

BLOSSOM WORLD SOCIETY

Society Registration No: T08SS0161K

Financial Statements

For the financial year ended 31 December 2021

黃金山會計公司

新加坡特許會計師

K. S. NG & CO.

CHARTERED ACCOUNTANTS OF SINGAPORE

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BLOSSOM WORLD SOCIETY

STATEMENT BY MANAGEMENT COMMITTEE For the financial year ended 31 December 2021

The management committee is pleased to present the statement to the members with the audited financial statements of the Society for the financial year ended 31 December 2021.

1. Opinion of the members of council

In the opinion of the members of council,

- (i) the financial statements of the Society are drawn up so as to give a true and fair view of the financial positions of the Society as at 31 December 2021 and the financial performance of the Society, changes in funds and cash flows of the Society for the financial year then ended on that date, and
- (ii) at the date of this statement, there are reasonable grounds to believe that the Society will be able to pay its debts as and when they fall due.

On behalf of members of council,



Lim Yan Ning
President



Koh Cui Shan
Treasurer

17 March 2022

INDEPENDENT AUDITORS' REPORT To The Members of Blossom World Society

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Blossom World Society, which comprise the statement of financial position as at 31 December 2021, and the statement of financial activities, statement of changes in funds and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Societies Act, Chapter 311 (the Act) and Financial Reporting Standards in Singapore (FRSs) so as to present fairly, in all material respects, of the state of affairs of the Society as at 31 December 2021 and the results, changes in funds and cash flows of the Society for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Society in accordance with the *Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code)* together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibility for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Society's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level 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.

INDEPENDENT AUDITORS' REPORT
To The Members of Blossom World Society

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Society to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the 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 to be kept by the Society have been properly kept in accordance with the provisions of the Societies Regulations enacted under the Act.

The fund-raising appeals held during the year ended 31 December 2021 have been carried out in accordance with Regulation 6 of the Societies Regulations issued under the Act and proper accounts and other records have been kept of the fund-raising appeal.

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

- (a) the Society has not used the donation moneys in accordance with its objectives as required under Regulation 11 of the Charities (Institutions of a Public Character) Regulations; and
- (b) the Society has not complied with the requirements of Regulation 15 of the Charities (Institutions of a Public Character) Regulations

K. S. NG & CO
Chartered Accountants of Singapore

22 Lorong 21A Geylang #08-02
Prosper Industrial Building Singapore 388431

INDEPENDENT AUDITORS' REPORT
To The Members of Blossom World Society

The engagement partner on the audit resulting in this independent auditor's report is Ng Yong Yi.



K. S. NG & CO
Public Accountants and
Chartered Accountants
Singapore

17 March 2022

BLOSSOM WORLD SOCIETY

STATEMENT OF FINANCIAL ACTIVITIES For the financial year ended 31 December 2021

	Note	2021 SGD	2020 SGD
INCOME			
Unrestricted funds	4.1	484,912	987,303
Restricted funds	4.1	16,667	2,258,196
EXPENDITURE			
Unrestricted funds			
Event and fund-raising expenses	6	(18,007)	(50,678)
Course, camp and seminar expenses	6	(67)	(15,386)
Administrative expenses	6	(470,533)	(358,028)
Restricted funds			
Event and fund-raising expenses	6	(169,595)	(1,832,045)
Administrative expenses	6	(50,028)	(129,152)
Total (deficit)/surplus before tax		<u>(206,651)</u>	<u>860,210</u>
Income tax expense		-	-
Total (deficit)/surplus for the year, representing total comprehensive (loss)/income for the year		<u>(206,651)</u>	<u>860,210</u>
Allocation of surplus			
Unrestricted funds		(3,695)	563,211
Restricted funds		(202,956)	296,999
Total (deficit)/surplus		<u>(206,651)</u>	<u>860,210</u>

