EQUAL-ARK SINGAPORE LTD.
(Registered under the Companies Act, Chapter 50 and the Charities Act, Chapter 37)
(Registration No: 201536378N)

Statement by Directors and Financial Statements

Reporting Year Ended 30 June 2020

RSM Chio Lim LLP

8 Wilkie Road, #03-08
Wilkie Edge, Singapore 228095

T +65 6533 7600
F +65 6594 7811

Audit@RSMSingapore.sg
www.RSMSingapore.sg

UEN: T09LL0008J

EQUAL-ARK SINGAPORE LTD.

Statement by Directors and Financial Statements

Contents **Page**

Statement by Directors

The directors of the company are pleased to present the accompanying financial statements of the company for the reporting year ended 30 June 2020.

1. Opinion of the directors

In the opinion of the directors,

(a) the accompanying financial statements are drawn up so as to give a true and fair view of the financial position and financial activities of the company for the reporting year covered by the financial statements; and

(b) at the date of the statement there are reasonable grounds to believe that the company will be able to pay its debts as and when they fall due.

The board of directors approved and authorised these financial statements for issue.

2. Directors

The directors of the company in office at the date of this statement are:

Lai Huen Poh
Yu Bernard
Chin Ye-Phern Carolyn (Chen Yifen Carolyn)
Clarinda Chor-Yin Tjia-Dharmadi
Loon Wai Mae
Tan Ching Ping Shirley
Tan Tanee Melissa Loretta
Chay Yee Meng (appointed 1 December 2020)

3. Directors' interests in shares and debentures, and arrangements to enable directors to acquire benefits by means of the acquisition of shares and debentures

The company is a company limited by guarantee and has no share capital and debentures.

4. Options

The company is a company limited by guarantee. As such, there are no share options or unissued shares under option.

5. Independent auditor

RSM Chio Lim LLP has expressed its willingness to accept re-appointment.

On behalf of the directors

....	....
Lai Huen Poh	Chay Yee Meng
Director	Director

3 December 2020

5. Independent auditor

RSM Chio Lim LLP has expressed its willingness to accept re-appointment.

On behalf of the directors

....	....
Lai Huen Poh	Chay Yee Meng
Director	Director

3 December 2020

RSM Chio Lim LLP

8 Wilkie Road, #03-08
Wilkie Edge, Singapore 228095

T +65 6533 7600
F +65 6594 7811

Audit@RSMSingapore.sg
www.RSMSingapore.sg

Independent Auditor's Report to the Members of
EQUAL-ARK SINGAPORE LTD.

Report on the audit of the financial statements

Opinion

We have audited the accompanying financial statements of Equal-Ark Singapore Ltd. (the ''company'') which comprise the statement of financial position as at 30 June 2020, and the statement of financial activities and statement of cash flows for the reporting year then ended, and notes to the financial statements, including the significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the ''Act''), the Charities Act, Chapter 37, and other relevant regulations (the ''Charities Act and Regulations'') and Singapore Financial Reporting Standards ("SFRS") so as to give a true and fair view of the financial position of the company as at 30 June 2020 and of the financial activities and cash flows of the company for the reporting 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 company 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 directors and the information included in the annual report but does not include the financial statements and our auditor's report thereon.

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.

Responsibilities of management and directors for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act, the Charities Act and Regulations and financial reporting standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

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

The directors' responsibilities include overseeing the company'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:

a) 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.

b) 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 company's internal control.

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

Independent Auditor's Report to the Members of
EQUAL-ARK SINGAPORE LTD.

Auditor's responsibilities for the audit of the financial statements (cont'd)

d) 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 company'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 company to cease to continue as a going concern.

e) 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 directors 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 to be kept by the company have been properly kept in accordance with the provision of the Act, and the Charities Act and Regulations.

During the course of our audit, nothing has come to our attention that causes us to believe that during the year:

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

The engagement partner on the audit resulting in this independent auditor's report is Tan Wei Ling.

RSM CHIO LIM LLP

RSM Chio Lim LLP
Public Accountants and
Chartered Accountants
Singapore

3 December 2020

EQUAL-ARK SINGAPORE LTD.

Statement of Financial Activities
Reporting Year Ended 30 June 2020

		Unrestricted Fund	Restricted Funds			
2020	Notes		Care & Share Fund	Funded Programmes	Total Restricted Funds	Total
		$	$	$	$	$
INCOMING RESOURCES:						
Voluntary income – donations	4	55,699	–	–	–	55,699
Fund generating activities	4	414,368	–	–	–	414,368
Government grants		293,447	–	741,656	741,656	1,035,103
Amortisation of deferred capital grants	14	121,151	–	–	–	121,151
Interest income		41,489	–	–	–	41,489
Miscellaneous income		23,602	–	–	–	23,602
Total incoming resources		949,756	–	741,656	741,656	1,691,412
RESOURCES EXPENDED:						
Cost of charitable activities						
Charitable activities expenses	5	1,438,974	–	741,656	741,656	2,180,630
Total resources expended		1,438,974	–	741,656	741,656	2,180,630
(Deficit) / surplus for the year		(489,218)	–	–	–	(489,218)
Balance at beginning of the year		1,714,646	–	1,705,128	1,705,126	3,419,774
Transfer of funds		(122,491)	–	122,491	122,491	–
Balance at end of the year		1,102,937	–	1,827,619	1,827,619	2,930,556

