	(526)
Marketing and publicity	(959)	(1,925)	-	(827)	(813)	(3,565)	(4,524)
	<u>(136,243)</u>	<u>(68,462)</u>	<u>-</u>	<u>(5,043)</u>	<u>(4,781)</u>	<u>(78,286)</u>	<u>(214,529)</u>
	<u>(794,486)</u>	<u>(967,842)</u>	<u>-</u>	<u>(256,463)</u>	<u>(384,494)</u>	<u>(1,608,799)</u>	<u>(2,403,285)</u>
Governance costs							
Audit fees	(2,100)	(300)	-	(1,800)	(1,800)	(3,900)	(6,000)
Other expenditure							
Depreciation of plant and equipment	-	(47,657)	-	-	-	(47,657)	(47,657)
TOTAL EXPENDITURE	<u>(1,042,428)</u>	<u>(1,015,799)</u>	<u>-</u>	<u>(258,905)</u>	<u>(386,294)</u>	<u>(1,660,998)</u>	<u>(2,703,426)</u>
NET INCOME/(LOSS) FOR THE FINANCIAL YEAR	<u>846,476</u>	<u>166,572</u>	<u>-</u>	<u>21,412</u>	<u>(99,477)</u>	<u>88,507</u>	<u>934,983</u>

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8 CASH AND CASH EQUIVALENTS

	<u>2020</u>	<u>2019</u>
	\$	\$
Fixed deposits	2,823,746	2,773,552
Cash at banks	2,928,695	1,906,079
Short-term deposits	613,698	611,775
Cash on hand	-	1,000
	<u>6,366,139</u>	<u>5,292,406</u>

Cash at banks are held in interest bearing accounts and earn interest at a rate of 0.005% (2019: 0.01%) per annum.

Short-term deposits have a maturity of 1 month (2019: 1 month) and earn interest at a rate of 0.03% (2019: 0.05%) per annum.

The Society's unused funds are placed in Singapore Dollar-denominated fixed deposits with a local financial institution. Fixed deposits earn interest at rates ranging from 0.25% to 0.85% (2019: 1.10% to 2.00%) per annum and mature between March 2021 to November 2021 (2019: March 2020 to November 2020).

For the purpose of the statement of cash flows, cash and cash equivalents are comprised of the balances as shown above.

Cash and cash equivalents are denominated in Singapore Dollar.

9 RECEIVABLES

	<u>2020</u>	<u>2019</u>
	\$	\$
Third parties	268,400	91,567
Government funding receivables	23,506	102,370
Prepayments	10,695	7,387
Interest receivables – fixed deposits	3,674	25,949
Deposits	1,631	6,251
	<u>307,906</u>	<u>233,524</u>
Total receivables (excluding prepayments)	297,211	226,137
Add: Cash and cash equivalents (Note 8)	6,366,139	5,292,406
Total financial assets carried at amortised cost	<u>6,663,350</u>	<u>5,518,543</u>

Receivables are denominated in Singapore Dollar.

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10 PLANT AND EQUIPMENT

	Office equipment and furniture \$	Computers \$	Air conditioners \$	Renovation \$	Total \$
Cost					
At 1 January 2019	3,638	3,691	1,862	282,711	291,902
Addition	-	-	-	110,600	110,600
At 31 December 2019 and 1 January 2020	3,638	3,691	1,862	393,311	402,502
Additions	-	-	2,181	-	2,181
At 31 December 2020	3,638	3,691	4,043	393,311	404,683
Accumulated depreciation					
At 1 January 2019	3,638	3,691	1,862	230,863	240,054
Charge for the financial year	-	-	-	47,657	47,657
At 31 December 2019 and 1 January 2020	3,638	3,691	1,862	278,520	287,711
Charge for the financial year	-	-	727	25,347	26,074
At 31 December 2020	3,638	3,691	2,589	303,867	313,785
Net carrying amount					
At 31 December 2020	-	-	1,454	89,444	90,898
At 31 December 2019	-	-	-	114,791	114,791

The addition in prior financial year amounting to \$110,600, a non-cash item, relates to reinstatement provision required under the Society's operating lease of its office premises. A corresponding credit was recorded as a provision for reinstatement cost in Note 11 to the financial statements.

