

FU HUI BUDDHIST CULTURAL CENTRE
(UEN NO: S87SS0075A)

AUDITED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
31 DECEMBER 2021

FU HUI BUDDHIST CULTURAL CENTRE
(UEN NO: S87SS0075A)

FINANCIAL STATEMENTS - 31 DECEMBER 2021

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FU HUI BUDDHIST CULTURAL CENTRE

Statement by the Executive Committee Members

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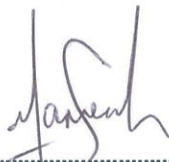
In the opinion of the Executive Committee:

- (a) the accompanying statement of financial position, statement of comprehensive income, statement of changes in funds and statement of cash flows together with the notes thereto are properly drawn up so as to present fairly, in all material respects, the state of affairs of Fu Hui Buddhist Cultural Centre (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; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Society will be able to pay its debts as and when they fall due.

On behalf of the Executive Committee:



Venerable Kuan Yan
President



Seah Li Kheng, Marie
Hon. Treasurer



Toh Yew Teck
Hon. Secretary

25 JUN 2022

FU HUI BUDDHIST CULTURAL CENTRE

Independent Auditor's Report For the Financial Year Ended 31 December 2021

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To the executive committee members of Fu Hui Buddhist Cultural Centre

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Fu Hui Buddhist Cultural Centre (the "Society"), which comprise the statement of financial position as at 31 December 2021, and the statement of comprehensive income, 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 "Societies Act"), the Charities Act, Chapter 37 and other relevant regulations (the Charities Act and Regulations) and Financial Reporting Standards in Singapore (FRSs) so as to present fairly, in all material respects, the state of affairs of the Society as at 31 December 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.

Other Information

Management is responsible for the other information. The other information comprises the statement to the executive committee members and the annual report but does not include the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of the auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

FU HUI BUDDHIST CULTURAL CENTRE

Independent Auditor's Report For the Financial Year Ended 31 December 2021

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To the executive committee members of Fu Hui Buddhist Cultural Centre (cont'd)

Other Information (cont'd)

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available 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. When we read the annual report, if we conclude that there is a material misstatement, we are required to communicate the matter to those charged with governance and take appropriate actions in accordance with SSAs.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

FU HUI BUDDHIST CULTURAL CENTRE

Independent Auditor's Report For the Financial Year Ended 31 December 2021

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To the executive committee members of Fu Hui Buddhist Cultural Centre (cont'd)

Auditor's Responsibilities for the Audit of the Financial Statements (cont'd)

- 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 those charged with governance 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 Societies Act, the Charities Act and Regulations.



Robert Yam & Co PAC
Public Accountants and
Chartered Accountants
Singapore

25 June 2022

FU HUI BUDDHIST CULTURAL CENTRE

Statement of Financial Position
As at 31 December 2021

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	Note	2021 S\$	2020 S\$
ASSETS			
Non-current assets			
Plant and equipment	5	118,275	125,299
Current assets			
Refundable deposits		50	50
Prepayments		436	521
Cash and cash equivalents	6	8,836,732	7,138,195
		8,837,218	7,138,766
Total assets		8,955,493	7,264,065
		=====	=====
FUNDS AND LIABILITIES			
FUNDS			
Unrestricted fund:			
Accumulated fund		8,204,280	6,666,498
Designated fund:			
Venerable Yen Pei Cultural and Academic Fund	7	425,790	425,790
Total Funds		8,630,070	7,092,288
Current liabilities			
Trade payables	8	31,548	18,288
Other payables	9	258,897	130,671
Advance received	10	34,978	22,818
Lease liabilities	11	-	-
		325,423	171,777
Net current assets		8,511,795	6,966,989
Total liabilities		325,423	171,777
Net assets		8,630,070	7,092,288
Total funds and liabilities		8,955,493	7,264,065
		=====	=====

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

FU HUI BUDDHIST CULTURAL CENTRE

**Statement of Profit or Loss and Other Comprehensive Income
For the Financial Year Ended 31 December 2021**

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	Note	2021 S\$	2020 S\$
INCOME			
Voluntary income	12	615,448	544,898
Income from charitable activities	13	2,064,592	1,546,792
Investment income	14	-	7,921
Other income	15	24,945	72,491
Total income		2,704,985	2,172,102
EXPENDITURE			
Cost of charitable activities	16	821,864	523,876
Governance costs	17	10,000	10,297
Other expenses	18	335,339	524,216
Total expenditures		1,167,203	1,058,389
Net surplus, representing total comprehensive income for the year		1,537,782 =====	1,113,713 =====

