

METHODIST GIRLS' SCHOOL ALUMNAE ASSOCIATION

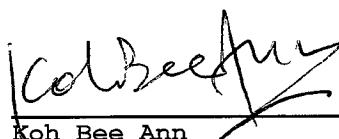
ACCOUNTS - 31 DECEMBER 2016

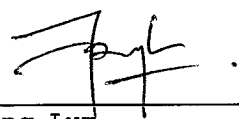
METHODIST GIRLS' SCHOOL ALUMNAE ASSOCIATION  
(UEN S61SS0081H)

STATEMENT BY THE MANAGEMENT COMMITTEE

We, being two members of the Management Committee of Methodist Girls' School Alumnae Association, state that in the opinion of the Management Committee, the accompanying Statement of Financial Position, Statement of Changes in Fund, Statement of Receipts & Disbursements, Statement of Cash Flows, together with the notes thereon, are properly drawn up in accordance with the provisions of the Societies Act, Cap. 311 and the Singapore Financial Reporting Standards so as to give a true and fair view of the financial position of the Association as at 31 December 2016 and its financial performance, changes in fund and cash flows for the year then ended.

On behalf of the Management Committee

  
\_\_\_\_\_  
Koh Bee Ann  
President

  
\_\_\_\_\_  
Fang Lum  
Honorary Treasurer

Singapore, 4 April 2017

**T11LL1819B***public accountants and chartered accountants*

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE  
METHODIST GIRLS' SCHOOL ALUMNAE ASSOCIATION**

Report on the Audit of the financial statements

Opinion

We have audited the financial statements of Methodist Girls' School Alumnae Association, which comprise the statement of financial position as at 31 December 2016, the statements of receipts & disbursements, changes in funds and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements are properly drawn up in accordance with the provisions of the Societies Act, Cap.311 and Singapore Financial Reporting Standards so as to give a true and fair view of the financial position of the Association as at 31 December 2016, and of the financial performance, changes in funds and cash flows of the Association for the year then ended.

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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Association 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 Responsibilities for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Societies Act, Cap. 311 and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

The management's responsibilities include overseeing the Association's financial reporting process.

## METHODIST GIRLS' SCHOOL ALUMNAE ASSOCIATION

INDEPENDENT AUDITORS' REPORT FOR THE FINANCIAL YEAR  
ENDED 31 DECEMBER 2016Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association'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 Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Association 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.

## METHODIST GIRLS' SCHOOL ALUMNAE ASSOCIATION

INDEPENDENT AUDITORS' REPORT FOR THE FINANCIAL YEAR  
ENDED 31 DECEMBER 2016

We communicate with the management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the regulations enacted under the Societies Act, Cap. 311 to be kept by the Association have been properly kept in accordance with those regulations.



S.H.ONG LLP  
PUBLIC ACCOUNTANTS and  
CHARTERED ACCOUNTANTS  
SINGAPORE


4 April 2017


## METHODIST GIRLS' SCHOOL ALUMNAE ASSOCIATION

## STATEMENT OF FINANCIAL POSITION - 31 DECEMBER 2016

	Note	2016 \$	2015 \$
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Plant & equipment	3	296,532	-
<b>CURRENT ASSETS</b>			
Stocks	2f	11,633	-
Deposits	4	43,500	31,050
Prepayments		1,753	5,411
Fixed deposits		110,150	110,042
Bank balances		347,586	318,874
		<u>514,622</u>	<u>465,377</u>
<b>TOTAL ASSETS</b>		<u><u>811,154</u></u>	<u><u>465,377</u></u>
<b>FUNDS AND LIABILITIES</b>			
<b>MEMBERS' FUNDS</b>			
Accumulated Fund		530,408	333,043
M.E. Lau Scholarship Fund	5	19,834	19,808
Tan Ley Chee Scholarship Fund	6	49,402	49,337
Tan Ley Chee Award Fund	7	14,692	14,873
MGS Alumnae Association Award Fund (Ellice Handy Medal)	8	13,281	13,663
Ruth Wong Award Fund	9	14,910	15,090
Wong Hee Hua Award Fund	10	15,056	15,236
		<u>657,583</u>	<u>461,050</u>
<b>CURRENT LIABILITIES</b>			
Accruals & other liability		151,571	4,315
Provision for taxation		-	12
Advance receipts		2,000	-
		<u>153,571</u>	<u>4,327</u>
<b>TOTAL FUNDS AND LIABILITIES</b>		<u><u>811,154</u></u>	<u><u>465,377</u></u>

