SINGAPORE ACTUARIAL SOCIETY
(UEN No.: S76SS0051K)
(Registered under the Registry of Societies)

FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

SINGAPORE ACTUARIAL SOCIETY
(Registered under the Registry of Societies)

FINANCIAL STATEMENTS

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SINGAPORE ACTUARIAL SOCIETY
(Registered under the Registry of Societies)

GENERAL INFORMATION

COUNCIL

Weber Frederic Patrick Christophe - President
Francis Robert Devlin - Vice President
Anuj Behl - Honorary Secretary
Li Xue - Honorary Treasurer
Boulliung Frederic, Norbert - Council Member
Chua See Ju - Council Member
Danny Louis Quant - Council Member
Esther Huang Chu Xin - Council Member
Harry Lee Chun Foong - Council Member
Hitesh Motichand Shah - Council Member
Jill Kimberly Hoffman - Council Member
Zhou Erjie - Council Member
Zhou Yi - Council Member
Matthew John Maguire - Ex-officio

REGISTERED OFFICE

163 Tras Street
#07-04 Lian Huat Building
Singapore 079024

PRINCIPAL PLACE OF BUSINESS

163 Tras Street
#07-04 Lian Huat Building
Singapore 079024

AUDITORS

A Garanzia LLP

BANKER

DBS Bank Limited

SINGAPORE ACTUARIAL SOCIETY
(Registered under the Registry of Societies)

STATEMENT BY EXECUTIVE COUNCIL

We, Weber Frederic Patrick Christophe and Li Xue, on behalf of the Executive Council of the Singapore Actuarial Society (the "Organisation"), do hereby state that in our opinion, the accompanying statement of profit or loss and other comprehensive income, statement of financial position, statement of changes in accumulated fund and statement of cash flows together with the notes thereto, are drawn up so as to give a true and fair view of the financial position of the Organisation as at 31 December 2019 and the financial performance of the Organisation, changes in accumulated fund and cash flows of the Organisation for the financial year ended on that date.

At the date of this statement, there are reasonable grounds to believe that the Organisation will be able to pay its debts as and when they incur and the accounting and other records required by the Act to be kept have been properly kept in accordance with the provisions of the Act.

On behalf of the Executive Council of the Singapore Actuarial Society

Weber Frederic Patrick Christophe
President

Li Xue
Honorary Treasurer

Singapore, 12 MAR 2020

A Garanzia LLP
Reg. No: T11LL0769A
50 MacPherson Road #07-01 Amazana Building Singapore 348471 Tel: 67412919 Fax: 67414130

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF THE SINGAPORE ACTUARIAL SOCIETY
(Registered under the Registry of Societies)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Singapore Actuarial Society (the "Organisation"), which comprise the statement of financial position as at 31 December 2019, the statement of profit or loss and other comprehensive income, statement of changes in accumulated fund 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 Singapore Societies Act (the "Act") and Financial Reporting Standards in Singapore (FRSs) so as to give a true and fair view of the financial position of the Organisation as at 31 December 2019 and the financial performance, changes in equity and cash flows of the Organisation 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 Organisation 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 detailed in the Statement by Executive Council.

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 material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF THE SINGAPORE ACTUARIAL SOCIETY
(Registered under the Registry of Societies)
(CONT'D)

Responsibilities of Management and Council members for the Financial Statements

Management and council members is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, 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 and council members is responsible for assessing the Organisation'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 and council members either intends to liquidate the Organisation or to cease operations, or has no realistic alternative but to do so.

The management and council members responsibilities include overseeing the Organisation's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organisation's internal control.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF THE SINGAPORE ACTUARIAL SOCIETY
(Registered under the Registry of Societies)
(CONT'D)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organisation'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 Organisation 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 Act to be kept by the Organisation have been properly kept in accordance with the provisions of the Act.