**Statement of Changes in Funds
For the Financial Year Ended 31 December 2021**

	Accumulated Fund S\$	Designated: Venerable Yen Pei Cultural and Academic Fund S\$	Total S\$
Balance at 1 January 2020	5,552,785	425,790	5,978,575
Net surplus, representing total comprehensive income for the year	1,113,713	-	1,113,713
Balance at 31 December 2020	6,666,498	425,790	7,092,288
Net surplus, representing total comprehensive income for the year	1,537,782	-	1,537,782
Balance at 31 December 2021	8,204,280 =====	425,790 =====	8,630,070 =====

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

FU HUI BUDDHIST CULTURAL CENTRE

Statement of Cash Flows
For the Financial Year Ended 31 December 2021

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	Note	2021 S\$	2020 S\$
Cash flows from operating activities			
Surplus for the year		1,537,782	1,113,713
<u>Adjustments for:</u>			
Depreciation expense	5	11,892	199,425
Interest expenses		-	5,367
		<u> </u>	<u> </u>
Operating cash flows before changes in working capital		1,549,674	1,318,505
<u>Changes in working capital:</u>			
Prepayments		85	-
Trade payables		13,260	1,792
Other payables		128,226	(89,669)
Deferred income		12,160	-
		<u> </u>	<u> </u>
Net cash from operating activities		<u>1,703,405</u>	<u>1,230,628</u>
Cash flows from investing activity			
Purchase of plant and equipment	5	(4,868)	(62,727)
		<u> </u>	<u> </u>
Net cash used in investing activity		<u>(4,868)</u>	<u>(62,727)</u>
Cash flows from financing activities			
Interest paid on finance lease		-	(5,367)
Lease payments		-	(187,233)
		<u> </u>	<u> </u>
Net cash used in financing activities		<u>-</u>	<u>(192,600)</u>
Net increase in cash and cash equivalents		1,698,537	975,301
Cash and cash equivalents at beginning of year		7,138,195	6,162,894
		<u> </u>	<u> </u>
Cash and cash equivalents at end of year	6	<u>8,836,732</u>	<u>7,138,195</u>
		=====	=====

FU HUI BUDDHIST CULTURAL CENTRE

Statement of Cash Flows (cont'd)
For the Financial Year Ended 31 December 2021

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Reconciliation of liabilities arising from financing activities

(in S\$)	1 January 2021	Cashflows	Non-cash changes		31 December 2021
			Lease renewal	Interest expense	
Lease liabilities	-	-	-	-	-

(in S\$)	1 January 2020	Cashflows	Non-cash changes		31 December 2020
			Lease renewal	Interest expense	
Lease liabilities	-	(192,600)	187,233	5,367	-

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

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

1. General information

Fu Hui Buddhist Cultural Centre (the "Society") is registered under the Societies Act, Chapter 311 and is domiciled in the Republic of Singapore. The Society is also a registered charity under the Charities Act, Chapter 37 since 12 October 1994.

Its registered address and principal place of business is located at 105 Punggol Road, Singapore 546636.

The principal activities of the Society are:

- (a) to promote mutual understanding among international cultural groups and to fortify friendly co-operation between people from different races and religions in Singapore.
- (b) to propagate the Buddhist teachings as a fundamental religious practice, to cultivate virtues and promote family happiness among its members as well as the community.
- (c) to promote and encourage moral education based on Buddhism, community welfare services, charitable activities and healthy recreation.

The financial statements for the financial year ended 31 December 2021 were authorised for issue by the Executive Committee on 25 June 2022.

2. Basis of preparation

2.1 Statement of compliance

These financial statements have been prepared in accordance with the Financial Reporting Standards in Singapore ("FRSs") and the related interpretations to FRS ("INT FRS") as issued by the Accounting Standards Council in Singapore. They are in compliance with the provisions of the Societies Act, Charities Act and other relevant regulation.