BLOSSOM WORLD SOCIETY

STATEMENT OF FINANCIAL POSITION

As at 31 December 2021

	Note	2021 SGD	2020 SGD
ASSETS			
Non-current assets			
Plant and equipment	12	69,024	20,253
Total non-current assets		<u>69,024</u>	<u>20,253</u>
Current assets			
Other receivables	13	119,623	276,506
Prepayments		2,949	2,741
Cash and cash equivalents	14	984,782	1,255,161
Total current assets		<u>1,107,354</u>	<u>1,534,408</u>
Total assets		<u>1,176,378</u>	<u>1,554,661</u>
ACCUMULATED FUND AND LIABILITIES			
Accumulated fund			
Unrestricted funds			
General fund	15	1,053,684	1,057,379
Restricted funds			
Project Belanja	15	66,349	269,635
The Invictus Fund	15	27,694	27,364
Total accumulated fund		<u>1,147,727</u>	<u>1,354,378</u>
Current liabilities			
Other payables	16	26,815	169,415
Contract liabilities	4.2	1,836	3,336
Deferred government grant	17	-	27,532
Total current liabilities		<u>28,651</u>	<u>200,283</u>
Total liabilities		<u>28,651</u>	<u>200,283</u>
Total accumulated fund and liabilities		<u>1,176,378</u>	<u>1,554,661</u>

BLOSSOM WORLD SOCIETY

STATEMENT OF CHANGES IN FUNDS For the financial year ended 31 December 2021

Society	Unrestricted funds SGD	Restricted funds Project Belanja SGD	The Invictus Fund SGD	Total accumulated fund SGD
2020				
Beginning of financial year	494,168	-	-	494,168
Surplus for the year	563,211	269,635	27,364	860,210
Total comprehensive income	<u>563,211</u>	<u>269,635</u>	<u>27,364</u>	<u>860,210</u>
End of financial year	<u>1,057,379</u>	<u>269,635</u>	<u>27,364</u>	<u>1,354,378</u>
2021				
Beginning of financial year	1,057,379	269,635	27,364	1,354,378
(Deficit)/surplus for the year	(3,695)	(203,286)	330	(206,651)
Total comprehensive income	<u>(3,695)</u>	<u>(203,286)</u>	<u>330</u>	<u>(206,651)</u>
End of financial year	<u>1,053,684</u>	<u>66,349</u>	<u>27,694</u>	<u>1,147,727</u>

BLOSSOM WORLD SOCIETY

STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2021

	2021 SGD	2020 SGD
(Deficit)/surplus Before Tax	(206,651)	860,210
Adjustments for		
Depreciation	33,234	13,086
Total adjustments	33,234	13,086
Operating cash flows before changes in working capital	(173,417)	873,296
Changes in working capital		
Other receivables	156,883	(198,697)
Prepayments	(208)	4,039
Other payables	(142,600)	138,627
Contract liabilities	(1,500)	(88,113)
Deferred government grant	(27,532)	19,199
Total changes in working capital	(14,957)	(124,945)
Cash flows (used in)/from operations	(188,374)	748,351
Net cash flows (used in)/from operating activities	(188,374)	748,351
Cash flows from investing activities		
Purchase of plant & equipment	(82,005)	(8,911)
Net cash flows used in investing activities	(82,005)	(8,911)
Cash flows from financing activities	-	-
Net cash flows from financing activities	-	-
Net (decrease)/increase in cash and cash equivalents	(270,379)	739,440
Cash and cash equivalents		
Beginning balance	1,255,161	515,721
Ending balance	984,782	1,255,161

BLOSSOM WORLD SOCIETY

NOTES TO THE FINANCIAL STATEMENTS **For the financial year ended 31 December 2021**

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

Corporate information

Blossom World Society is an association registered under the Societies Act.

The registered office of Blossom World Society is located at Block 9 Toh Yi Drive #01-321 Singapore 590009.

The principal activities of the Society are:

- (a) To seek and provide an accessible platform for the society and its members to assist our community, irrespective of nationality, race, language or religion through a variety of community-focused programmes and services.
- (b) To develop the leadership capability of youth in Singapore to contribute to community service / charitable activities.
- (c) To bring together youth who wish to volunteer their services to benefits the disadvantaged, young and elderly.
- (d) To promote understanding about cultures and practices of different communities and to foster positive interactions and friendship between these communities and the individuals within these communities.

Significant accounting policies

Basis of preparation

These financial statements have been prepared in accordance with Singapore Financial Reporting Standards ("FRS").

The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollars.

Changes in accounting policies

The Society has adopted all the new and revised FRS and Interpretations of FRS ("INT FRS") that are mandatory for application for the financial year. Changes to the Society's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The adoption of these new or amended FRS and INT FRS did not result in substantial changes to the Society's accounting policies and had no material effect on the financial performance or position of the Society.