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

Statement of Financial Activities
Reporting Year Ended 30 June 2020

2019	Notes	Unrestricted Fund	Restricted Funds: Care & Share Fund	Restricted Funds: Funded Programmes	Restricted Funds: Total Restricted Funds	Total
		$	$	$	$	$
INCOMING RESOURCES:						
Voluntary income – donations	4	115,445	–	–	–	115,445
Fund generating activities	4	901,841	–	–	–	901,841
Government grants		313,162	429,812	687,464	1,117,276	1,430,438
Amortisation of deferred capital grants	14	121,151	–	–	–	121,151
Interest income		39,425	–	–	–	39,425
Miscellaneous income		16,109	–	–	–	16,109
Total incoming resources		1,507,133	429,812	687,464	1,117,276	2,624,409
RESOURCES EXPENDED:						
Cost of charitable activities						
Charitable activities expenses	5	698,746	523,507	601,460	1,124,967	1,823,713
Total resources expended		698,746	523,507	601,460	1,124,967	1,823,713
Surplus / (deficit) for the year		808,387	(93,695)	86,004	(7,691)	800,696
Balance at beginning of the year		999,954	–	1,619,124	1,619,124	2,619,078
Transfer of funds		(93,695)	93,695	–	93,695	–
Balance at end of the year		1,714,646	–	1,705,128	1,705,128	3,419,774

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

Statement of Financial Position
As at 30 June 2020

	Notes	2020 $	2019 $
ASSETS			
Non-current assets			
Property, plant and equipment	7	1,045,805	1,153,239
Right-of-use asset	8	255,274	–
Total non-current assets		1,301,079	1,153,239
Current assets			
Other receivables	9	118,742	468,007
Other assets	10	66,396	–
Cash and cash equivalents	11	2,919,137	2,717,926
Total current assets		3,104,275	3,185,933
Total assets		4,405,354	4,339,172
FUNDS AND LIABILITIES			
Funds			
Unrestricted funds	12	1,102,937	805,078
Restricted funds	12	1,827,619	2,614,696
Total funds		2,930,556	3,419,774
Non-current liabilities			
Lease liability, non-current	13	204,054	–
Deferred capital grants	14	433,171	554,322
Other liabilities, non-current	15	106,998	80,250
Total non-current liabilities		744,223	634,572
Current liabilities			
Lease liability, current	13	57,716	–
Other payables	16	199,497	273,346
Other liabilities, current	15	473,362	11,480
Total current liabilities		730,575	284,826
Total liabilities		1,474,798	919,398
Total funds and liabilities		4,405,354	4,339,172

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

Statement of Cash Flows
Reporting Year Ended 30 June 2020

	2020 $	2019 $
Cash flows from operating activities		
(Deficit) / surplus for the year	(489,218)	800,696
Adjustments for:		
Interest income	(41,489)	(39,425)
Interest expense	15,008	–
Depreciation expense of property, plant and equipment	262,286	245,183
Depreciation expense of right-of-use asset	61,266	–
Amortisation of deferred capital grants	(121,151)	(121,151)
Operating cash flow before changes in working capital	(313,298)	885,303
Other receivables	354,614	328,955
Other assets	(66,396)	–
Other liabilities	488,630	38,230
Other payables	(73,849)	40,946
Net cash flows from operating activities	389,701	1,293,434
Cash flows from investing activities		
Purchase of plant and equipment	(154,852)	(41,793)
Interest income received	36,140	11,026
Net cash flows used in investing activities	(118,712)	(30,767)
Cash flows from financing activities		
Cash restricted in use	(492,294)	(549,026)
Interest expense paid	(15,008)	–
Lease liability – principal portion paid	(54,770)	–
Net cash flows used in financing activities	(562,072)	(1,214,009)
Net (decrease) / increase in cash and cash equivalents	(291,083)	713,641
Cash and cash equivalents, beginning balance	1,881,741	1,168,100
Cash and cash equivalents, ending balance (Note 11A)	1,590,658	1,881,741

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

Notes to the Financial Statements
30 June 2020

1. General

Equal-Ark Singapore Ltd. ("the "company") is incorporated in Singapore on 1 October 2015 under the Singapore Companies Act, Chapter 50. The company is also a charity registered under the Charities Act, Chapter 37 and is an approved institutions of a public character under the Singapore Income Tax Act, Chapter 134. The financial statements are presented in Singapore Dollar.

The financial statements were approved and authorised for issue by the directors on the date of the statement by directors. The directors have the power to amend and reissued the financial statements.

Each member of the company has undertaken to contribute such amounts not exceeding $1 to the assets of the company in the event the company is wound up and the monies are required for payment of the liabilities of the company. The company had 4 (2019: 4) members at the end of the reporting year.

The memorandum and articles of the company restricts the use of fund monies to the furtherance of the objects of the company. They prohibit the payment of dividends to members.

The principal objective of the company is to help persons at-risk with intellectual disability, in particular, children and youths, to improve their chances at social integration and economic self-sufficiency.

The registered office address of the company is located at: 100 Jalan Mashhor, Singapore 299177. The company is registered and situated in Singapore.

Statement of compliance with financial reporting standards

These financial statements have been prepared in accordance with the Singapore Financial Reporting Standards ("SFRS") and the related interpretations to SFRS ("INT SFRS") as issued by the Singapore Accounting Standards Council. They are in compliance with the provisions of the Singapore Companies Act, Chapter 50 and the Charities Act, Chapter 37.