A Garanzia LLP

A Garanzia LLP
Public Accountants and
Chartered Accountants
Singapore

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SINGAPORE ACTUARIAL SOCIETY
(Registered under the Registry of Societies)

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

	Note	2019 S$	2018 S$
INCOME			
Members' annual and admission fees	(3)	144,500	144,557
Conference and events	(4)	308,404	62,573
Other income	(5)	16,517	142,525
		469,421	349,655
Less: **EXPENDITURE**			
Audit fee		5,252	4,148
Bank charges		578	57
Council and committees' refreshments		19,658	10,996
Depreciation of plant and equipment	(9)	7,109	7,143
Depreciation of right-of-use assets	(10)	37,768	-
IAA membership fees		9,188	7,870
Insurance		13,841	9,641
Interest expense on lease liabilities	(10)	2,108	-
Office rent	(7)	-	39,290
Office maintenance		2,092	1,440
Penalty		-	(8,151)
Postage, printing and stationery		1,737	1,655
Professional fee		-	43
Staff costs	(6)	243,038	166,301
Stamp duty		302	-
Sponsorship		5,000	5,000
Tax fee		1,225	7,517
Training		759	-
Travel		13,036	4,268
Transport		124	215
Utilities / telephone and internet		4,538	4,288
Website maintenance		64,253	15,168
Withholding tax		3,771	(138)
		435,377	276,751
Surplus before tax from operating activities	(7)	34,044	72,904
Income tax (paid) / refunded	(8)	(1,087)	2,899
Surplus for the financial year, representing the total comprehensive income for the financial year		32,957	75,803

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

SINGAPORE ACTUARIAL SOCIETY
(Registered under the Registry of Societies)

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019

	Note	2019 S$	2018 S$
Represented by:			
ACCUMULATED FUND		591,354	559,135
NON-CURRENT ASSETS			
Plant and equipment	(9)	4,221	8,771
Right-of-use assets	(10)	57,473	-
		61,694	8,771
CURRENT ASSETS			
Other receivable	(11)	91,821	11,084
Other current assets	(12)	20,917	19,314
Fixed deposit (unsecured)	(13)	43,911	261,417
Cash and cash equivalents	(14)	494,081	378,162
		650,730	669,977
LESS: CURRENT LIABILITIES			
Other payables	(15)	42,016	15,581
Deferred income	(16)	19,748	104,032
Lease liabilities	(10)	38,302	-
Provision for income tax		1,087	-
		101,153	119,613
NET CURRENT ASSETS		549,577	550,364
NON-CURRENT LIABILITY			
Lease liability	(10)	(19,917)	-
		591,354	559,135

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

SINGAPORE ACTUARIAL SOCIETY
(Registered under the Registry of Societies)

STATEMENT OF CHANGES IN ACCUMULATED FUND
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

	Note	Accumulated fund S$
Balance at 1 January 2018		483,332
Total comprehensive income for the financial year		75,803
Balance at 31 December 2018		559,135
At 1 January 2019		559,135
Effect of adopting FRS 116 lease	(2(b))	(738)
At 1 January 2019 (restated)		558,397
Total comprehensive income for the financial year		32,957
Balance at 31 December 2019		591,354

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

SINGAPORE ACTUARIAL SOCIETY
(Registered under the Registry of Societies)

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

	2019 S$	2018 S$
Cash flows from operating activities		
Surplus before income tax from operating activities	34,044	72,904
Adjustments for:		
Depreciation of plant and equipment	7,109	7,143
Depreciation of right-of-use assets	37,768	-
Interest expense on lease liabilities	2,108	-
Interest income	(2,854)	(518)
Operating surplus before working capital changes	78,175	79,529
Increase in other receivable	(80,737)	(8,140)
Increase in other current asset	(1,603)	(2,381)
Increase / (decrease) increase in other payables	26,435	(61,364)
(Decrease) / increase in deferred income	(84,284)	24,301
Cash (used in) / generated from operations	(62,014)	31,945
Income tax paid	-	-
Net cash (used in) / from operating activities	(62,014)	31,945
Cash flows from investing activities		
Purchase of plant and equipment	(2,559)	(2,746)
Decrease / (increase) in fixed deposit	217,506	(518)
Interest received	2,854	518
Cash from / (used in) investing activities	217,801	(2,746)
Cash flows from financing activity		
Payment of principal and interest portion of lease liabilities	(39,868)	-
Net cash used in financing activity	(39,868)	-
Net increase in cash and cash equivalents	115,919	29,199
Cash and cash equivalents at beginning of the financial year	378,162	348,963
Cash and cash equivalents at end of the financial year (Note 14)	494,081	378,162