2. Basis of preparation (cont'd)**2.2 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.

2.3 Functional and presentation currency

These financial statements are presented in Singapore dollars, which is the Society's functional currency.

3. Significant accounting policies

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

3.1 Plant and equipment

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

Library of Sutra collections and paintings are not depreciated because of (i) their infinite useful life and high residual value and (ii) depreciation charge would have been immaterial.

Depreciation on other plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

	<u>Useful lives</u>
Equipment and computers	5 to 10 years
Furniture	10 years

3. Significant accounting policies (cont'd)

3.1 Plant and equipment (cont'd)

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

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

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

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

3.2 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 when an annual impairment testing for an asset is required, the Society makes an estimate of the asset's recoverable amount.

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

Impairment losses are recognised in profit or loss, except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

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 unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

3. Significant accounting policies (cont'd)

3.3 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 entity 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, 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 of the financial asset or financial liability.

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

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.

3. Significant accounting policies (cont'd)

3.3 Financial instruments (cont'd)

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.

3.4 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank, cash-in-transit and cash on hand which are subject to insignificant risk of changes in value.

3.5 Provisions

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

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. 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. Changes in estimates are reflected in profit or loss in the financial year they occur.

3.6 Government grants

Government grants are recognised as a receivable when there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, the fair value is recognised as deferred income on the statement of financial position and is recognised as income in equal amounts over the expected useful life of the related asset.

3. Significant accounting policies (cont'd)

3.6 Government grants (cont'd)

When 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.

3.7 Leases

As lessee

There is no change in accounting policy on the Society's lease. The Association applies the short-term lease recognition exemption to its short-term lease of the premise (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). The lease payments continue to be recognised as expense on a straight-line basis over the lease term.

3.8 Employee benefits

(a) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Society pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Society has no further payment obligations once the contributions have been paid.

(b) Employee leave entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period.

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.

3. Significant accounting policies (cont'd)

3.8 Employee benefits (cont'd)

Donations and activities income

Revenue is recognised upon receipt of donations and funds raised during activities organised.

Course fees income

Revenue from courses resulting in course fee income being recognised when religious courses have been conducted for the participants.

Interest income

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

3.10 Donation in kind

Assets given for use by the Society are recognised as incoming resources and within the relevant plant and equipment category of the statement of financial position when receivable. Goods donated as consumables are recorded at values based on a reasonable estimate of their value (if material). Assets which are donated for resale, distribution or consumption are not recorded when received as it is usually not practical to ascertain the value of the items involved. No value is ascribed to volunteer services.

3.11 Funds

Fund balances restricted by outside sources are so indicated and are distinguished from unrestricted funds allocated to specific purposes, if any, by action of the management. Externally restricted funds may only be utilised in accordance with the purposes established 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 activity 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.

3. Significant accounting policies (cont'd)

3.11 Funds (cont'd)

Accumulated fund

This fund, which is unrestricted, is expendable at the discretion of the Executive Committee in furtherance of the Society's objectives.

Venerable Yen Pei cultural and academic fund

This fund is designated for publication of works of late Venerable Yen Pei, the founder and ex-president of Fu Hui Buddhist Cultural Centre. Being a renowned writer on Buddhist subjects, the Late Venerable Yen Pei had many volumes of work which could be very beneficial to beginners as well as researchers. As part of its effort to promote Dharma teaching of the Lord Buddha, the Society plans to publish his work over the next few years.

3.12 Foreign currency

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the end of the reporting period are recognised in profit or loss. 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. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

4. Significant accounting judgments and estimates

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Actual results could differ from those estimates. The estimates and assumptions are reviewed on an ongoing basis. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods. Management is of the opinion that there is no significant judgement made in applying accounting policies and no estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period.