Accounting convention

The financial statements are prepared on a going concern basis under the historical cost convention except where a financial reporting standard requires an alternative treatment (such as fair values) as disclosed where appropriate in these financial statements. The accounting policies in the financial reporting standards may not be applied when the effect of applying them is not material. The disclosures required by financial reporting standards may not be provided if the information resulting from that disclosure is not material.

1. General (cont'd)

Basis of preparation of the financial statements

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make 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 revenues and expenses during the reporting year. Actual results could differ from those estimates. The estimates and assumptions are reviewed on an ongoing basis. Apart from those involving estimations, management has made judgements in the process of applying the company's accounting policies. The areas requiring management's most difficult, subjective or complex judgements, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 2C below, where applicable.

Covid-19 pandemic and the aftermath

The Covid-19 pandemic and the aftermath of the pandemic globally forced to suspend or limit business operations during the reporting year and the aftermath is expected for the unforeseeable period ahead. Measures were taken by the governments to contain the spread of Covid-19, including travels, social distancing and closure of non-essential services. This resulted in an economic slowdown, which have adversely impacted on the operations of the company. The economic uncertainties have created questions about the uncertainties relating to the impairment or recoverability of certain assets (including impairment allowances for inventories and receivables) and the completeness or valuation of certain assets and liabilities reflected in these financial statements. An assessment was made by management whether for the current reporting year there were any indications that these assets and liabilities may be impacted adversely. If any such indication of uncertainties existed, an estimate was made of the realisable amount and or fair value of the relevant assets and the completeness of the liabilities (which balances are more fully disclosed in the relevant notes to these financial statements). The recoverability of the assets and the ability of the company to maintain or pay its debts as they mature are dependent to a large extent on the efficacy of the fiscal and other measures undertaken by Singapore and the affected countries overseas to successfully meet those economic challenges. As the pandemic continues to progress and evolve, it is extremely challenging to predict the full extent and duration of its impact on the company's operations.

2. Significant accounting policies and other explanatory information

2A. Significant accounting policies

Income recognition

(i) Rendering of services

The financial reporting standard on revenue from contracts with customers establishes a five-step model to account for revenue arising from contracts with customers. Revenue is recognised at an amount that reflects the consideration to which the entity expects to be entitled in exchange for transferring goods or services to a customer (which excludes estimates of variable consideration that are subject to constraints, such as right of return exists, trade discounts, volume rebates and changes to the transaction price arising from modifications), net of any related sales taxes and excluding any amounts collected on behalf of third parties. An asset (goods or services) is transferred when or as the customer obtains control of that asset. As a practical expedient the effects of any significant financing component is not adjusted if the payment for the good or service will be within one year.

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Income recognition (Cont'd)

(i) Rendering of services (cont'd)

Revenue from the rendering of services including program fees that are of short duration is recognised when services are completed, i.e. at point in time.

(ii) Donations, fund raising income and corporate cash sponsorships

Revenue from donations, fund raising projects and corporate cash sponsorships are accounted for as and when received, except for committed donations and corporate cash sponsorships that are recorded when there is certainty over the amount committed by the donors and over the timing of the receipt of the donations.

(iii) Donation in kind

Donation in kind is included in the statement of financial activities based on an estimate of the fair value at the date of receipt of the gift of the non-monetary asset. The donation is recognised if the amount of the donation can be measured reliably and there is certainty that it will be received. No value is ascribed to volunteer services.

(v) Government grants

Government grants are recognised at fair value when there is reasonable assurance that the conditions attaching to them will be complied with and that the grants will be received. Grants in recognition of specific expenses are recognised in profit or loss on a systematic basis over the periods necessary to match them with the related costs that they are intended to compensate. The grant related to assets is presented in the statement of financial position by recognising the grant as deferred income that is recognised in statement of financial activities on a systematic basis over the useful life of the asset and in the proportions in which depreciation expense on those assets is recognised.

(vi) Interest income

Interest income is recognised on a time-proportion basis using the effective interest rate method.

Employee salaries and benefits

Contributions to a defined contribution retirement benefit plan are recorded as an expense as they fall due. The company's legal or constructive obligation is limited to the amount that it is obligated to contribute to an independently administered fund (such as the Central Provident Fund in Singapore, a government managed defined contribution retirement benefit plan). For employee leave entitlement the expected cost of short-term employee benefits in the form of compensated absences is recognised in the case of accumulating compensated absences, when the employees render service that increases their entitlement to future compensated absences; and in the case of non-accumulating compensated absences, when the absences occur. A liability for bonuses is recognised where the entity is contractually obliged or where there is constructive obligation based on past practice.

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Income tax

As a charity, the company is exempt from tax on income and gains falling within section 13(1)(zm) of the Income Tax Act to the extent that these are applied to its charitable objects. No tax charges have arisen in the company.

Property, plant and equipment

Property, plant and equipment are carried at cost on initial recognition and after initial recognition at cost less any accumulated depreciation and any accumulated impairment losses.

Cost also includes acquisition cost and any cost directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Subsequent costs are recognised as an asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss when they are incurred.

Cost includes the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period. See Note 15 on non-current provisions.