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

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

1. GENERAL INFORMATION AND ACTIVITIES

The Organisation is registered in the Republic of Singapore under the Singapore Societies Act and domiciled in Singapore.

The objectives of the Organisation are:
- ❖ to uphold the highest professional standards among members;
- ❖ to serve the public's interest in matters we are uniquely qualified to respond on;
- ❖ to promote the study, discussion, publication and research into the application of economic, financial and statistical principles to practical problems, the actuarial, economic and allied aspects of life assurance, non-life insurance, employee retirement benefits, finance and investment, risk management and other fields where such principles can be applied with particular reference to Singapore and the ASEAN region;
- ❖ to assist students in the course of their actuarial studies;
- ❖ to further the professional development of actuaries; and
- ❖ to foster and encourage social relationship among the members.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements have been prepared in accordance with Singapore Societies Act and Singapore Financial Reporting Standards (FRS).

The financial statements, which are presented in Singapore Dollar (S$), have been prepared on historical cost basis except as disclosed in the accounting policies below.

The accounting policies have been consistently applied by the Organisation and are consistent with those used in the previous financial year.

The preparation of financial statements in conformity with FRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of profit or loss during the financial year. Although these estimates are based on the Organisation's best knowledge of current events and actions and historical experiences and various other factors that are believed to be reasonable under the circumstances, actual results may ultimately differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in the accounting policies below.

In the current financial year, the Organisation has adopted all the new and revised FRS and Interpretations of FRS (INT FRS) that are relevant to its operations and effective for the current financial year.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(a) Basis of preparation (cont'd)

The Organisation has not applied the following new / revised FRS or interpretations that have been issued as of the reporting date but are not yet effective:

Descriptions	Effective for annual periods beginning on or after
Amendments to Reference to the Conceptual Framework in FRS Standards	1 January 2020
FRS103: Amendments to FRS 103: Definition of a Business	1 January 2020
FRS 1 and FRS 8: Amendments to FRS 1 and FRS 8: Definition of Material	1 January 2020
FRS 109, FRS 107 and FRS 39: Amendments to FRS 109, FRS 39 and FRS 107: Interest Rate Benchmark Reform	1 January 2020
FRS 117: Insurance Contracts	1 January 2021
FRS 110 and FRS 28: Amendments to FRS 110 and FRS 28: Sale or Contribution of Assets between an Investor and Its Associate or Joint Venture	Date to be determined

(b) 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 Organisation has adopted all the new and amended standards which are relevant to the Organisation and are effective for annual financial periods beginning on or after 1 January 2019. Except for the adoption of FRS 116 lease described below, the adoption of these standards did not have any material effect on the financial performance or position of the Organisation.

FRS 116 Leases

FRS 116 supersedes FRS 17 leases, INT FRS 104 determining whether an arrangement contains a lease, INT FRS 15 operating leases-incentives and INT FRS 27 evaluating the substance of transactions involving the legal form of a lease. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the statement of financial position.

The Organisation adopted FRS 116 using the modified retrospective method of adoption with the date of initial application of 1 January 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application as an adjustment to the opening balance of retained earnings. The Organisation elected to use the transition practical expedient to not reassess whether a contract is, or contains a lease at 1 January 2019. Instead, the Organisation applied the standard only to contracts that were previously identified as leases applying FRS 17 and INT FRS 104 at the date of initial application.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(b) Adoption of new and amended standards and interpretations (cont'd)

FRS 116 Leases (cont'd)

The effect of adopting FRS 116 as at 1 January 2019 was as follows:

	Increase / (decrease) S$
Right-of-use assets	18,610
Lease liability	19,348
Retained earnings	(738)

The Organisation has lease contracts for office premise. Before the adoption of FRS 116, the Organisation classified the lease (as lessee) at the inception date as operating lease. The accounting policy prior to 1 January 2019 is disclosed in Note 2(n).