On behalf of the Management Committee

  
 \_\_\_\_\_  
 Koh Bee Ann  
 President

  
 \_\_\_\_\_  
 Fang Lum  
 Honorary Treasurer

See Accompanying Notes

METHODIST GIRLS' SCHOOL ALUMNAE ASSOCIATION

STATEMENT OF CHANGES IN FUNDS FOR THE YEAR ENDED 31 DECEMBER 2016

	MGS Alumnae Association										Total
	M.E.Lau	Tan Ley Chee	Tan Ley Chee	Tan Ley Chee	Tan Ley Chee	Ellice Handy	Ruth Wong	Wong Hee Hua			
	Scholarship	Scholarship	Scholarship	Award Fund	Award Fund	Medal)	Award Fund	Award Fund	Award Fund	Award Fund	
	Fund	Fund	Fund	Award Fund	Award Fund	Medal)	Award Fund	Award Fund	Award Fund	Award Fund	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
2015											
At beginning of the year	274,092	19,782	49,273	15,053	13,845	15,270	15,416	402,731			
Interest income	-	26	64	20	18	20	20	168			
Awards given	-	-	-	(200)	(200)	(200)	(200)	(800)			
Surplus for the year	58,951	-	-	-	-	-	-	58,951			
	<u>333,043</u>	<u>19,808</u>	<u>49,337</u>	<u>14,873</u>	<u>13,663</u>	<u>15,090</u>	<u>15,236</u>	<u>461,050</u>			
2016											
At beginning of the year	333,043	19,808	49,337	14,873	13,663	15,090	15,236	461,050			
Interest income	-	26	65	19	18	20	20	168			
Awards given	-	-	-	(200)	(400)	(200)	(200)	(800)			
Surplus for the year	197,365	-	-	-	-	-	-	197,365			
	<u>530,408</u>	<u>19,834</u>	<u>49,402</u>	<u>14,692</u>	<u>13,281</u>	<u>14,910</u>	<u>15,056</u>	<u>657,583</u>			

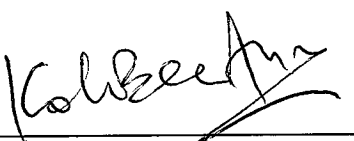
See Accompanying Notes

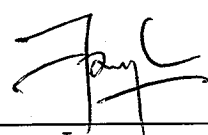
## METHODIST GIRLS' SCHOOL ALUMNAE ASSOCIATION

STATEMENT OF RECEIPTS & DISBURSEMENTS FOR THE YEAR ENDED 31 DECEMBER  
2016

	Note	2016 \$	2015 \$
<b>RECEIPTS</b>			
Life membership subscriptions		42,800	35,600
Administrative fees		8,000	6,100
Founder's Day dinner		71,913	72,230
Special functions	12	45,974	46,826
Donations - general		10,915	22,897
Donations - Heritage		162,630	-
Interest income		108	108
		<u>342,340</u>	<u>183,761</u>
<b>DISBURSEMENTS</b>			
Founder's Day Dinner		74,470	75,050
Heritage expenses		1,897	1,797
Special functions	12	44,129	37,728
Souvenirs - cost of sales		3,771	-
Awards & Medals		6,432	6,653
Bank charges		130	220
Postage - current year		2,614	1,000
Postage - prior years		9,072	-
Printing & stationery		2,360	1,900
Miscellaneous expenses		100	450
		<u>144,975</u>	<u>124,798</u>
Surplus for the year before taxation		197,365	58,963
Taxation - prior year	13	-	-
- current year	13	-	( 12)
<b>SURPLUS FOR THE YEAR AFTER TAXATION</b>		<u><u>197,365</u></u>	<u><u>58,951</u></u>