Depreciation is provided on a straight-line basis to allocate the gross carrying amounts of the assets less their residual values over their estimated useful lives of each part of an item of these assets. The annual rates of depreciation are as follows:

Leasehold properties	–	Over lease terms
Plant fixtures and equipment	–	20% – 33%
Horses	–	14%

An asset is depreciated when it is available for use until it is derecognised even if during that period the item is idle. Fully depreciated assets still in use are retained in the financial statements.

The residual value and the useful life of an asset is reviewed at least at each end of the reporting year and, if expectations differ from previous estimates, the changes are accounted for as a change in an accounting estimate, and the depreciation charge for the current and future periods are adjusted.

The gain or loss arising from the derecognition of an item of property, plant and equipment is recognised in statement of financial activities.

Right-of-use assets

The right-of-use assets are accounted and presented as if they were owned such as property, plant and equipment. The annual rates of depreciation are as follows:

Land	–	Over the term of the lease (approximately 20%)

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Leases of lessee

A lease is a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration. A right-of-use asset is capitalised in the statement of financial position, measured at the present value of the unavoidable future lease payments to be made over the lease term. A liability corresponding to the capitalised lease is also recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs. The right-of-use asset is depreciated over the earlier of the end of the useful life of the right-of-use asset or the end of the lease term and an interest expense on the recognised lease liability (included in finance costs). For short-term leases of 12 months or less and leases of low-value assets (such as personal computers and small office equipment) where an accounting policy choice exists under the lease standard, the lease payments are expensed to profit or loss as incurred on a straight line basis over the remaining lease term.

Impairment of non-financial assets

The carrying amount of other non-financial assets is reviewed at each end of the reporting year for indications of impairment and where an asset is impaired, it is written down through profit or loss to its estimated recoverable amount. The impairment loss is the excess of the carrying amount over the recoverable amount and is recognised in profit or loss. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs of disposal and its value in use. When the fair value less costs of disposal method is used, any available recent market transactions are taken into consideration. When the value in use method is adopted, 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. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). At each end of the reporting year non-financial assets with impairment loss recognised in prior periods are assessed for possible reversal of the impairment. 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 measured, net of depreciation or amortisation, if no impairment loss had been recognised.

Financial instruments

Recognition and derecognition of financial instruments:

A financial asset or a financial liability is recognised in the statement of financial position when, and only when, the company becomes party to the contractual provisions of the instrument. All other financial instruments (including regular-way purchases and sales of financial assets) are recognised and derecognised, as applicable, using trade date accounting or settlement date accounting. At initial recognition the financial asset or financial liability is measured at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Financial instruments (cont'd)

Recognition and derecognition of financial instruments (cont'd):

A financial asset is derecognised when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the entity neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. A financial liability is removed from the statement of financial position when, and only when, it is extinguished, that is, when the obligation specified in the contract is discharged or cancelled or expires.

Classification and measurement of financial assets:

1. Financial asset classified as measured at amortised cost: A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss (FVTPL), that is (a) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Typically trade and other receivables, bank and cash balances are classified in this category.

2. Financial asset that is a debt asset instrument classified as measured at fair value through other comprehensive income (FVTOCI): There were no financial assets classified in this category at reporting year end date.

3. Financial asset that is an equity investment classified as measured at fair value through other comprehensive income (FVTOCI): There were no financial assets classified in this category at reporting year end date.

4. Financial asset classified as measured at fair value through profit or loss (FVTPL): There were no financial assets classified in this category at reporting year end date.

Classification and measurement of financial liabilities:

Financial liabilities are classified as at fair value through profit or loss (FVTPL) in either of the following circumstances: (1) the liabilities are managed, evaluated and reported internally on a fair value basis; or (2) the designation eliminates or significantly reduces an accounting mismatch that would otherwise arise. All other financial liabilities are carried at amortised cost using the effective interest method. Reclassification of any financial liability is not permitted.

Cash and cash equivalents

Cash and cash equivalents include bank and cash balances, and on demand deposits. For the statement of cash flows the item includes cash and cash equivalents less cash subject to restriction, if any.

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Fair value measurement

The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When measuring the fair value of an asset or a liability, market observable data to the extent possible is used. If the fair value of an asset or a liability is not directly observable, an estimate is made using valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs (e.g. by use of the market comparable approach that reflects recent transaction prices for similar items, discounted cash flow analysis, or option pricing models refined to reflect the issuer's specific circumstances). Inputs used are consistent with the characteristics of the asset/liability that market participants would take into account. The entity's intention to hold an asset or to settle or otherwise fulfil a liability is not taken into account as relevant when measuring fair value.

Fair values are categorised into different levels in a fair value hierarchy based on the degree to which the inputs to the measurement are observable and the significance of the inputs to the fair value measurement in its entirety: Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (ie as prices) or indirectly (ie derived from prices). Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs). Transfers between levels of the fair value hierarchy are recognised at the end of the reporting period during which the change occurred.

The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value. The fair values of non-current financial instruments may not be disclosed separately unless there are significant differences at the end of the reporting year and in the event the fair values are disclosed in the relevant notes to the financial statements.

2B. Other explanatory information

Provisions

A liability or provision is recognised when there is 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 required to settle the obligation and a reliable estimate can be made of the amount of the obligation. A provision is made using best estimates of the amount required in settlement and where the effect of the time value of money is material, the amount recognised is the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense. Changes in estimates are reflected in profit or loss in the reporting year they occur.