BLOSSOM WORLD SOCIETY

NOTES TO THE FINANCIAL STATEMENTS For the financial year ended 31 December 2021

Standards issued but not effective

The Society has not adopted the following FRS and INT FRS that have been issued but not yet effective.

	Effective for annual periods beginning on or after
FRS 117 Insurance Contracts	1 January 2023
Amendments	
Amendments to FRS 103: Reference to the Conceptual Framework	1 January 2022
Amendments to FRS 16: Property, Plant and Equipment—Proceeds before Intended Use	1 January 2022
Amendments to FRS 37: Onerous Contracts—Cost of Fulfilling a Contract	1 January 2022
Annual Improvements to FRSs 2018-2020	1 January 2022
Amendments to FRS 109, FRS 39, FRS 107, FRS 104, FRS 116: Interest Rate Benchmark Reform — Phase 2	1 January 2021
Amendments to FRS 117	1 January 2023
Amendments to FRS 1: Classification of Liabilities as Current or Non-current	1 January 2023
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

The new or amended accounting standards and interpretations listed above are not mandatory for the financial year and have not been early adopted by the Society. These are not expected to have a material impact on the Society.

Foreign currencies

Functional and presentation currency

The financial statements are presented in Singapore Dollars, which is the Society's functional and presentation currency.

Foreign currency translations and balances

Transactions in foreign currencies are measured in the functional currency of the Society and are recorded on initial recognition in the functional currency at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss.

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NOTES TO THE FINANCIAL STATEMENTS For the financial year ended 31 December 2021

Plant and equipment

All items of plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of plant and equipment includes its purchase price and any costs 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. Dismantlement, removal or restoration costs are included as part of the cost of plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the plant and equipment.

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

Renovations, furniture and fittings	3 years
Furniture and fittings	3 years
Computer and software	3 years

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

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

Impairment of non-financial assets

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

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

Impairment losses are recognised in profit or loss.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

Financial instruments

(a) 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.

BLOSSOM WORLD SOCIETY

NOTES TO THE FINANCIAL STATEMENTS For the financial year ended 31 December 2021

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

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

Subsequent measurement

Investments in debt instruments

Subsequent measurement of debt instruments depends on the Society'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, fair value through other comprehensive income (FVOCI) and FVPL. The Society 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 Society 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 Society's right to receive payments is established. For investments in equity instruments which the Society has not elected to present subsequent changes in fair value in other comprehensive income, changes in fair value are recognised in profit or loss.

Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. Changes in fair value of derivatives are recognised in profit or loss.

De-recognition

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.

(b) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when and only when, the Society becomes a party to the contractual provisions of the financial instruments. The Society determines the classification of its financial liabilities at initial recognition.

BLOSSOM WORLD SOCIETY

NOTES TO THE FINANCIAL STATEMENTS For the financial year ended 31 December 2021

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction cost.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are de-recognised, and through the amortisation process.

De-recognition

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

(c) Offsetting of financial instruments

A financial asset and a financial liability shall be offset and the net amount presented in the statement of financial position when, and only when, an entity:

- (i) currently has a legally enforceable right to set off the recognised amounts; and
- (ii) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Impairment of financial assets

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

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

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

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

BLOSSOM WORLD SOCIETY

NOTES TO THE FINANCIAL STATEMENTS **For the financial year ended 31 December 2021**

Provision

General

Provisions are recognised when the Society has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at each financial year end and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and on hand which are subject to an insignificant risk of changes in value. These also include bank overdrafts that form an integral part of the Society's cash management.

Government grant

Government grants are recognised when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Where the grant relates to an asset, the fair value is recognised as deferred capital grant on the statement of financial position and is amortised to income statement over the expected useful life of the relevant asset by equal annual instalments.

Where loans or similar assistance are provided by governments or related institutions with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as additional government grant.

Leases

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

As lessee

The Society applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Society 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 Society 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

BLOSSOM WORLD SOCIETY

NOTES TO THE FINANCIAL STATEMENTS **For the financial year ended 31 December 2021**

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 Society 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.