On behalf of the Management Committee

  
 Koh Bee Ann  
 President

  
 Fang Lum  
 Honorary Treasurer

See Accompanying Notes



## METHODIST GIRLS' SCHOOL ALUMNAE ASSOCIATION

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2016

	2016 \$	2015 \$
Operating activities :		
Surplus for the year before taxation	197,365	58,963
	<u>197,365</u>	<u>58,963</u>
Operating surplus before working funds changes	197,365	58,963
Add/(Less) changes in working funds:		
Stocks	( 11,633)	-
Other receivables	( 8,792)	( 5,411)
Other payables	149,256	1,315
	<u>326,196</u>	<u>54,867</u>
Cash generated from Operating Activities	326,196	54,867
Tax paid	( 12)	( 11)
	<u>326,184</u>	<u>54,856</u>
Net cash from Operating Activities	326,184	54,856
Investing Activities:		
Interest income	168	167
Purchase of Plant & equipment	( 296,532)	-
	<u>( 296,364)</u>	<u>167</u>
Net cash from Investing Activities	( 296,364)	167
Funding Activities:		
Net changes in funds	( 1,000)	( 800)
	<u>( 1,000)</u>	<u>( 800)</u>
Net cash used in Funding Activities	( 1,000)	( 800)
Cash and cash equivalents :		
Net change	28,820	54,223
At beginning of year	428,916	374,693
	<u>457,736</u>	<u>428,916</u>
At end of year (note 11)	<u>457,736</u>	<u>428,916</u>

See Accompanying Notes

## METHODIST GIRLS' SCHOOL ALUMNAE ASSOCIATION

## NOTES TO THE ACCOUNTS - 31 DECEMBER 2016

These notes form an integral part of the financial statements.

## 1. GENERAL

The Methodist Girls' School Alumnae Association was registered under the Societies Act Cap. 311 in the Republic of Singapore on 15 May 1961. The registered office is at 11 Blackmore Drive, Singapore 599986.

The principal activities of the Association are to maintain contact between the Methodist Girls School and her former pupils and staff and to develop the team spirit of loyalty and love for the Alumnae.

The board of the Management Committee authorized these financial statements for issue on the date of the Statement by the Management Committee.

## 2. SIGNIFICANT ACCOUNTING POLICIES

## (a) Basis of Preparation

The financial statements, expressed in Singapore Dollars, which is also its functional currency have been prepared in accordance with the provisions of the Societies Act, Cap. 311, Singapore Financial Reporting Standards (FRS) and under the historical cost convention. The accounting policies applied by the Association are consistent with those used in the previous financial year.

## (b) Accounting estimates

The preparation of financial statements in conformity with FRS requires management's best ability and knowledge to make judgement, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Such judgement, estimates and assumptions are assessed on an on going basis and are based on current events, historical experience and other apparent factors under the circumstances. Actual results may differ from those estimates and assumptions which the Association makes concerning the future.

## (c) Changes in accounting policies

The Association adopted all the new and revised FRS that are applicable and relevant to its operations and effective for this financial year. The adoption of new/revised FRS has no material impact on the financial statements. Preliminary assessment of FRS which have been issued but not effective indicates that these will have no material financial impact on the financial statements.

## METHODIST GIRLS' SCHOOL ALUMNAE ASSOCIATION

## NOTES TO THE ACCOUNTS - 31 DECEMBER 2016

## 2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

## (d) Standards issued but not yet effective

The Association has not adopted the following standards and interpretations that have been issued but not yet effective :

<u>Description</u>	<u>Effective for annual periods beginning on or after</u>
FRS 109 Financial Instruments	1 January 2018
FRS 115 Revenue from Contracts with Customers	1 January 2018
FRS 116 Leases	1 January 2019

The management expects that the adoption of the above standards will have no material impact on the financial statements in the period of initial application. The nature of the impending changes in accounting policy on adoption of FRS 115 and FRS 109 are described below:

FRS 115 Revenue from Contracts with Customers

FRS 115 was issued in November 2014 and establishes a new five-step model that will apply to revenue arising from contracts with customers. Under FRS 115, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in FRS 115 provide a more structured approach to measuring and recognising revenue. The new revenue standard is applicable to all entities and will supersede all current revenue recognition requirements under FRS. Either a full or modified retrospective application is required for annual periods beginning on or after 1 January 2018 with early adoption permitted.

FRS 109 Financial Instruments

In December 2014, the Accounting Standards Council issued the final version of FRS 109 Financial Instruments which reflects all phases of the financial instruments project and replaces FRS 39 Financial Instruments: Recognition and Measurement. The standard introduces new requirements for classification and measurement, impairment and hedge accounting. FRS 109 is effective for annual periods beginning on or after 1 January 2018, with early application permitted. Retrospective application is required, but comparative information is not compulsory in the year of adoption.