2. Significant accounting policies and other explanatory information (cont'd)

2B. Other explanatory information (cont'd)

Funds

Funds balances restricted by outside sources are so indicated and are distinguished from unrestricted funds allocated for specific purposes, if any, by action of the management. Externally restricted funds may only be utilised in accordance with the purposes estalished by the source of such funds or through the terms of an appeal and are in contrast with unrestricted funds over which management retains full control to use in achieving any of its institutional purposes. An expense resulting from the operating activities of a fund that is directly attributable to the fund is charged to that fund. Common expenses if any are allocated on a reasonable basis to the funds based on a method most suitable to that common expense unless impractical to do so.

2C. Critical judgements, assumptions and estimation uncertainties

There were no critical judgements made in the process of applying the accounting policies that have the most significant effect on the amounts recognised in the financial statements. There were no key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting year, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting year.

3. Related party relationships and transactions

The financial reporting standard on related party disclosures requires the company to disclose: (a) transactions with its related parties; and (b) relationships between parents and subsidiaries irrespective of whether there have been transactions between those related parties. A party is related to a party if the party controls, or is controlled by, or can significantly influence or is significantly influenced by the other party.

A related party includes the board of directors and key management of the company. It also includes an entity or person that directly or indirectly controls, is controlled by, or is under common or joint control with these persons; members of the key management personnel or close members of the family of any individual referred to herein and others who have the ability to control, jointly control or significantly influence by or for which significant voting power in such entity resides with, directly or indirectly, any such individual.

The board of directors, or people connected with them, have not received remuneration, or other benefits, from the company for which they are responsible, or from institutions connected with the company, except for reimbursement of out-of-pocket expenses, if claimed.

3A. Key management compensation:

	2020 $	2019 $
Salaries and other short–term employee benefits	200,278	139,869

The above amounts are included under employee benefits expense.

Key management personnel are the chief executive and the directors of the company having authority and responsibility for planning, directing and controlling the activities of the company directly or indirectly. The above amount is the remuneration for the chief executive of the company.

4. Voluntary income – donations and Income from fund generating activities

	2020	2019
	$	$
Recognised based on Point in time:		
Donations (Note 4A)	348,800	1,015,625
Programme income	121,267	214,823
	470,067	1,230,448
Presented in statement of financial activities as follows:		
Voluntary income – donations	55,699	115,445
Fund generating activities	414,368	1,115,003
	470,067	1,230,448

4A. Donations

The company enjoys a concessionary tax treatment whereby qualifying donors are granted a tax deduction for the donations made to the company. The quantum of the tax deduction for each calendar year may vary in accordance with the Singapore Budget. The Institutions of a Public Character status granted to the company is for the period from 1 November 2018 to 31 April 2021.

	2020	2019
	$	$
Tax deductible receipts issued for donations collected	247,612	599,280

5. Charitable activities expenses

The major components include the following:

	2020	2019
	$	$
Depreciation expense of property, plant and equipment (Note 7)	262,286	245,183
Depreciation expense of right-of-use assets (Note 8)	61,266	–
Employee benefits expense (Note 6)	1,389,576	1,108,953
Equine costs	143,177	84,881
Interest expense – Lease liability (Note 13)	15,008	–
Programme costs	32,200	26,085
Rental expense	–	69,778

6. Employee benefits expense

	2020	2019
	$	$
Short term employee benefits expense	1,218,023	976,903
Contributions to defined contribution plan	171,553	132,050
Total employee benefits expense (Note 5)	1,389,576	1,108,953

7. Property, plant and equipment

	Leasehold properties	Plant fixtures and equipment	Horses	Total
	$	$	$	$
Cost:				
At 1 July 2018	2,124,661	20,215	37,901	2,182,777
Additions	22,396	19,394	3	41,793
At 30 June 2019	2,147,057	39,609	37,904	2,224,570
Additions	27,499	33,931	93,422	154,852
At 30 June 2020	2,174,556	73,540	131,326	2,379,422
Accumulated depreciation:				
At 1 July 2018	804,559	5,113	16,476	826,148
Depreciation for the year	228,325	11,444	5,414	245,183
At 30 June 2019	1,032,884	16,557	21,890	1,071,331
Depreciation for the year	235,383	12,591	14,312	262,286
At 30 June 2020	1,268,267	29,148	36,202	1,333,617
Carrying value:				
At 1 July 2018	1,320,102	15,102	21,425	1,356,629
At 30 June 2019	1,114,173	23,052	16,014	1,153,239
At 30 June 2020	906,289	44,392	95,124	1,045,805

The leasehold properties include the main administrative building and arena that are erected on a State Lease's land located at 100 Jalan Mashhor, Singapore 299177. The State Lease will expire on 4 August 2024.

8. Right-of-use asset

	Land
	$
Cost:	
At 30 June 2019	–
Impact on adoption of SFRS 116 (Note 19)	316,540
At 1 July 2019 (restated) and 30 June 2020	316,540
Accumulated depreciation:	
At 30 June 2019	–
Impact on adoption of SFRS 116 (Note 19)	–
At 1 July 2019 (restated)	–
Depreciation for the year	61,266
At 30 June 2019	61,266
Carrying value:	
At 30 June 2018	–
At 30 June 2019	255,274

The land lease is in relation to the leasing of the land on which the leasehold properties are situated. The lease is with Singapore Sports Council and is for the period of 15 years from 4 August 2009 to 4 August 2024. Management has elected to measure the right-of-use asset at the amount of the lease liability on adoption.