Lease liabilities

At the commencement date of the lease, the Society 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 Society and payments of penalties for terminating the lease, if the lease term reflects the Society 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 Society 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 Society 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.

Revenue

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

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

Donation

Members' contributions are recognised upon receipts of monies.

Membership subscription

Membership subscriptions are recognised on accrual basis.

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NOTES TO THE FINANCIAL STATEMENTS For the financial year ended 31 December 2021

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Society 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 Society assesses its revenue arrangements to determine if it is acting as principal or agent. The following specific recognition criteria must also be met before revenue is recognised.

Income tax

As a charity, the Society is exempt from income tax on income and gains under the Income Tax Act, Chapter 134 to the extent that these are applied to its charitable objects.

Related parties

A party is defined as follows:

- (a) A person or a close member of that person's family is related to the Society if that person:
 - (i) Has control or joint control over the Society;
 - (ii) Has significant influence over the Society; or
 - (iii) Is a member of the key management personnel of the Society;
- (b) An entity is related to the Society if any of the following conditions applies:

The entity and the Society are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).

One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).

Both entities are joint ventures of the same third party.

One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

Then entity is a post-employment benefit plan for the benefit of employees of either the Society or an entity related to the Society. If the Society is itself such a plan, the sponsoring employers are also related to the Society;

The entity is controlled or jointly controlled by a person identified in (a);

A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

Critical accounting judgements, estimates and assumptions

There are no significant assumptions or estimates made at the financial year end that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

BLOSSOM WORLD SOCIETY

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2021

Revenue	2021 Unrestricted funds SGD	2021 Restricted funds Project Belanja SGD	2021 The Invictus Fund SGD	2021 Total accumulated fund SGD	2020 Total accumulated fund SGD
Detailed income					
INCOME					
Donation and sponsorship – At a point in time	139,578	-	-	139,578	57,910
Total donation and sponsorship	139,578	-	-	139,578	57,910
Events and fund-raising					
At a point in time:					
A Drop of Kindness a Magnitude of Gratitude	140,409	-	-	140,409	-
Blossom Charity Lunch	-	-	-	-	172,028
Flag Day	66,777	-	-	66,777	76,935
Goodies Bag Distribution	-	-	-	-	17,220
Over time:					
Blossom Bursaries	-	-	-	-	-
Project Belanja	-	-	-	-	2,007,835
Project OK	12,770	-	-	12,770	17,678
Others	20,603	-	-	20,603	27,103
Total events and fund-raising	240,559	-	-	240,559	2,318,799
Course fee, seminar, workshop and outdoor trip – Over time					
Course fee	10,442	-	-	10,442	8,062
Workshop/camp/outdoor trip	701	-	-	701	1,305
Total course fee, seminar, workshop and outdoor trip – Over time	11,143	-	-	11,143	9,367

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NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2021

Members entrance fee / annual subscription	500	-	-	500	560
Total members entrance fee / annual subscription	500	-	-	500	560
Other income					
Government grant					
- Bicentennial Community Fund	-	-	-	-	400,000
- Jobs Government Incentive	20,186	-	-	20,186	
- Jobs Support Scheme	17,926	-	-	17,926	86,339
- Enhanced Fund-Raising Programme	-	-	-	-	250,000
- The Invictus Fund	-	-	16,667	16,667	33,333
- Others	-	-	-	-	83,027
Miscellaneous income	55,020	-	-	55,020	6,164
Total other income	93,132	-	16,667	109,799	858,863
TOTAL INCOME	484,912	-	16,667	501,579	3,245,499

BLOSSOM WORLD SOCIETY

NOTES TO THE FINANCIAL STATEMENTS For the financial year ended 31 December 2021

Contract assets and liabilities

	2021 SGD	2020 SGD
Contract liabilities		
- Deferred revenue	1,836	3,336

	2021 SGD	2020 SGD
Contract liabilities as at beginning of financial year		
- Deferred revenue	3,336	91,449

(a) Revenue recognised in relation to contract liabilities

	2021 SGD	2020 SGD
Revenue recognised in current period that was included in contract liability balance at the beginning of the period		
- Deferred revenue	3,336	91,449

(b) Unsatisfied performance obligations

	2021 SGD	2020 SGD
Aggregate amount of the transaction price allocated to contracts that are partially or fully unsatisfied		
- Deferred revenue	1,836	3,336

Management expects S\$1,836 (2020: S\$3,336) of the transaction price allocated to the unsatisfied performance obligations as of 31 December 2021 may be recognised as revenue during the next reporting period.