11 PAYABLES

	<u>2020</u> \$	<u>2019</u> \$
Contract liabilities	223,189	462,969
Accruals	183,132	141,763
Provision for reinstatement cost (Note 10)	110,600	110,600
	<u>516,921</u>	<u>715,332</u>
Total payables	516,921	715,332
Less: Provision for reinstatement cost	(110,600)	(110,600)
Total financial liabilities carried at amortised cost	<u>406,321</u>	<u>604,732</u>

Contract liabilities relate to grant or donations received in advance for future accounting periods or the donor has imposed conditions which must be met before the Society has unconditional entitlement.

Payables are denominated in Singapore Dollar.

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NOTES TO THE FINANCIAL STATEMENTS

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12 FUNDS**Unrestricted funds – Accumulated funds**

Accumulated funds are expendable at the discretion of the Board in furtherance of the Society's objectives and purposes.

	At the beginning of financial year \$	Income \$	Expenditure \$	Transfers from/(to) \$	At the end of financial year \$
2020					
Main Fund	2,587,330	1,353,010	(368,829)	325,401	3,896,912
Catalyse Consulting	337,046	521,635	(449,656)	-	409,025
International Women's Day	-	-	(2,329)	2,329	-
AWARE SAGA	19,738	-	(26,170)	6,432	-
Next Gen	-	169,479	-	-	169,479
AWARE Fest 2020	-	30,699	(34,476)	3,777	-
AWARE House Party 2020	-	496,105	(72,897)	-	423,208
Time Traveller's Ball 2019	291,010	-	-	(291,010)	-
Total funds	3,235,124	2,570,928	(954,357)	46,929	4,898,624

2019

Main Fund	2,010,828	493,069	(332,467)	415,900	2,587,330
Catalyse Consulting	194,076	662,685	(525,565)	5,850	337,046
International Women's Day	(2,370)	-	-	2,370	-
AWARE SAGA	-	56,110	(36,372)	-	19,738
Time Traveller's Ball 2019	-	675,040	(148,024)	(236,006)	291,010
Revolution Ball 2018	443,787	2,000	-	(445,787)	-
Total funds	2,646,321	1,888,904	(1,042,428)	(257,673)	3,235,124

Restricted funds – Project funds

	At the beginning of financial year \$	Income \$	Expenditure \$	Transfers from/(to) \$	At the end of financial year \$
2020					
Aim for Zero	99,184	31,707	(99,295)	-	31,596
Building Dreams Project	69,525	1,410	(52,268)	-	18,667
Care and Share	349,083	-	(113,969)	(235,114)	-
Domestic Violence Fund	-	41,270	(70,815)	-	(29,545)
Health Promotion Board	-	-	(15,913)	-	(15,913)
Power Fund	-	-	(1,119)	1,119	-
MIS Research	131,068	5,000	(121,367)	-	14,701
Superwomen in Concert	18,253	37,088	(11,104)	-	44,237
Research & Advocacy	180,102	55,366	(400,930)	162,066	(3,396)
SELF	15,000	-	-	-	15,000
S.H.E. Project	73,700	77,792	(83,709)	-	67,783
Support Group	9,695	18,300	(21,419)	-	6,576
Vulnerable Women Fund	-	531,432	(1,549)	-	529,883
We Can	59,465	1,016	(47,751)	-	12,730
Total funds	1,005,075	800,381	(1,041,208)	(71,929)	692,319

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12 FUNDS (Continued)**Restricted funds – Project funds (Continued)**

2019	At the beginning of financial year \$	Income \$	Expenditure \$	Transfers from/(to) \$	At the end of financial year \$
Aim for Zero	161,034	16,891	(78,741)	-	99,184
Building Dreams Project	24,852	80,650	(35,977)	-	69,525
Care and Share	142,918	705,365	(499,200)	-	349,083
Power Fund	-	7,500	(29,579)	22,079	-
Civil Society Capacity Fund	-	3,021	(8,459)	5,438	-
MIS Research	-	204,100	(73,032)	-	131,068
Superwomen in Concert	-	13,419	(5,166)	10,000	18,253
Research & Advocacy	3,225	110,165	(140,444)	207,156	180,102
SELF	15,000	-	-	-	15,000
S.H.E. Project	165,929	23,880	(118,609)	2,500	73,700
Support Group	19,304	16,925	(26,534)	-	9,695
We Can	59,068	455	(58)	-	59,465
Total funds	591,330	1,182,371	(1,015,799)	247,173	1,005,075

Restricted funds – fund descriptions

Restricted funds comprise of the following:

(a) Project Fund: Aim for Zero

Aim for Zero is used to fund the Society's initiative to promote zero tolerance to sexual assault and harassment through research, advocacy, education and community engagement.