Upon adoption of FRS 116, the Organisation applied a single recognition and measurement approach for all leases except for short-term leases and leases of low-value assets. The accounting policy beginning on and after 1 January 2019 is disclosed in Note 2(n). The standard provides specific transition requirements and practical expedients, which have been applied by the Organisation.

(a) **Leases previously classified as finance leases**

The Organisation did not change the initial carrying amounts of recognised assets and liabilities at the date of initial application for leases previously classified as finance leases (i.e. the right-of-use assets and lease liabilities equal the lease assets and liabilities recognised under FRS 17). The requirements of FRS 116 were applied to these leases from 1 January 2019.

(b) **Leases previously accounted for as operating leases**

The Organisation recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases and leases of low-value assets. The right-of-use assets for the leases were recognised based on the carrying amount as if the standard had always been applied, using the incremental borrowing rate at the date of initial application. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

The Organisation also applied the available practical expedients wherein it:

- used a single discount rate to a portfolio of leases with reasonably similar characteristics;
- relied on its assessment of whether leases are onerous immediately before the date of initial application as an alternative to performing an impairment review;

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(b) Adoption of new and amended standards and interpretations (cont'd)

FRS 116 Leases (cont'd)

(b) Leases previously accounted for as operating leases (cont'd)

- applied the short-term leases exemption to leases with lease term that ends within 12 months of the date of initial application;
- excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application; and
- used hindsight in determining the lease term where the contract contained options to extend or terminate the lease.

Based on the above, as at 1 January 2019:

- right-of-use assets of S$18,610 were recognised
- additional lease liabilities of S$19,348 were recognised;
- the net effect of these adjustments of S$738 had been adjusted to retained earnings. Comparative information is not restated.

The lease liabilities as at 1 January 2019 can be reconciled to the operating lease commitments as of 31 December 2018, as follows:

	S$
Operating lease commitments as at 31 December 2018	20,363
Less:	
Commitments relating to short-term leases	-
Commitments relating to leases of low-value assets	-
	20,363
Weighted average incremental borrowing rate as at 1 January 2019	5.25%
Discounted operating lease commitments as at 1 January 2019	19,348
Add:	
Commitments relating to leases previously classified as finance leases	-
Lease liabilities as at 1 January 2019	19,348

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(c) Functional and foreign currencies

(i) Functional currency

Items included in the financial statements are measured using the currency best reflects the economic substance of the underlying events and circumstances relevant to the Organisation (the functional currency). The financial statements are presented in Singapore Dollar (S$), which is the functional currency of the Organisation.

(ii) Foreign currency transactions and balances

Transactions in foreign currencies are translated into the functional currency using the exchange rate in effect at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the rates ruling at that date.

All exchange differences are taken to the profit or loss.

(d) Revenue

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

Revenue is recognised when the Organisation 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 revenue recognised is the amount allocated to the satisfied performance obligation.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Organisation and the revenue can be reliably measured, regardless of when the payment is made. Revenue is measured at the fair value of consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

The Organisation's sources of income are subscriptions, job advertisements, sponsorship and conferences.

Subscriptions on membership are taken into account as and when received.

Income from job advertisements is taken into account as and when received.

Income from sponsorship and registration fees for conferences is recognised in profit or loss upon receipt.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(e) Employee benefits

Employment pension benefits

The Organisation participates in the national pension scheme by making contributions to the Central Provident Fund. The contributions to CPF are recognised as an expense in the period in which the related service is performed.

Employee leave entitlement

Employee entitlement to annual leave is recognised when they accrue to employees. The estimated liability for leave is recognised for services rendered by employees up to the reporting date.