Other income

	2021 SGD	2020 SGD
Government grant - Bicentennial Community Fund	-	400,000
Government grant - Jobs Growth Incentive	20,186	-
Government grant - Jobs Support Scheme	17,926	86,339
Government grant - Enhanced Fund-Raising Programme	-	250,000
Government grant - The Invictus Fund	16,667	33,333
Government grant - Others	55,020	83,027
Miscellaneous income	-	6,164
	109,799	858,863

Grant income of S\$17,926 (2020: S\$86,339) was recognised during the financial year under the Jobs Support Scheme (the "JSS"). The JSS is a temporary scheme introduced in the Singapore Budget 2020 to help enterprises retain local employees. Under the JSS, employers will receive cash grants in relation to the gross monthly wages of eligible employees

BLOSSOM WORLD SOCIETY

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2021

Detailed expenditure	2021		2021		2020	
	Unrestricted funds SGD	Project Belanja SGD	Restricted funds The Invictus Fund SGD	Total accumulated fund SGD	Total accumulated fund SGD	Total accumulated fund SGD
EXPENDITURE						
Administrative Expenses						
Accounting fee	5,160	2,040	-	7,200	7,200	
Audit fee	2,200	1,284	-	3,484	3,987	
Bank charges	351	-	-	351	484	
CPF&SDL	51,563	-	-	51,563	48,154	
Depreciation expenses	21,687	-	11,547	33,234	13,086	
General expenses	5,161	-	2,344	7,505	2,610	
Insurance expenses	2,855	-	-	2,855	2,770	
Lease expense - short-term leases	20,387	-	-	20,387	18,122	
Lease expense - low-value leases	3,264	-	-	3,264	1,541	
Licence fee	821	-	-	821	976	
Maintenance and repair	3,750	-	385	4,135	3,347	
Medical expenses	734	-	-	734	757	
Outreach Programme	459	-	-	459	818	
Publicity -local and overseas camps	32	-	-	32	1,045	
Staff salaries and bonus	327,309	28,911	-	356,220	345,428	
Staff training	7,759	-	-	7,759	7,051	
Staff welfare	6,547	158	1,718	8,423	8,638	
Stationery and postage	1,130	1,040	70	2,240	3,955	
Subscription	527	-	-	527	200	
Telephone expenses	3,204	8	273	3,485	4,336	
Trainer / professional fee	-	-	-	-	6,533	
Transport expenses	1,711	250	-	1,961	2,366	
Utilities	3,923	-	-	3,923	3,776	
Total Administrative Expenses	470,534	33,691	16,337	520,562	487,180	

BLOSSOM WORLD SOCIETY**NOTES TO THE FINANCIAL STATEMENTS**
For the financial year ended 31 December 2021

Course, camp, seminar expenses					
Course materials	67	-	-	67	15,246
Camp expenses	-	-	-	-	140
Total course, camp, seminar expenses	67	-	-	67	15,386
Events and fund-raising expenses					
A Drop of Kindness a Magnitude of Gratitude	11,759	-	-	11,759	-
Blossom Charity Lunch	113	-	-	113	29,378
Goodies Bag Distribution	-	-	-	-	17,420
Project Belanja	-	169,595	-	169,595	1,832,045
Project OK	660	-	-	660	1,290
Others	5,475	-	-	5,475	2,590
Total events and fund-raising expenses	18,007	169,595	-	187,602	1,882,723
TOTAL EXPENDITURE	488,608	203,286	16,337	708,231	2,385,289

BLOSSOM WORLD SOCIETY

NOTES TO THE FINANCIAL STATEMENTS For the financial year ended 31 December 2021

7. Employee benefits expense

	2021 SGD	2020 SGD
Defined contribution plans	51,563	48,154
Salary, wages and bonus	356,220	345,428
Other short-term benefits	16,916	16,446
	<u>424,699</u>	<u>410,028</u>