## METHODIST GIRLS' SCHOOL ALUMNAE ASSOCIATION

## NOTES TO THE ACCOUNTS - 31 DECEMBER 2016

## 3. PLANT &amp; EQUIPMENT

	Renovation	
	2016	2015
	\$	\$
COST		
At beginning of year	-	-
Addition	296,532	-
	<u>296,532</u>	<u>-</u>
At end of year	<u>296,532</u>	<u>-</u>
DEPRECIATION		
At beginning of year	-	-
Addition	-	-
	<u>-</u>	<u>-</u>
At end of year	<u>-</u>	<u>-</u>
NET BOOK VALUE		
At end of year	<u>296,532</u>	<u>-</u>

There is no provision for depreciation on renovation works done for the Heritage Centre as the use of the centre will only commence in July 2017.

## 4. DEPOSITS

These are advance deposits for 2017 MGS Founder's Day and AURA Dinner events.

## 5. M.E. LAU SCHOLARSHIP FUND

M.E. Lau Scholarship Fund was established with the aim of helping needy students to further their studies.

## 6. TAN LEY CHEE SCHOLARSHIP FUND

Tan Ley Chee Scholarship Fund was established in memory of the late Mrs Tan Ley Chee to award scholarships to deserving students for higher studies.

## 7. TAN LEY CHEE AWARD FUND

Tan Ley Chee Award Fund was established in memory of the late Mrs Tan Ley Chee. The Fund awards annually a Tan Ley Chee Medal to the best all-round students.

## METHODIST GIRLS' SCHOOL ALUMNAE ASSOCIATION

## NOTES TO THE ACCOUNTS - 31 DECEMBER 2016

8. MGS ALUMNAE ASSOCIATION AWARD FUND  
(ELLICE HANDY MEDAL)

M.G.S Alumnae Association Award Fund (Ellice Handy Medal) is awarded each year to the school's top student in the General Certificate of Education 'O' Level Examination.

## 9. RUTH WONG AWARD FUND

Ruth Wong Award Fund was established in memory of the late Dr Ruth Wong. The Fund awards annually a Ruth Wong medal to the best all-round Primary School Leaving Examination (PSLE) student.

## 10. WONG HEE HUA AWARD FUND

Wong Hee Hua Award Fund was established in memory of the late Ms Wong Hee Hua. The Fund awards annually a Wong Hee Hua medal to the best student in music.

## 11. CASH AND CASH EQUIVALENTS

	2016	2015
	\$	\$
Bank Balances	347,586	318,874
Fixed deposits	110,150	110,042
	<u>457,736</u>	<u>428,916</u>

At the reporting date, the interest rate for these deposits is at 0.25% (2015:0.25%) per annum.

## 12. SPECIAL FUNCTIONS

	2016	2015
	\$	\$
Receipts :		
Teachers' Day contribution	24,835	26,580
Love MGS Donations	9,329	3,900
Sale of souvenirs	11,810	15,413
P6 Homecoming	-	933
	<u>45,974</u>	<u>46,826</u>
Disbursements :		
Love MGS	(11,895)	( 9,014)
P6 Reunion/Youth Chapter/Past vs Present	( 999)	( 1,836)
Teachers' Day	(31,235)	(26,878)
	<u>(44,129)</u>	<u>(37,728)</u>
Surplus from special functions	<u>1,845</u>	<u>9,098</u>

## METHODIST GIRLS' SCHOOL ALUMNAE ASSOCIATION

## NOTES TO THE ACCOUNTS - 31 DECEMBER 2016

## 13. INCOME TAX EXPENSES

	2016 \$	2015 \$
Current year's tax	-	12

Income tax is based on income assessed under Section 10(1)(d) of the Income Tax Act and is taxed at corporate tax rate of 17% (2015 : 17%).

## 14. FINANCIAL RISK MANAGEMENT

The Association's activities expose it to minimal financial risks. The Management Committee has oversight to the overall risk management of the Association. The policies for managing these risks are briefly as follows :

## (a) Liquidity Risk

The Association monitors and maintains a level of cash and cash equivalents deemed adequate by the Management Committee to finance its operations and mitigate the effects of fluctuations in cash flows. The Association has no significant liquidity risk.

## (b) Interest Rate Risk

The Association has no significant exposure to market risk for changes in interest rates.

## 15. FUND MANAGEMENT

The Association's funds are managed so as to maintain adequate working funds for the development of its principal activities over the longer term through significant support in the form of subscriptions and donations. No changes were made in objectives, policies or processes during the financial years ended 31 December 2016 and 31 December 2015.

## 16. FAIR VALUES

The fair values of the current financial assets and financial liabilities in the statement of financial position approximate their carrying values due to their short-term nature.