9. Other receivables

	2020 $	2019 $
Government grants receivables	72,496	320,026
Interest receivables	33,748	28,399
Outside parties	12,498	119,582
	118,742	468,007

Other receivables are normally with no fixed terms and therefore there is no maturity.

Other receivables at amortised cost shown above are subject to the expected credit loss model under the financial reporting standard on financial instruments. These other receivables are considered to have low credit risk if they have a low risk of default and the debtor has a strong capacity to meet its contractual cash flow obligations in the near term. At the end of the first reporting period a loss allowance is recognised at an amount equal to 12 month expected credit losses because there has not been a significant increase in credit risk since initial recognition. No loss allowance is necessary.

At each subsequent reporting date, an evaluation is made whether there is a significant change in credit risk by comparing the debtor's credit risk at initial recognition (based on the original, unmodified cash flows) with the credit risk at the reporting date (based on the modified cash flows). Adjustment to the loss allowance is made for any increase or decrease in credit risk.

10. Other assets

	2020 $	2019 $
Advance payments to suppliers	51,776	–
Prepayments	14,620	–
	66,396	–

11. Cash and cash equivalents

	2020 $	2019 $
Not restricted in use	1,590,658	1,881,741
Cash under restricted funds	1,328,479	836,185
	2,919,137	2,717,926

The rates of interest for the cash on interest earning balances of $2,221,600 (2019: $2,191,115) ranged from 1.55% to 2.00% (2019: 1.80% to 2.00%) per annum.

11A. Cash and cash equivalents in the statement of cash flows

	2020 $	2019 $
Amount as shown above	2,919,137	2,717,926
Less: Cash restricted in use	(1,328,479)	(836,185)
Cash and cash equivalents for purpose of statement of cash flows at end of the year	1,590,658	1,881,741

12. Funds and reserve ratio

	2020 $	2019 $
Unrestricted fund	1,102,937	1,714,646
Restricted funds (ii)	1,827,619	1,705,128
Total accumulated funds	2,930,556	3,419,774
Ratio of unrestricted fund to annual operating expenditure* (i)	0.78	1.15

* Annual operating expenditure represents total resources expended for unrestricted fund.

(i) The reserve of the company provides financial sustainability and the means for the development of the company's activities. The company intends to maintain the reserve at a level sufficient for its operating needs. The directors review the level of reserves regularly for the company's continuing obligations.

(ii) Restricted funds comprise the following:

	2020 $	2019 $
Care and Share Fund	–	–
Funded Programmes	1,827,619	1,705,128
Total restricted funds	1,827,619	1,705,128

The Funded Programmes are represented by:

	2020	2019
Cumulative incoming resources:		
Government grants	3,134,106	2,392,450
Cumulative resources expended:		
Charitable activities expenses	(3,256,597)	(2,514,941)
Subtotal	(122,491)	(122,491)
Transfer from unrestricted fund [a]	122,491	–
Transferred in upon incorporation [b]	1,827,619	1,827,619
Total Funded Programmes	1,827,619	1,705,128

[a] The transfer from the unrestricted fund to Funded Programmes is to cover the accumulated deficit from 2016 to 2019 totalling $122,491 (2019: $122,491).

[b] This balance represented the net surplus earned by the company from the operations of its programmes prior to its incorporation and are represented by the assets and liabilities received by the company upon its incorporation.

The restricted funds of the company represents the funds used to support the programmes of the company. The incoming sources of restricted funds are mainly derived from grants by Singapore Totalisator Board ("Tote Board"), Care & Share and National Council of Social Service ("NCSS").

12. Funds and reserve ratio (cont'd)

The restricted funds are represented by:

	2020 $	2019 $
Property, plant and equipment, net	1,045,805	1,153,239
Right-of-use asset	255,274	–
Other receivables	–	320,026
Cash and cash equivalents (Note10)	1,328,479	836,185
Lease liability	(261,770)	–
Other payables	–	(50,000)
Deferred capital grants	(433,171)	(554,322)
Other liabilities	(106,998)	–
Total restricted funds	1,827,619	1,705,128

13. Lease liability

	2020 $
Current	57,716
Non-current	204,054
	261,770

Movements of the lease liability for the reporting year are as follows:

	2020 $
Balance at the beginning of the year	–
Impact of adoption of SFRS 116 (Note 19)	316,540
Balance at the beginning of the year – restated	316,540
Accretion of interest	15,008
Lease payments – principal portion paid	(54,770)
Interest paid	(15,008)
Balance at the end of the year	261,770

The new standard on leases has been applied using the modified retrospective transition approach. Therefore no comparative amounts for the year ended 30 June 2019 are presented.

The lease liability above does not include the short-term leases of less than 12 months and leases of low-value underlying assets. Variable lease payments which do not depend on an index or a rate or based on a percentage of revenue are not included from the initial measurement of the lease liability and the right-of-use assets. The right-of-use asset is disclosed in Note 8.

On transition to the new standard on leases, the incremental borrowing rate applied to the lease liability recognised was 5.25% per annum. The right-of-use asset and lease liability before the date of initial application are measured at the same amounts as under the new standard.