(b) Project Fund: Building Dreams Project

In collaboration with Daughters of Tomorrow ("DOT"), the Building Dreams Project aims to support and empower lower income women by providing them with back to work support, skills development, employment-bridging and emotional support. This project also includes research and advocacy to campaign for more support for this group.

(c) Project Fund: Catalyse Consulting

Catalyse Consulting, formerly known as AWARE Training Institute Fund, is used to provide training and consultancy to organisations, to further the Society's objectives, and to generate revenue for the Society. This fund is one of the Society's streams of revenue and has no restrictions on the allocation and utilisation of the funds received.

(d) Project Fund: Care and Share

The Care and Share fund is a dollar for dollar matching grant provided by the Government. It is restricted and should be use for infrastructural capability and capacity building and new programme development of the social service sector.

During the year, the management transferred to the Main Fund an amount which MSF had approved for care and share funds to be used for expenditures relating staff and operations incurred in prior years.

90% of the care and share grant had been disbursed to the Society. The last 10% will be disbursed upon successful completion of all the projects.

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12 FUNDS (Continued)**Restricted funds – fund descriptions (Continued)**

Restricted funds comprise of the following: (Continued)

(e) Project Fund: Domestic Violence Fund

This fund is used to support the Society's work in providing services to women affected by domestic violence.

(f) Project Fund: Health Promotion Board

This Project Fund relates to the project sponsored by the Health Promotion Board to create and run workshops to educate and empower parents to communicate with their teens about sex, consent and relationships.

(g) Project Fund: Civil Society Capacity Fund

The Civil Society Capacity Fund is used to organise a forum called "Apa Itu Activist? 2019". This Forum is co-organised by AWARE, Community for Advocacy & Political Education and several civil society members. It was held in November 2019 and aimed to take stock of civil society in Singapore and develop practices to facilitate meaningful change in the nation's political climate. It also served as an avenue for activists from a variety of causes to start important conversations and facilitate meaningful change together.

(h) Project Fund: MIS Research

The MIS Research provides funding for a research study in establishing the minimum amounts of money that different types of household need to live in Singapore for purposes of studying financial adequacy and vulnerability, including the gender dimensions of this issue.

(i) Project Fund: Power Fund

The Power Fund provides financial and capacity-building support to emerging organisations, and new initiatives of established organisations that work with marginalised women and girls.

(j) Project Fund: Superwomen in Concert

Superwomen in Concert is part of AWARE's 35th anniversary celebration in this year, where Singapore's biggest female entertainer will come together in one fund-raising concert. Proceeds will benefit AWARE's Women's Helpline and Sexual Assault Care Centre services - integral parts of the NGO's wide-reaching work towards gender equality.

Superwomen in Concert had been originally scheduled to take place at the Esplanade Concert Hall in March 2020. When the COVID-19 pandemic erupted, the Concert was postponed to April 2021. However, with the ongoing Pandemic and safe management measures restricting audience size, AWARE decided to cancel the Concert. Donors and ticket holders were offered refunds or could elect to donate the money to AWARE.

Customers who have purchased public tickets from Ticketmaster (formerly known as APACTix) will automatically receive a full refund from them. The refund will be automatically credited to the same credit card used for the transaction. Patrons who purchased via cash or NETS have been contacted by Ticketmaster for refund arrangement.

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12 FUNDS (Continued)

Restricted funds – fund descriptions (Continued)

Restricted funds comprise of the following: (Continued)

(j) Project Fund: Superwomen in Concert (Continued)

The deadline for charity package buyers to request refunds from AWARE was 28 January 2021. Buyers and donors were informed that if the Society did not receive their request for a refund, the Society would treat their charity ticket donations for the Women's Helpline, Sexual Assault Care Centre services and other AWARE work.

(k) Project Fund: Research & Advocacy

Research and Advocacy fund is used to fund the Society's research, advocacy and communications work in furtherance of its objectives.

(l) Project Fund: SELF

SELF fund constitutes monies awarded by the National Council of Social Services to the Society to develop a phone app, "SELF", designated to protect against verbal abuse.

(m) Project Fund: S.H.E. Project

S.H.E. Project is used to fund the Society's S.H.E. programme to provide support, housing and empowerment for lower income mothers and their families.