8. Depreciation

	2021 SGD	2020 SGD
Depreciation of plant and equipment (Note 12)	<u>33,234</u>	<u>13,086</u>

9. Expenses

	2021 SGD	2020 SGD
Events and fund-raising expenses include:		
A Drop of Kindness a Magnitude of Gratitude	11,759	-
Blossom Charity Lunch	113	29,378
Goodies Bag Distribution	-	17,420
Project Belanja	169,595	1,832,045
Project OK	660	1,290
Others	5,475	2,590
	<u>187,602</u>	<u>1,882,723</u>
Other expenses include:		
Lease expense – Short-term leases	20,387	18,122
Lease expense – Low-value leases	3,264	1,541

10. Surplus before tax

	2021 SGD	2020 SGD
Net surplus before tax includes:		
Depreciation of plant and equipment (Note 12)	33,234	13,086
Employee benefits expense (Note 6)	424,699	410,028
Lease expense – Short-term leases	20,387	18,122

BLOSSOM WORLD SOCIETY

NOTES TO THE FINANCIAL STATEMENTS For the financial year ended 31 December 2021

11. Income tax expense

The Society has been accorded Institute of a Public Character (“IPC”) status for the period from 29 September 2017 to 28 September 2020 and renewed to 28 March 2023. Total tax-deductible receipts issued for donations received during the financial year amounted to S\$235,228 (2020: S\$2,106,467).

12. Plant and equipment

	Renovation SGD	Furniture & fittings SGD	Office equipment SGD	Total SGD
Cost				
2020				
Beginning of financial year	85,716	49,683	22,272	157,671
Additions	-	1,355	7,556	8,911
End of financial year	85,716	51,038	29,828	166,582
2021				
Beginning of financial year	85,716	51,038	29,828	166,582
Additions	-	14,611	67,395	82,006
End of financial year	85,716	65,649	97,223	248,588
Accumulated Depreciation				
2020				
Beginning of financial year	85,716	30,543	16,984	133,243
Depreciations	-	9,370	3,716	13,086
End of financial year	85,716	39,913	20,700	146,329
2021				
Beginning of financial year	85,716	39,913	20,700	146,329
Depreciations	-	12,148	21,087	33,235
End of financial year	85,716	52,061	41,787	179,564
Net carrying amount at end of financial year				
2019	-	19,140	5,288	24,428
2020	-	11,125	9,128	20,253
2021	-	13,588	55,436	69,024

13. Other receivables

	2021 SGD	2020 SGD
Other receivables	80	13,086
Grant receivables	117,028	260,865
Deposits	2,515	2,555
	119,623	276,506

BLOSSOM WORLD SOCIETY

NOTES TO THE FINANCIAL STATEMENTS For the financial year ended 31 December 2021

14. Cash and cash equivalents

	2021 SGD	2020 SGD
Cash at bank and on hand	984,782	1,255,161

Cash at bank are non-interest bearing.

15. Accumulated Fund

	2021 SGD	2020 SGD
Unrestricted funds:		
Beginning of financial year	1,057,379	494,168
(Deficit)/surplus transferred from statement of financial activities	(3,695)	563,211
	1,053,684	1,057,379
Restricted funds:		
<u>Project Belanja</u>		
Beginning of financial year	269,635	-
(Deficit)/surplus transferred from statement of financial activities	(203,286)	269,635
	66,349	269,635
<u>The Invictus Fund</u>		
Beginning of financial year	27,364	-
Surplus transferred from statement of financial activities	330	27,364
	27,694	27,364
End of financial year	1,147,727	1,354,378

16. Other payables

	2021 SGD	2020 SGD
Accrued operating expenses	25,604	25,964
Other payables	1,211	143,451
	26,815	169,415

Other payables

Other payables are non-interest bearing and are normally settled on 60 days terms.

17. Deferred government grants

	2021 SGD	2020 SGD
Beginning of financial year	27,532	8,333
Addition	-	27,532
Transfer to statement of financial activities	(27,532)	(8,333)
End of financial year	-	27,532

BLOSSOM WORLD SOCIETY

NOTES TO THE FINANCIAL STATEMENTS For the financial year ended 31 December 2021

18. Related party transactions

Compensation of key management personnel

Only management of the Society are deemed to be key management personnel as they have authority and responsibility for planning, directing and controlling the activities of the Society.