Reconciliation of lease commitments and lease liability at the date of initial application:

	2020 $
Operating lease commitments as at 30 June 2019	360,520
Discounted using incremental borrowing rate	(43,980)
Lease liabilities recognised at 1 July 2019	316,540

13. Lease liability (cont'd)

A summary of the maturity analysis of lease liability that shows the remaining contractual maturities is as follows:

2020	Minimum payments $	Finance charges $	Present value $
Minimum lease payments payable:			
Not later than one year	69,778	(12,062)	57,716
Between 1 and 3 years	139,556	(14,645)	124,911
Between 3 and 5 years	81,408	(2,265)	79,143
Total	290,742	(28,972)	261,770

Total cash outflow for leases for the year ended 30 June 2020 are shown in the statement of cash flows.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes to in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

There were no future cash outflows to which the lessee is potentially exposed that are not reflected in the measurement of lease liabilities above.

At reporting year date there were no commitments on leases which had not yet commenced.

The total for lease liabilities and the average effective borrowing rate per year is disclosed above. The fair value (Level 2) is a reasonable approximation of the carrying amount.

14. Deferred capital grants

	2020 $	2019 $
Cost:		
Balance at beginning and end of the year	1,189,345	1,189,345
Accumulated amortisation:		
Balance at beginning of the year	635,023	513,872
Amortisation for the year	121,151	121,151
Balance at end of the year	756,174	635,023
Carrying value:		
Balance at beginning of the year	554,322	675,473
Balance at end of the year	433,171	554,322

These represent capital grants received from Tote Board and other government agencies for the construction of properties and purchase of plant and equipment.

15. Other liabilities

	2020 $	2019 $ (Reclassified)
Provision for restoration costs (Note 15A)	106,998	80,250
Deferred government grants (Note 15B)	128,462	11,480
Deferred donations (Note 15C)	344,900	–
	580,360	91,730
Presented in statement of financial position as follows:		
Current	473,362	11,480
Non-current	106,998	80,250
	580,360	91,730

15A. Provision for restoration costs

	2020 $	2019 $
Provision for restoration costs	106,998	80,250
Movements in above provision:		
At beginning of the year	80,250	53,500
Additions	26,748	26,750
At end of the year	106,998	80,250

The provision is the present value of the estimated costs, based on quotations received from external contractors, for the restoration of the leased properties upon the expiration of the lease in 2024.

15B. Deferred government grants

	2019 $	2018 $ (Reclassified)
Balance at beginning of the year	11,480	–
Donations received or receivable	277,913	68,880
Income recognised during the year	(160,931)	(57,400)
Balance at the end of the year	128,462	11,480

Included within deferred government grant is the estimated payout under the Jobs Support Scheme that the company is expecting to receive subsequent to the reporting year end. The Jobs Support Scheme is introduced by the government under the Stabilisation and Support Package that was announced during Budget 2020, with the intention of providing greater assurance and support to workers and enterprises during the COVID-19 pandemic.

15C. Deferred donations

	2019 $	2018 $
Balance at beginning of the year	–	–
Donations received or receivable	344,900	–
Balance at the end of the year	344,900	–

Deferred donations relate to donations received for the company's Gala dinner, which had been postponed due to the on-going COVID-19 pandemic.

16. Other payables

	2020 $	2019 $
Outside parties and accrued liabilities	199,497	273,346

17. Columnar presentation of statement of financial position

A majority of the assets and liabilities are attributable to the restricted fund. All the assets and liabilities of restricted funds are disclosed in Note 12. Accordingly, the company did not adopt a columnar presentation of its assets, liabilities and funds in the Statement of Financial Position as it was not meaningful.

18. Financial instruments: information on financial risks

18A. Categories of financial assets and financial liabilities

The following table categorises the carrying amount of financial assets and financial liabilities recorded at the end of the reporting year:

	2020 $	2019 $ (Reclassified)
Financial assets:		
At amortised cost	3,037,879	3,185,933
Financial liabilities:		
At amortised cost	461,267	273,346

Further quantitative disclosures are included throughout these financial statements.

18B. Financial risk management

The main purpose for holding or issuing financial instruments is to raise and manage the finances for the company's operating, investing and financing activities. There are exposures to the financial risks on the financial instruments such as credit risk, liquidity risk and market risk comprising interest rate, currency risk and price risk exposures. The directors of the company have put in place certain practices for the management of the financial risks, to be carried out by management. However, these are not documented in formal written documents. The following guidelines are followed: All financial risk management activities are carried out and monitored by senior management staff, reporting to the directors of the company where necessary.

There have been no changes to the exposures to risk; the objectives, policies and processes for managing the risk and the methods used to measure the risk.

18. Financial instruments: information on financial risks (cont'd)

18C. Fair values of financial instruments

The analyses of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 are disclosed in the relevant notes to the financial statements. These include the significant financial instruments stated at amortised cost and at fair value in the statement of financial position. The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value.

18D. Credit risk on financial assets

Financial assets that are potentially subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner. These arise principally from cash balances with banks, cash equivalents and receivables. The maximum exposure to credit risk is the total of the fair value of the financial assets at the end of the reporting year. Credit risk on cash balances with banks is limited because the counter-parties are entities with acceptable credit ratings. For expected credit losses (ECL) on financial assets, the three-stage approach in the financial reporting standard on financial instruments is used to measure the impairment allowance. Under this approach the financial assets move through the three stages as their credit quality changes. However, a simplified approach is permitted by the financial reporting standards on financial instruments for financial assets that do not have a significant financing component, such as trade receivables. On initial recognition, a day-1 loss is recorded equal to the 12 month ECL (or lifetime ECL for trade receivables), unless the assets are considered credit impaired. For credit risk on trade receivables an ongoing credit evaluation is performed on the financial condition of the debtors and an impairment loss is recognised in profit or loss. Reviews and assessments of credit exposures in excess of designated limits are made. Renewals and reviews of credits limits are subject to the same review process.