(n) Project Fund: Support Group

The Support Group funds various support groups for women, including women contemplating or undergoing divorce and victims of sexual assault.

(o) Project Fund: Vulnerable Women Fund (VWF)

VWF is used to fund the running of the Women's Helpline, Sexual Assault Care Centre, the S.H.E. Project Shelter, and the Research and Advocacy work, especially during the period of pandemic.

(p) Project Fund: We Can

We Can fund is used to carry out the We Can! End All Violence against Women campaign that is aimed at educating and mobilising individuals to commit and take steps to end violence against women.

(q) In Memory of Jagraj Verma Fund

This is a restricted fund donated by the friends and family members of the late Jagraj Verma. The fund is to be used in programmes to educate, empower and support women.

(r) Sexual Assault Care Centre Fund

Sexual Assault Care Centre Fund, formerly known as Sexual Assault Befriender Service, is used to fund the Society's Sexual Assault Care Centre. This care centre provides comprehensive services, including drop-in centre, helpline, counselling, case management, legal advice and befriender services to victims of sexual assault and harassment.

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12 FUNDS (Continued)**Restricted funds – fund descriptions (Continued)**

Restricted funds comprise of the following: (Continued)

(s) Support Services (Helpline) Fund

Support Services (Helpline) Fund is used to provide an array of services that support women through crisis, including a crisis helpline, legal advice and counselling.

13 INCOME TAX

The Society is registered as a charity organisation under the Charities Act, Chapter 37. As an approved charity, it is exempted from income tax under Section 13(1) of the Income Tax Act, Chapter 134.

14 TAX DEDUCTIBLE RECEIPTS

The Society enjoys a concessionary tax treatment whereby qualifying donors are granted enhanced tax deduction for the donations made to the Society. The tax deduction is 2.5 times effective 1 January 2016 until 31 December 2018. This has been extended for another three (3) years until 31 December 2021.

During the financial year ended 31 December 2020, the Society issued tax deductible receipts for donations received amounting to \$2,118,947 (2019: \$1,554,106).

15 LEASES

As a lessee, the Society has lease contracts for its office premises with lease term of 12 months or less and a lease on a photocopier machine with low value. The Society applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

(a) Amounts recognised in statement of financial activities

	<u>2020</u>	<u>2019</u>
	\$	\$
Lease expense not capitalised		
- expense related to short-term lease	10,914	10,285
- expense related to low value lease	3,274	3,317
Total amounts recognised in the statement of financial activities	<u>14,188</u>	<u>13,602</u>

In the current financial year, included within expense related to short-term lease are COVID-19 related rent concessions received from lessor of \$3,428 to which the Society applied the practical expedient as disclosed in Note 4.2 to the financial statements.

(b) Total cash outflows

The Society had total cash outflows for leases of \$14,188 in 2020 (2019: \$13,602).

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16 BASIS OF ALLOCATION OF EXPENDITURE

During the financial year, unless otherwise determined by the Board of Management, the overheads of the Society (excluding staff salaries and benefits) that are not related to Society's office at 5 Dover Crescent are allocated between the following funds, as follows:

	<u>2020</u>	<u>2019</u>
	<u>% of allocation</u>	
Main Fund	30	30
Sexual Assault Care Centre Fund	30	30
Support Services (Helpline) Fund	30	30
Catalyse Consulting	5	5
Research and Advocacy	5	5
	<u>100</u>	<u>100</u>

16 BASIS OF ALLOCATION OF EXPENDITURE (Continued)

Overheads or common expenditure that are not related to Society's office at 5 Dover Crescent include the following expenditure:

- (i) Audit fees
- (ii) Board meeting refreshment
- (iii) Membership
- (iv) Newspaper and magazines
- (v) Pantry supplies
- (vi) Photocopying usage
- (vii) Postage, printing and stationery
- (viii) Repair and maintenance
- (ix) Insurance public/fire
- (x) Staff Insurance
- (xi) Dental and medical expenses
- (xii) Rental of equipment

During the financial year, unless otherwise determined by the Board of Management, the overheads of the Society (excluding staff salaries and benefits) that are related to the Society's office at 5 Dover Crescent are allocated between the following funds, as follows:

	<u>2020</u>	<u>2019</u>
	<u>% of allocation</u>	
Main Fund	30	30
Sexual Assault Care Centre Fund	30	30
Support Services (Helpline) Fund	30	30
Research and Advocacy	10	10
	<u>100</u>	<u>100</u>

Overheads or common expenditure include the following expenditure:

- (i) Rental of premises and facilities
- (ii) Telecommunication expenses
- (iii) Utilities
- (iv) Conservancy charges

Staff salaries and benefits are allocated based on the estimated time spent on the programmes, projects or departments.