FU HUI BUDDHIST CULTURAL CENTRE

**Notes to the Financial Statements
For the Financial Year Ended 31 December 2021**

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5. Plant and equipment

2021

Cost

At 1 January 2021

Additions

Disposal

At 31 December 2021

Accumulated depreciation

At 1 January 2021

Charge for the year

Disposal

At 31 December 2021

Net book value

At 31 December 2021

	Renovation S\$	Furniture S\$	Equipment & computers S\$	Library of Sutra collections & paintings S\$	Right-of-use (office premises) S\$	Total S\$
At 1 January 2021	62,727	89,486	105,314	55,200	187,233	499,960
Additions	-	-	4,868	-	-	4,868
Disposal	-	-	(3,496)	-	(187,233)	(190,729)
At 31 December 2021	62,727	89,486	106,686	55,200	-	314,099
At 1 January 2021	5,227	86,554	95,647	-	187,233	374,661
Charge for the year	6,273	2,040	3,579	-	-	11,892
Disposal	-	-	(3,496)	-	(187,233)	(190,729)
At 31 December 2021	11,500	88,594	95,730	-	-	195,824
At 31 December 2021	51,227	892	10,956	55,200	-	118,275

FU HUI BUDDHIST CULTURAL CENTRE

**Notes to the Financial Statements
For the Financial Year Ended 31 December 2021**

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5. Plant and equipment (cont'd)									
	2020								
		Renovation S\$	Furniture S\$	Equipment & computers S\$	Library of Sutra collections & paintings S\$	Right-of-use (office premises) S\$	Total S\$		
Cost									
At 1 January 2020	-		89,486	105,314	55,200	-	250,000		
Additions	62,727		-	-	-	187,233	249,960		
At 31 December 2020	62,727		89,486	105,314	55,200	187,233	499,960		
Accumulated depreciation									
At 1 January 2020	-		82,824	92,412	-	-	175,236		
Charge for the year	5,227		3,730	3,235	-	187,233	199,425		
At 31 December 2020	5,227		86,554	95,647	-	187,233	374,661		
Net book value									
At 31 December 2020	57,500		2,932	9,667	55,200	-	125,299		

6. Cash and cash equivalents

	2021 S\$	2020 S\$
Cash at bank	8,812,451	7,104,752
Cash in transit	23,770	32,830
Cash on hand	511	613
	<u>8,836,732</u>	<u>7,138,195</u>
	=====	=====

The bank deposit interest rates at the end of the reporting period is Nil (2020: 0.55%) per annum.

7. Venerable Yen Pei cultural and academic fund

	2021 S\$	2020 S\$
Beginning and end of financial year	425,790	425,790
	=====	=====

The fund is designated for publication of works of late Venerable Yen Pei, the founder and ex-president of Fu Hui Buddhist Cultural Centre. Being a renowned writer on Buddhist subjects, the Late Venerable Yen Pei had many volumes of work which could be very beneficial to beginners as well as researchers. As part of its effort to promote Dharma teaching of the Lord Buddha, the Society plans to publish his work over the next few years.

8. Trade payables

	2021 S\$	2020 S\$
Non-related parties	31,548	18,288
	=====	=====

Trade payables are non-interest bearing and are normally settled on 30 days' terms.

9. Other payables

	2021 S\$	2020 S\$
Amount due to related party	252,897	123,991
Accrued expenses	6,000	6,680
	<u>258,897</u>	<u>130,671</u>
	=====	=====

Non-trade amount due to related party is unsecured, non-interest bearing, repayable on demand and is to be settled in cash.

10. Advance received

Advance received relates to the Society's obligation to provision of Dharma class services.

11. LeasesThe Society as a lessee

The Society has lease contract for office premises under non-cancellable operating lease agreements.

The future minimum lease payables under non-cancellable operating leases contracted for at the end of the reporting period but not recognised as liabilities are as follows:

(a) Carrying amounts of right-of-use assets classified within property, plant and equipment

	Office premises S\$
At 1 January 2020	-
Addition	187,233
Depreciation	(187,233)
	<u>-</u>
At 31 December 2020 and 2021	=====

11. Leases (cont'd)The Society as a lessee (cont'd)**(b) Lease liabilities**

The carrying amounts of lease liabilities are as follows:

	2021 S\$	2020 S\$
Current	- =====	- =====

(c) Amounts recognised in profit or loss

	2021 S\$	2020 S\$
Depreciation of right-of-use assets	-	187,233
Interest expense on lease liabilities (Note 18)	-	5,367
Total amount recognised in profit or loss	- =====	192,600 =====

(d) Total cash outflow

The Company had total cash outflows for leases of S\$Nil (2020: S\$187,233) in 2021.