	2021 SGD	2020 SGD
Remuneration	45,500	65,000
Central Provident Fund contributions	5,218	8,450
	<u>50,718</u>	<u>73,450</u>

19. Financial instruments by category

The carrying amount of the different categories of financial instruments is as follows:

	2021 SGD	2020 SGD
Other receivables	119,623	276,506
Cash and cash equivalents	984,782	1,255,161
Total financial assets carried at amortised cost	<u>1,104,405</u>	<u>1,531,667</u>
Other payables	26,815	169,415
Total financial liabilities carried at amortised cost	<u>26,815</u>	<u>169,415</u>

20. Fair value of assets and liabilities

Assets and liabilities measured at fair value

There are no financial instruments carried at fair value.

Fair value of financial instruments whose carrying amount are reasonable approximation of fair value

Cash and cash equivalents, other receivables and other payables

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

21. Financial risk management

Objectives and policies

Society's activities expose it to a variety of financial risks from its operations. The key financial risks include credit risk and liquidity risk.

The Society is not subject to any foreign currency risk, interest rate risk and market price risk.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

The management review and agree policies and procedures for the management of these risks, which are executed by the management team. It is, and has been throughout the current and previous financial year, the Society's policy that no trading in derivatives for speculative purposes shall be undertaken.

The following sections provide details regarding the Society's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks. There has been no change to the Society's exposure to these financial risks or the manner in which it manages and measures the risks.

21.1 Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Society. The Society's exposure to credit risk arises primarily from other receivables. For other financial assets (including investment securities and cash), the Society minimises credit risk by dealing exclusively with high credit rating counterparties.

The Society has adopted a policy of only dealing with creditworthy counterparties. The Society performs ongoing credit evaluation of its counterparties' financial condition and generally do not require a collateral.

The Society considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. The Society has determined the default event on a financial asset to be when internal and/or external information indicates that the financial asset is unlikely to be received, which could include default of contractual payments due for more than 60 days, default of interest due for more than 30 days or there is significant difficulty of the counterparty.

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

Internal credit rating

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

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

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

- There is significant difficulty of the debtor
- A breach of contract, such as a default or past due event
- It is becoming probable that the debtor will enter bankruptcy or other financial reorganisation
- There is a disappearance of an active market for that financial asset because of financial difficulty

BLOSSOM WORLD SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

The Society categorises a receivable for potential write-off when a debtor fails to make contractual payments more than 120 days past due. Financial assets are written off when there is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery.

Other receivables

The Society assessed the latest performance and financial position of the counterparties, adjusted for the 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 Society measured the impairment loss allowance using 12-month ECL and determined that the ECL is insignificant.

21.2 Liquidity Risk

Liquidity risk refers to the risk that the Society will encounter difficulties in meeting its short-term obligations due to shortage of funds. The Society's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. It is managed by matching the payment and receipt cycles. The Society's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities. The Society finances its working capital requirements through a combination of funds generated from operations and bank borrowings. The management is satisfied that funds are available to finance the operations of the Society.

Analysis of financial instruments by remaining contractual maturities

All financial liabilities are due within one year and the contractual cash flows equals the carrying amount.

21.3 Foreign Currency Risk

The Society is not subjected to any foreign currency risk as all financial assets and financial liabilities are denominated in SGD.

21.4 Interest rate risk

The Society has insignificant financial assets or liabilities that are exposed to interest rate risk.

BLOSSOM WORLD SOCIETY

NOTES TO THE FINANCIAL STATEMENTS For the financial year ended 31 December 2021

21.5 Market price risk

The Society has insignificant exposure to equity price risk.

22. Capital Management

The Society manages its capital structure and makes adjustments to it, in light of changes in economic conditions. The Society may ask for additional funding from members or sell assets. No changes were made to the objectives, policies or processes during the financial years ended 31 December 2021 and 31 December 2020.

The Society defines capital as accumulated fund.

	2021 SGD	2020 SGD
Unrestricted funds	1,053,684	1,057,379
Restricted funds	94,043	296,999
Total accumulated fund	<u>1,147,727</u>	<u>1,354,378</u>

The Society is not subjected to any external imposed capital requirements.

23. Authorisation of financial statements for issue

The financial statements of Blossom World Society (Society Registration No. T08SS0161K) for the financial year ended 31 December 2021 were authorised for issue in accordance with a resolution of the management committee on 17 March 2022.