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17 FINANCIAL RISK MANAGEMENT

The Society's activities expose it to a variety of financial risks from its operations and the use of financial instruments. The key financial risks include credit risk and liquidity risk. The Society has no interest rate risk, foreign currency risk and market price risk.

There has been no change to the Society's exposures to these financial risks or the manner in which it manages and measures the risks.

The policies for managing these risks are summarised below:

Credit risk

Credit risk refer to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Society. The Society's exposure to credit risk arises primarily from receivables. For other financial assets that is cash and cash equivalents, the Society minimises credit risk by dealing exclusively with reputable financial institutions with high credit ratings.

The Society considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The Society has determined the default event on a financial asset to be when the counterparty fails to make contractual payments, within 90 days when they fall due, which are derived based on the Society's historical information.

To minimise credit risk, the Society has developed and maintained the Society's credit risk gradings to categorise exposures according to their degree of risk of default. The credit rating information is supplied by publicly available financial information and the Society's own trading records to rate its major customers and other debtors. The Society considers available reasonable and supportive forwarding-looking information which includes the following indicators:

- Internal credit rating;
- External credit rating;
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations;
- Actual or expected significant changes in the operating results of the debtor;
- Significant increases in credit risk on other financial instruments of the same debtor; or
- Significant changes in the expected performance and behavior of the debtor, including changes in the payment status of debtors in the group and changes in the operating results of the debtor.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making contractual payment.

The Society determined that its financial assets are credit-impaired when:

- There is significant difficulty of the debtor;
- A breach of contract, such as a default or past due event; or
- It is becoming probable that the debtor will enter bankruptcy or other financial reorganisation.

The Society categorises receivable for potential write-off when a debtor fails to make contractual payments more than 120 days past due. Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Society. Where loans and receivables have been written off, the Society continues to engage enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

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17 FINANCIAL RISK MANAGEMENT (Continued)**Credit risk** (Continued)

The following are credit risk management practices and quantitative and qualitative information about amounts arising from expected credit losses for receivables.

Receivables

The Society's other receivables comprise mainly of government funding receivables and receivables from third parties. These receivables are considered to be low credit risk as these have low risk of default and the counterparties have a strong capacity to meet its contractual cash flow obligation if demanded in the near term. Accordingly, the Society measured the impairment loss allowance using 12-month ECL and determined that the ECLs is insignificant.

Liquidity risk

Liquidity risk is the risk that the Society will be unable to meet its short-term obligations and this arises due to shortage of funds.

Liquidity risk for the Society is minimal as management monitors and ensures that the Society maintains a level of cash and cash equivalents deemed adequate to finance the Society's operations.

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Society's financial assets and liabilities at the reporting date based on contractual undiscounted repayment obligations.

	<u>Carrying amount</u>	<u>2020</u> Contractual cash flows	One year or less
	\$	\$	\$
<u>Financial assets</u>			
Cash and cash equivalents	6,366,139	6,366,139	6,366,139
Receivables (excluding prepayments)	297,211	297,211	297,211
Total undiscounted financial assets	6,663,350	6,663,350	6,663,350
<u>Financial liabilities</u>			
Payables (excluding provision for reinstatement cost)	406,321	406,321	406,321
Total undiscounted financial liabilities	406,321	406,321	406,321
Total net undiscounted financial assets	6,257,029	6,257,029	6,257,029

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ASSOCIATION OF WOMEN FOR ACTION AND RESEARCH

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For the financial year ended 31 December 2019

17 FINANCIAL RISK MANAGEMENT (Continued)**Liquidity risk (Continued)**Analysis of financial instruments by remaining contractual maturities (Continued)

	<u>Carrying amount</u>	<u>2019 Contractual cash flows</u>	<u>One year or less</u>
	\$	\$	\$
<u>Financial assets</u>			
Cash and cash equivalents	5,292,406	5,292,406	5,292,406
Receivables (excluding prepayments)	226,137	226,137	226,137
Total undiscounted financial assets	<u>5,518,543</u>	<u>5,518,543</u>	<u>5,518,543</u>
<u>Financial liabilities</u>			
Payables (excluding provision for reinstatement cost)	604,732	604,732	604,732
Total undiscounted financial liabilities	<u>604,732</u>	<u>604,732</u>	<u>604,732</u>
Total net undiscounted financial assets	<u>4,913,811</u>	<u>4,913,811</u>	<u>4,913,811</u>

18 FAIR VALUE OF ASSETS AND LIABILITIES

The fair value of a financial instrument is the amount at which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction.