12. Voluntary income

	2021 S\$	2020 S\$
General donations	615,448 =====	544,898 =====

13. Income from charitable activities

	2021 S\$	2020 S\$
Donation received from festivals and events	2,062,937	1,543,529
Course fee collected	-	1,830
Income from Buddhist activities	1,100	920
Income from library activities	120	293
Membership subscription	432	220
Replacement fee	3	
	<u>2,064,592</u>	<u>1,546,792</u>
	=====	=====

14. Investment income

	2021 S\$	2020 S\$
Interest income	-	7,921
	<u>-</u>	<u>7,921</u>
	=====	=====

15. Other income

	2021 S\$	2020 S\$
Government grants:		
- Special Employment Credit grant	-	5,619
- Wage Credit Scheme grant	4,583	-
- Job Support Scheme	18,576	63,872
- Resilience Package	-	3,000
Others	1,786	-
	<u>24,945</u>	<u>72,491</u>
	=====	=====

During the financial year, the Company received wage support for local employees under the Jobs Support Scheme ("JSS") from the Singapore Government as part of the Government's measures to support businesses during the period of economic uncertainty impacted by COVID-19. The Company assessed that there is reasonable assurance that it will comply with the conditions attached to the grants and the grants will be received. Grant income is recognised in profit or loss on a systematic basis over the period of uncertainty in which the related salary costs for which the grant is intended to compensate is recognised as expenses. Government grant income of S\$18,576 (2020: S\$63,872) was recognised during the year.

16. Cost of charitable activities

Included under cost of charitable activities are the following expenses:

	Note	2021 S\$	2020 S\$
Advertisement		688	15,050
Ancestral tablets		1,440	12,100
Carriers		3,971	3,902
Condolence		2,220	8,200
Chanting fee		24,200	17,550
Clothing		1,049	-
Decoration & Logistics		45,000	14,661
Donation to dharma		43,119	27,460
General donation		2,000	-
Food and refreshments		13,421	19,089
General expenses		21,779	14,570
Hospitality and gifts		697	71
Other set-up costs		27,625	450
Postage and stamps		111,939	88,750
Printing and stationery		79,989	74,174
Rental charges	21	192,600	-
Security services		57,245	54,463
Services rendered		110,292	90,874
Shared service cost	21	51,360	51,360
Telephone		1,010	990
Training and course fee		-	282
Tutor's fee		30,220	29,880
		<u>821,864</u>	<u>523,876</u>
		=====	=====

17. Governance costs

	2021 S\$	2020 S\$
Audit fee	6,000	6,840
Professional fees	4,000	3,457
	<u>10,000</u>	<u>10,297</u>
	=====	=====

18. Other expenses

	Note	2021 S\$	2020 S\$
Bank charges		405	234
Bonus	19	42,441	39,367
CPF and SDL	19	26,816	29,355
Depreciation expense	5	11,892	199,425
Gas, water and electricity		43,635	27,994
Gardening and grass-cutting charges		14,400	10,998
Insurance		437	563
Interest expense	11	-	5,367
IT and software expense		-	180
Medical expenses		7,457	578
Salaries	19	187,244	207,587
Pianist and choir fee		-	605
Travelling and transport		612	1,963
		<u>335,339</u>	<u>524,216</u>
		=====	=====

19. Employee benefits expense

	2021 S\$	2020 S\$
Bonus	42,441	39,367
CPF and SDL	26,816	29,355
Salaries - staff	187,244	207,587
	<u>256,501</u>	<u>276,309</u>
	=====	=====
Average member of employees	7	7
	=====	=====
Number of staff in remuneration band: S\$50,000 and below	7	7
	=====	=====

20. Taxation

The Society is exempt from tax under Section 13(1)(zm) of the Singapore Income Tax Act.

21. Related party transactions

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

	2021 S\$	2020 S\$
Payment of the expenses to Singapore Buddhist Welfare Services:		
- Shared service cost	51,360	51,360
- Rental	192,600	-
- Share of utilities	42,249	26,356
	=====	=====

Compensation of key management personnel compensation

Key management personnel refer to those persons having authority and responsibility for planning, directing and controlling the activities of the Society, which include members of the Executive Committee.

No compensation is made to any of the Executive Committee Members as their appointments are honorary.

Related parties comprise entities which are controlled or significantly influenced by members of the Executive Committee.