The Organisation has not made any provision for employee leave entitlement as the amounts are insignificant.

(f) Taxes

(a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authority. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the end of the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(f) Taxes (cont'd)

(c) Goods and Services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except:

- where the GST incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

- receivables and payables that are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

(g) Plant and equipment

Plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset and costs of bringing the asset to working condition for its intended use. Dismantlement, removal or restoration costs are included as part of the cost of asset if the obligation for dismantlement, removal or restoration costs is incurred as a consequence of acquiring or using the asset. Expenditure for additions, improvements and renewals is capitalised and expenditure for maintenance and repairs is charged to the profit or loss. The cost of replacing part of an item of plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Organisation and its cost can be measured reliably. The costs of the day-to-day servicing of plant and equipment are recognised in the profit or loss as incurred.

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 arising on derecognition of the asset is included in the profit or loss in the year the asset is derecognised.

Depreciation of plant and equipment is calculated on the straight-line basis to write off the cost less residual value of the assets over their estimated useful lives as follows:

Computer	1 year
Furniture and fittings	3 years
Renovation	3 years

Fully depreciated plant and equipment are retained in the financial statements until they are no longer useable.

Depreciation methods, useful lives and residual values are reviewed, and adjusted prospectively as appropriate, at each financial year end.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(h) Financial instruments

(i) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when the entity becomes party to the contractual provisions of the instruments.

At initial recognition, the Organisation measures a financial asset at its fair value plus, in the case of a financial asset not at 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 Organisation 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

Investments in debt instruments

Subsequent measurement of debt instruments depends on the Organisation's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are amortised cost, FVOCI and FVPL. The Organisation only has debt instruments at 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.

Investments in equity instruments

On initial recognition of an investment in equity instrument that is not held for trading, the Organisation may irrevocably elect to present subsequent changes in fair value in other comprehensive income which will not be reclassified subsequently to profit or loss. Dividends from such investments are to be recognised in profit or loss when the Organisation's right to receive payments is established. For investments in equity instruments which the Organisation has not elected to present subsequent changes in fair value in other comprehensive income, changes in fair value are recognised in profit or loss.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(h) Financial instruments (cont'd)

(i) Financial assets (cont'd)

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 and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

(ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Organisation becomes a party to the contractual provisions of the financial instrument. The Organisation 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.

(i) Impairment of financial assets

The Organisation 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 Organisation 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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(i) Impairment of financial assets (cont'd)

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 trade receivables, the Organisation applies a simplified approach in calculating ECLs. Therefore, the Organisation does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Organisation 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 debtors' ability to pay.

The Organisation considers a financial asset in default when contractual payments are 60 days past due. However, in certain cases, the Organisation may also consider a financial asset to be in default when internal or external information indicates that the Organisation is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Organisation. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

(j) Impairment of non-financial assets

The carrying amounts of the Organisation's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised in profit or loss if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to sell and its value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit.

Impairment losses recognised in prior years are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss has been recognised. Reversal of impairment loss is recorded in profit or loss. After such a reversal, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(k) Provisions

Provisions are recognised when the Organisation has a present obligation (legal or constructive), as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be established on the amount of the obligation. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Where the effect of time value of money is material, the amount of the provision is the present value of the expenditure expected to be required to settle the obligation.

(l) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash at bank, which are subject to an insignificant risk of change in value.

(m) Funds accounting

Accumulated funds are unrestricted funds that can be used in accordance with the Constitution of the Organisation.

(n) Leases

These accounting policies are applied on and after the initial application date of FRS 116, 1 January 2019:

The Organisation 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.

(a) As lessee

The Organisation applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Organisation recognises lease liabilities representing the obligations to make lease payments and right-of-use assets representing the right to use the underlying leased assets.