(a) Fair value hierarchy

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

Level 1 – Quoted prices (unadjusted) in active market for identical assets or liabilities that the Society can access at the measurement date,

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and

Level 3 – Unobservable inputs for the asset or liability.

Fair value measurements that are inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

(b) Assets and liabilities not measured at fair value

The following methods and assumptions are used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value.

Cash and cash equivalents, receivables and payables

The carrying amounts of these balances approximate their fair values due to the short-term nature of these balances.

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18 FAIR VALUE OF ASSETS AND LIABILITIES (Continued)

(b) Assets and liabilities not measured at fair value (Continued)

Cash and cash equivalents, receivables and payables (Continued)

There have been no transfers between Level 1 and 2 during the financial years ended 31 December 2020 and 2019.

The Society has no fair value measurement recognised in the statement of financial position as at 31 December 2020 and 2019.

19 FINANCIAL INSTRUMENTS BY CATEGORY

At the reporting date, the aggregate carrying amounts of financial assets and financial liabilities carried at amortised cost were disclosed in Notes 9 and 11 to the financial statements.

20 FUND RAISING EXPENSES

	<u>2020</u>	<u>2019</u>
	\$	\$
Total donations from fund raising activities	2,413,842	1,755,532
Sponsorship-in-kind from fund raising activities	36,787	98,070
Direct costs of fund raising expenses	84,926	142,314
Percentage of direct fund raising expenses and sponsorships in kind over total donations and sponsorships from fund raising activities	5%	13%
Percentage of direct fund raising expenses over total donations from fund raising activities	4%	8%

21 MANAGEMENT OF CONFLICT OF INTEREST POLICY

During the current and previous financial year, no board members has received any remuneration from the Society for their board services.

The Board of Management is required to disclose any interest that they may have, whether directly or indirectly, that the Society may enter into or in any organisations that the Society has dealings with or is considering dealing with; and any personal interest accruing to him as one of the Society's supplier, user of services or beneficiary. Should there be any potential conflict of interest, the affected members may not vote on the issue that was the subject matter of the disclosure. Detailed minutes will be taken on disclosure as well as the basis for arriving at the final decision in relation to the issue at stake.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

22 RESERVES POSITION AND POLICYReserves position

The Society's reserves position as at the financial years ended are as follow:

			Increase/(decrease)		Percentage of increase/(decrease)	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
	\$	\$	\$	\$	%	%
Unrestricted fund	4,898,624	3,235,124	1,663,500	588,803	51.42	22.25
Restricted funds	1,349,398	1,690,265	(340,867)	346,180	(20.17)	25.76
Total funds	<u>6,248,022</u>	<u>4,925,389</u>	<u>1,322,633</u>	<u>934,983</u>	26.85	23.43
Total annual operating expenditure	<u>2,760,615</u>	<u>2,703,426</u>	<u>57,189</u>	<u>490,380</u>	2.12	22.16
Ratio of total funds to annual operating expenditure	<u>2.26</u>	<u>1.82</u>				

Reserves policy

The Society's reserves policy is as follows:

To maintain its reserves at a level which is at least equivalent to 12 months' worth of annual operating expenditure in view of the 12-month lead time for grants to be approved and disbursed.

The reserves will be used in the following manner:

- (a) The Reserves will be held either in cash in current or fixed deposit accounts in accordance with risk guidelines focused on minimising risk and maintaining liquidity. These operational guidelines have been established and approved by the Board of Management.
- (b) The Board of Management regularly (half year) reviews the amount of reserves that are required to ensure that they are adequate.
- (c) If the Reserves fall below threshold of 12 months operating expenses, approval from the Board of Management will be required to utilise the remaining Reserves. Management will inform the Treasurer/Assistant Treasurer, at least 3 months before the cashflow is expected to breach the threshold.