Cash and cash equivalents as disclosed in Note 11 are also subject to the impairment requirements of the standard on financial instruments. There was no identified impairment loss.

18E. Liquidity risk– financial liabilities maturity analysis

The liquidity risk refers to the difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. It is expected that all the liabilities will be settled at their contractual maturity. The average credit period taken to settle trade payables is about 30 days (2019: 30 days). The other payables are with short-term durations. The classification of the financial assets is shown in the statement of financial position as they may be available to meet liquidity needs and no further analysis is deemed necessary.

The following table analyses the non-derivative financial liabilities by remaining contractual maturity (contractual undiscounted cash flows):

	Less than 1 year	1 – 3 years	3 – 5 years	Total
	$	$	$	$
2020:				
Gross lease liabilities	69,778	139,556	81,408	290,742
Other payables	199,497	–	–	199,497
	269,275	139,556	81,408	490,239
2019:				
Other payables	273,346	–	–	273,346

19. Financial instruments: information on financial risks (cont'd)

18F. Interest rate risk

Interest rate risk arises on interest-bearing financial instruments recognised in the statement of financial position and on some financial instruments not recognised in the statement of financial position. The following table analyses the breakdown of the significant financial instruments by type of interest rate:

	2020	2019
	$	$
Financial assets with interest:		
Fixed rates	2,221,600	2,191,115
Financial liabilities with interest:		
Fixed rates	261,770	–

Sensitivity analysis: The effect on surplus / (deficit) is not significant.

18G. Foreign currency risk

Foreign exchange risk arises on financial instruments that are denominated in a foreign currency, i.e. in a currency other than the functional currency in which they are measured. For the purpose of this financial reporting standard on financial instruments: disclosures, currency risk does not arise from financial instruments that are non-monetary items or from financial instruments denominated in the functional currency.

The company is not exposed to significant foreign currency risks.

19. Changes and adoption of financial reporting standards

For the current reporting year, new or revised financial reporting standards were issued by the Singapore Accounting Standards Council. Those applicable to the company are listed below. Adoption of the applicable new or revised standards has resulted in some changes in the detailed application of the accounting policies and some modifications to financial statements presentation and measurement as disclosed below.

SFRS No.	Title
SFRS 116	Leases (and Leases - Illustrative Examples & Amendments to Guidance on Other Standards)

SFRS 116 *Leases*:
The financial reporting standard on leases is effective for annual periods beginning on or after 1 January 2019 and it supersedes the previous reporting standard and the related interpretations on leases. For the lessee, almost all leases are brought onto the statements of financial position under a single model (except leases of less than 12 months and leases of low-value assets), eliminating the distinction between operating and finance leases. Thus, the company has recognised a right-of-use asset and a corresponding liability in respect of all these leases (unless they qualify for low value or short-term leases) which might have a material impact on the amounts recognised in the financial statements. The amount by which each financial statement line item is impacted in the current reporting year 2020 by the application of the new standard on leases are disclosed in Notes 8 and 13 to the financial statements. The company elected to apply the modified retrospective approach for this new standard on leases. Under the modified retrospective approach, the comparative information is not restated and therefore there is no presentation of a third column for the statement of financial position.

20. New or amended standards in issue but not yet effective

For the future reporting years, certain new or revised financial reporting standards were issued by the Singapore Accounting Standards Council and these will only be effective for future reporting years. Those applicable to the company for future reporting years are listed below.

SFRS No.	Title	Effective date for periods beginning on or after
	The Conceptual Framework for Financial Reporting	1 January 2020
SFRS 1 and 8	Definition of Material – Amendments to SFRS 1 and 8	1 January 2020
SFRS 116	Amendment to SFRS 116: COVID-19 Related Rent Concessions	1 June 2020
SFRS 1	Amendments to SFRS 1: Classification of Liabilities as Current or Non-current	1 January 2023

The transfer to the applicable new or revised standards from the effective dates is not expected to result in any significant modification of the measurement methods or the presentation in the financial statements for the following year from the known or reasonably estimable information relevant to assessing the possible impact that application of the new or revised standards may have on the company's financial statements in the period of initial application.

21. Reclassifications and comparative figures

Certain reclassifications were made in the balances in the financial statements for last year to enhance comparability with current year's revised financial statements.

The material changes in the balances are included the table below.

	After reclassification	Before reclassification	Difference
	$	$	$
30 June 2019			
Statement of financial position			
Other payables	273,346	284,826	(11,480)
Other liabilities	11,480	–	11,480

The above reclassifications did not require modifications and reclassifications to financial statements measurements. As permitted by the financial reporting standard on the presentation of financial statements the third statement of financial position at the beginning of the preceding reporting year is not presented because the above reclassifications have no material effect on the information in the statement of financial position at the beginning of the preceding period. Apart from these disclosures, other balances and notes are not impacted by the reclassifications.