22. Categories of financial assets and liabilities

The carrying amounts presented in the statement of financial position relate to the following categories of assets and liabilities:

	2021 S\$	2020 S\$
<u>Financial assets</u>		
Financial asset at amortised cost:		
Refundable deposits	50	50
Cash and cash equivalents	8,836,732	7,138,195
	=====	=====
	8,836,782	7,138,245
	=====	=====

22. Categories of financial assets and liabilities (cont'd)

	2021 S\$	2020 S\$
<u>Financial liabilities</u>		
Financial liabilities at amortised cost:		
Trade payables	31,548	18,288
Other payables	258,897	130,671
	<u>290,445</u>	<u>148,959</u>
	=====	=====

Further quantitative disclosures are included throughout these financial statements.

23. Financial risk management

The 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 Executive Committee Members review and agree policies and procedures for managing each of these risks on an informal basis. 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 risk.

(a) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Society. The major class of financial assets of the Society is cash and cash equivalents. The Society minimises credit risk by dealing only with high credit quality counterparties.

As the Society does not hold any collateral, the maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the statement of financial position.

23. Financial risk management (cont'd)

(a) Credit risk (cont'd)

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 loan receivables), unless the assets are considered credit impaired.

Cash is held with creditworthy institutions and is subject to immaterial credit loss.

(b) Liquidity risk

Liquidity risk is the risk that the Society will encounter difficulty in meeting financial obligations due to shortage of funds. The Society manages its liquidity risk by maintaining an adequate level of cash and cash equivalents. The Executive Committee members are satisfied that funds are available to finance the operations of the Society.

The Society's financial liabilities, which comprise trade and other payables, mature within 12 months from the end of the reporting period based on contractual undiscounted repayment obligations.

24. Fair values of assets and liabilities

The carrying amounts of other receivables, cash and cash equivalents, trade payables and other payables approximate their fair values due to their short-term nature.

25. Capital management

The Society's objectives when managing capital are to safeguard the Society's ability to continue as a going concern so that it can continue to provide delivery of its services and programs to the public and its members.

The capital structure of the Society consists of unrestricted and restricted funds as shown in the statement of financial position. In order to maintain or achieve an optimal capital structure, the Society may appeal for donations from the general public. The Society's overall strategy remains unchanged from 2020.

The Society is not subject to any externally imposed capital requirements for the financial years ended 31 December 2021 and 2020.

26. Changes and adoption of financial reporting standards

The accounting policies adopted are consistent with those of the previous year except that in the current financial year, the Society has adopted all the new and amended standards which are relevant to the Association and are effective for annual financial periods beginning on or after 1 January 2021. The adoption of these standards does not result in changes to the Society's accounting policies and has no material effect on the disclosures or on the amounts reported for the current or prior years.

FRS effective for annual period beginning on or after 1 January 2021

The following standards and interpretations are effective for annual period beginning on or after 1 January 2021:

FRS

- Amendments to References to the Conceptual Framework in FRS Standards
- Amendments to FRS 1 and FRS 8 Definition of Material
- Amendments to FRS 109 Financial Instruments, FRS 39 Financial Instruments: Recognition and Measurement and FRS 107 Financial Instruments: Disclosures: Interest Rate Benchmark Reform

27. New standards and interpretations not yet adopted

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. 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 entity's financial statements in the period of initial application. Those applicable to the Association for future reporting years are listed below.

27. New standards and interpretations not yet adopted (cont'd)

Description	Effective for annual periods beginning on or after
Amendments to FRS 16: Property, Plant and Equipment (Proceeds before Intended Use)	1 January 2022
Amendments to FRS 37: Provisions, Contingent Liabilities and Contingent Assets (Onerous Contracts - Cost of Fulfilling a Contract)	1 January 2022
Annual Improvements to FRSs 2018 - 2020	1 January 2022
Amendments to FRS 1: Presentation of Financial Statements (Classification of Liabilities as Current or Non-Current)	1 January 2023
Amendments to FRS 1 Presentation of Financial Statements and FRS Practice Statement 2: Disclosure of Accounting Policies	1 January 2023
Amendments to FRS 8 Accounting Policies, Changes in Accounting Estimates and Error: Definition of Accounting Estimates	1 January 2023
Amendments to FRS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a single transaction	1 January 2023

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