Right-of-use assets

The Organisation recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of- use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Organisation at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in Note 2(i).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(n) Leases (cont'd)

Lease liabilities

At the commencement date of the lease, the Organisation recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Organisation and payments of penalties for terminating the lease, if the lease term reflects the Organisation exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Organisation uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Organisation applies the short-term lease recognition exemption to its short-term leases of machinery (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 office equipment 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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(n) Leases (cont'd)

These accounting policies are applied before the initial application date of FRS 116, 1 January 2019:

(a) As lessee

Finance leases which transfer to the Organisation substantially all the risks and rewards incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Any initial direct costs are also added to the amount capitalised. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to profit or loss. Contingent rents, if any, are charged as expenses in the periods in which they are incurred.

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset and the lease term, if there is no reasonable certainty that the Organisation will obtain ownership by the end of the lease term.

Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

3. MEMBERS' ANNUAL AND ADMISSION FEES

	2019 S$	2018 S$
Type of services		
Members annual fees	139,820	138,287
Members admission fee	4,680	6,270
	144,500	144,557
Timing of transfer of services		
At a point in time	144,500	144,557
Over time	-	-
	144,500	144,557

4. CONFERENCE AND EVENTS

	2019 S$	2018 S$
Income		
AGM and dinner	559	229
Asian Actuarial Conference (event fees)	476,054	-
Asian Actuarial Conference (sponsorship)	536,128	-
Career fair	6,597	5,250
Enterprise risk management conference	-	6,800
Forums	530	2,314
General insurance conference	10,095	39,899
Health and retirement conference	-	82,001
International committee training event	814	21,135
Social events	372	188
Life and retirement conference	27,350	-
Life insurance conference	-	112,396
Practising certificate seminar	17,237	19,026
Data analytics committee events	9,177	8,397
	1,084,913	297,635

	2019 S$	2018 S$
Expenditure		
AGM and dinner	13,037	10,792
Asian Actuarial Conference	699,746	-
Career fair	8,436	2,559
Enterprise risk management	-	26,133
Forums	4,704	8,612
General insurance conference	7,880	41,381
Health and retirement conference	-	45,314
International committee training event	5,297	12,009
Social events	8,788	10,199
Life and retirement conference	19,533	-
Life insurance conference	-	68,965
Practicing certificate seminar	5,459	6,045
Data analytics committee events	3,629	3,053
	776,509	235,062
Surplus	308,404	62,573
Timing of transfer of services		
At point of time	308,404	62,573
Over time	-	-
	308,404	62,573

5. OTHER INCOME

	2019 S$	2018 S$
Fixed deposit interest	2,854	518
Job advertisements	8,250	23,100
Miscellaneous income	837	305
Other income	27	-
Special Employment Credit	900	1,602
Sponsorship	-	117,000
Wage Credit Scheme	3,649	-
	16,517	142,525

The sponsorship received for 2019: S$536,128 (2018: S$117,000). Sponsorship received for 2019 has been posted to Asian Actuarial Conference income (Note 4).

6. STAFF COSTS

	2019 S$	2018 S$
Salaries and bonuses	210,335	142,980
CPF and SDL	25,274	19,279
Other employee benefit expenses	7,429	4,042
	243,038	166,301

7. SURPLUS BEFORE TAX FROM OPERATING ACTIVITIES

This is arrived at after charging the following:

	2019 S$	2018 S$
Depreciation of plant and equipment (Note 9)	7,109	7,143
Depreciation of right-of-use assets (Note 10)	37,768	-
Interest expense on lease liabilities (Note 10)	2,108	-
Office rental	-	39,290
Staff costs (Note 6)	243,038	166,301

8. INCOME TAX EXPENSE

	2019 S$	2018 S$
Tax expense attributable to surplus is made up of:		
- Current income tax	1,087	-
- Overprovision in respect of prior years' income tax	-	(2,899)
	1,087	(2,899)

The income tax expense on surplus before income tax differs from the amount that would arise using the Singapore standard rate of income tax as follows:

	2019 S$	2018 S$
Surplus before income tax	34,044	72,904
Tax calculated at a tax rate of 17% (2018: 17%)	5,787	12,394
Effects of:		
- Income not taxable for tax purposes	-	(1,386)
- Expenses not deductible for tax purpose	8,758	1,233
- Deferred tax benefit to be recognised	-	274
- Overprovision in respect of prior years' income tax	-	(2,899)
- Utilisation of deferred capital allowance	(10,704)	(468)
- Utilisation of unabsorbed losses	(274)	(12,047)
- Statutory stepped tax exemption	(2,208)	-
- Tax rebate	(272)	-
	1,087	(2,899)

The Organisation has unabsorbed losses of approximately S$Nil (2018: S$274) available for offsetting against future taxable profits. The deferred tax benefit arising from the above is S$Nil (2018: S$1,611). The realisation of the deferred tax benefit is available for unlimited period subjected to there being no substantial change in shareholders as required by the provision of the Singapore Income Tax Act. Deferred tax assets are not recognised in the profit or loss because of the uncertainty in the Organisation to generate adequate income in the foreseeable future.

9. PLANT AND EQUIPMENT

	Computer S$	Furniture and fittings S$	Renovation S$	Total S$
Cost				
Balance at 1 January 2018	5,513	6,997	19,719	32,229
Addition	2,746	-	-	2,746
Balance at 31 December 2018	8,259	6,997	19,719	34,975
Addition	2,559	-	-	2,559
Balance at 31 December 2019	10,818	6,997	19,719	37,534
Accumulated depreciation				
Balance at 1 January 2018	3,606	4,041	11,414	19,061
Depreciation charge for the financial year	2,565	1,256	3,322	7,143
Balance at 31 December 2018	6,171	5,297	14,736	26,204
Depreciation charge for the financial year	2,531	1,256	3,322	7,109
Balance at 31 December 2019	8,702	6,553	18,058	33,313
Net carrying amount				
As at 31 December 2019	2,116	444	1,661	4,221
As at 31 December 2018	2,088	1,700	4,983	8,771

10. LEASES

Organisation as a lessee

The Organisation has lease contracts for office premise. The Organisation's obligations under these leases are secured by the lessor's title to the leased assets.

(a) Set out below are the carrying amounts of right-of-use assets and the movements during the year:

	Total S$
As at 31 December 2018	-
Effect of adopting FRS 116	18,610
As at 1 January 2019	18,610
Additions	76,631
Depreciation	(37,768)
As at 31 December 2019	57,473

10. LEASES (CONT'D)

(b) Lease liabilities

Set out below are the carrying amounts of lease liabilities and the movements during the year.

	Total S$
As at 31 December 2018	-
Effect of adopting FRS 116	19,348
As at 1 January 2019	19,348
Additions	76,631
Accretion of interest	2,108
Payments	(39,868)
As at 31 December 2019	58,219
Current	38,302
Non current	19,917

The maturity analysis of lease liabilities is disclosed in note 17.

(c) Amount recognised in profit or loss

	2019 S$
Depreciation of right-of-use assets (Note 7)	37,768
Interest expense on lease liabilities (Note 7)	2,108
Total amount recognised in profit or loss	39,876

(d) Total cash outflow

The Organisation had total cash outflows for leases of $39,868 in 2019.

11. OTHER RECEIVABLE

	2019 S$	2018 S$
Other receivable	91,821	11,084

Other receivable is not past due or impaired at the dates of the statement of financial position.

12. OTHER CURRENT ASSETS

	2019 S$	2018 S$
Deposit	11,030	11,030
Prepayment	9,887	8,284
	20,917	19,314

13. FIXED DEPOSITS (UNSECURED)

Fixed deposit which bears effective interest rate of 1.4% (2018: 0.15% - 1.00%) per annum is renewed on an annual basis and will matures on 16 September 2020.

14. CASH AND CASH EQUIVALENTS

	2019 S$	2018 S$
Cash at bank	494,081	378,162

The cash at bank is denominated in Singapore Dollars.

15. OTHER PAYABLES

	2019 S$	2018 S$
Other payables	42,016	15,581

16. DEFERRED INCOME

	2019 S$	2018 S$
Advance annual membership fees	19,748	104,032

17. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Organisation is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The management carried out their financial risks management in accordance with established policies and procedures.

The following sections provide the Organisation's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

(a) Market risk

(i) Currency risk

The Organisation is not exposed to currency risk as all the balances and transactions are in Singapore Dollar.

(ii) Interest rate risk

The Organisation is not exposed to interest rate risk as the Organisation does not have any interest bearing financial liabilities at statement of financial position date.

(iii) Price risk

The Organisation is not exposed to price risk as it does not hold any listed securities.

(b) Credit risk

The table below details the credit quality of the Organisation's financial assets, as well as maximum exposure to credit risk by credit risk rating categories:

	Note	12-month or lifetime ECL	Gross carrying amount S$	Loss allowance S$	Net carrying amount S$
31 December 2019					
Other receivables	(11)	12-month ECL	91,821	-	91,821
31 December 2018					
Other receivables	(11)	12-month ECL	11,084	-	11,084

17. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(b) Credit risk (cont'd)

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Organisation's performance to developments affecting a particular industry.

Exposure to credit risk

The Organisation has no significant concentration of credit risk. The Organisation has credit policies and procedures in place to minimise and mitigate its credit risk exposure.

Other receivables

The Organisation assessed the latest performance and financial position of the counterparties, adjusted for the future outlook of the industry in which the counterparties operate in, and concluded that there has been no significant increase in the credit risk since the initial recognition of the financial assets. Accordingly, the Organisation measured the impairment loss allowance using 12-month ECL and determined that the ECL is insignificant.

(c) Liquidity risk

Liquidity risk is a risk that the Organisation will encounter difficulty in meeting financial obligations due to shortage of funds. The Organisation's exposure to liquidity risk may arise primarily from mismatches of collections and payments timing.

The Organisation has no exposure to liquidity risk.

The Organisation's liquidity risk management policy is to maintain sufficient liquid financial assets to pay for liabilities that are due in the next twelve months.

17. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(c) Liquidity risk (cont'd)

Analysis of financial instruments by remaining contractual maturities

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

2019	Carrying amount S$	Contractual cash flows S$	One year or less S$	One to five years S$
Financial assets				
Other receivables	91,821	91,821	91,821	-
Fixed deposit	43,911	43,911	43,911	-
Cash and cash equivalents	494,081	494,081	494,081	-
Total disclosed financial assets	629,813	629,813	629,813	-
Financial liabilities				
Other payables	42,016	42,016	42,016	-
Lease liabilities	58,219	60,669	40,446	20,223
Total disclosed financial liabilities	100,235	102,685	82,462	20,223
Total net disclosed financial assets / (liabilities)	529,578	527,128	547,351	(20,223)

2018	Carrying amount S$	Contractual cash flows S$	One year or less S$	One to five years S$
Financial assets				
Other receivables	11,084	11,084	11,084	-
Fixed deposit	261,417	261,417	261,417	-
Cash and cash equivalents	378,162	378,162	378,162	-
Total disclosed financial assets	650,663	650,663	650,663	-
Financial liabilities				
Other payables	15,581	15,581	15,581	-
Total disclosed financial liabilities	15,581	15,581	15,581	-
Total net disclosed financial assets	635,082	635,082	635,082	-

17. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(d) Capital management

The primary objective of the Organisation's capital management is to ensure that it maintains a strong credit rating and that asset position in order to support its business and maximise members' value. The capital structures of the Organisation comprise of accumulated surplus.

The Organisation manages its capital structures and makes adjustments to them, in the light of changes in economic conditions. To maintain or adjust capital structure. The Organisation is not exposed to any externally imposed capital requirements. No changes were made to the objectives, policies or process during the financial year.

(e) Fair values

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, other than in a forced or liquidation sale.

The financial instruments that are not carried at fair value and whose carrying amounts are in reasonable approximation of its fair value are as follows:

Cash and cash equivalents, and other payables

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

18. AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements for the financial year ended 31 December 2019 were authorised for issue in accordance with a resolution of the council members on 12 March 2020.