



ST. JOHN SINGAPORE

(Registered under the Societies Act, Cap. 311)

(Unique Identity Number, UEN: S70SS0009L)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

TOGETHER WITH STATEMENT BY COUNCIL MEMBERS AND AUDITORS' REPORT

Acfoss Assurance
Chartered Accountants of Singapore

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ST. JOHN SINGAPORE
Unique Entity Number, UEN: S70SS0009L

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ST. JOHN SINGAPORE
Statement by Council Members
For the year ended 31 December 2016

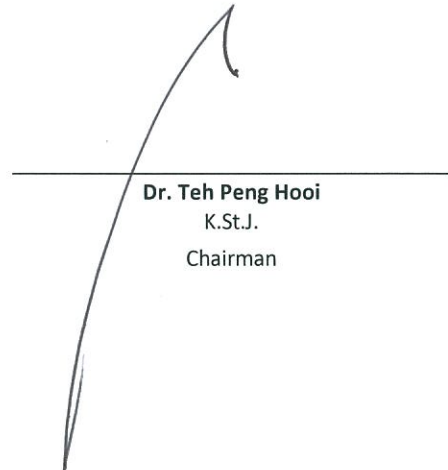
On behalf of the Council Members, we, Cheong Kai Liang, Benjamin and Teh Peng Hooi do hereby state that in our opinion: -

- (a) the accompanying financial statements of St. John Singapore ("the Council") are drawn up in accordance with the Constitution of the Council, the Societies Act, Cap. 311, the Charities Act, Cap. 37 and the regulations enacted thereunder, and the Singapore Financial Reporting Standards so as to give a true and fair view of the financial position of the Council as at 31 December 2016 and of the performance, the changes in funds and cash flows of the Council for the year ended on that date;
- (b) the accounting and other records required to be kept by the Constitution of the Council, Societies Act, Cap.311, the Charities Act, Cap.37 and the regulations enacted thereunder, have been properly kept in accordance with those provisions; and
- (c) at the date of this statement, there are reasonable grounds to believe that the Council will be able to pay its debts as and when they fall due.

On behalf of the Council Members,



Cheong Kai Liang, Benjamin
Honorary Treasurer



Dr. Teh Peng Hooi
K.St.J.
Chairman

Singapore,
18 MAY 2017

INDEPENDENT AUDITORS' REPORT

To the Council Members of
St. John Singapore

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of St. John Singapore ("the Council"), which comprise the statement of financial position as at 31 December 2016, and the statement of comprehensive income, statement of changes in funds and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying financial statements of the Council are properly drawn up in accordance with the provisions of the Societies Act, Cap. 311 and Charities Act, Cap. 37 and other relevant regulations (the Charities Act and Regulations) and Singapore Financial Reporting Standards (SFRS) so as to give a true and fair view of the financial position of the Council as at 31 December 2016 and of the financial performance, changes in funds and reserves and cash flows of the Council 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 Council 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 financial statements in accordance with the provisions of the Societies Act, the Charities Act and Regulations and SFRS 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 Council'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 Council or to cease operations, or has no realistic alternative but to do so.

The Council Members' responsibilities include overseeing the Council's financial reporting process.

Auditors' Responsibility

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:

INDEPENDENT AUDITORS' REPORT (continued)

- 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 Council'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 Council'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 Council 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 Council Members 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:

- (i) the accounting and other records required to be kept by the Council have been properly kept in accordance with accordance with the provisions of the Societies Regulations enacted under the Societies Acts, the Charities Act and Regulations; and
- (ii) the fund-raising appeals held during the year have been carried out in accordance with Regulation 6 of the Societies Regulations issued under the Societies Act and proper accounts and other records have been kept of the fund-raising appeals.

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

- (i) the Council has not used the donation monies in accordance with its objectives as required under Regulation 11 of the Charities (Institutions of a Public Character) Regulations; and
- (ii) the Council has not complied with the requirements of Regulation of the Charities (Institutions of a Public Character) Regulations.



Acfoss Assurance
Public Accountants and
Chartered Accountant

Singapore,
18 MAY 2017

ST. JOHN SINGAPORE
Statement of financial position
As at 31 December 2016

	Note	2016 \$	2015 \$
ASSETS			
Non-current asset			
Property, plant and equipment	4	2,438,460	413,348
Current assets			
Inventories	5	56,746	56,822
Trade and other receivables	6	210,591	191,732
Cash and cash equivalents	7	6,070,056	7,408,017
		6,337,393	7,656,571
Total assets		8,775,853	8,069,919
FUNDS AND LIABILITIES			
Funds			
Restricted			
Zone bursary fund	10	290,754	286,563
Designated funds	11	744,000	469,000
		1,034,754	755,563
Unrestricted			
Accumulated funds		6,403,637	6,496,197
Capital reserve	12	716,401	716,401
		7,120,038	7,212,598
Total funds		8,154,792	7,968,161
Current liabilities			
Income received in advance	9	3,412	2,352
Accruals and other payables	8	617,649	99,406
		621,061	101,758
Total funds and liabilities		8,775,853	8,069,919

See accompanying notes to the financial statements.

ST. JOHN SINGAPORE
Statement of comprehensive income
For the year ended 31 December 2016

	Note	2016 \$	2015 \$
Income			
Fund-generating activities	13	336,523	757,692
Course fees		1,235,855	1,107,860
Sales of goods		37,276	35,956
Donations - non tax deductible	14	35,480	89,136
Donations - tax deductible	15	333,347	490,424
Government grants	16	151,907	152,102
Interest income from banks		98,945	32,038
Other income	17	94,156	87,670
Total income		2,323,489	2,752,878
Less: Expenditure			
Cost of goods sold		27,695	27,489
Advertisement and subscription		8,677	15,874
Professional fees		9,800	9,000
Depreciation of property, plant and equipment	4	120,027	102,176
Fund-raising expenses	13	41,741	79,011
Insurance		13,168	13,503
Parade and ceremonial accessories		29,141	25,111
Printing, stationery and postages		48,158	33,899
Public duty with ambulance support		95,258	72,521
Rental of premises		16,480	15,630
Repairs and maintenance		145,646	131,776
Special programme and other events		112,687	197,563
Staff costs	18	952,474	896,269
Teaching materials		48,186	47,104
Telecommunication		11,537	11,948
Training, courses and competitions		152,727	225,051
Honorarium, travelling and transport reimbursements		376,902	298,287
Inventories written off		960	4,607
Uniform, badges and accessories		24,824	8,320
Zones and corps expenses		114,035	85,980
Other expenses	19	65,926	85,300
Total expenditure		2,416,049	2,386,419
(Deficit)/surplus for the year		(92,560)	366,459
Other comprehensive income			
Specific donations received	11	275,000	120,000
Fund utilised against Cambodia Mission fund	11	-	(8,534)
Interest income from bank for Zone Bursary Fund		4,191	1,806
		279,191	113,272
Total comprehensive income for the year		186,631	479,731

See accompanying notes to the financial statements.

ST. JOHN SINGAPORE
Statement of changes in funds
For the year ended 31 December 2016

	Zone bursary fund	Designated funds	Accumulated funds (general)	Capital reserve	Total
Note	\$	\$	\$	\$	\$
Balance as at 31 December 2014	284,757	357,534	6,129,738	716,401	7,488,430
Surplus for the year	-	-	366,459	-	366,459
Specific donations received	-	120,000	-	-	120,000
Fund utilised	-	(8,534)	-	-	(8,534)
Interest income from bank	1,806	-	-	-	1,806
Balance as at 31 December 2015	286,563	469,000	6,496,197	716,401	7,968,161
Deficit for the year	-	-	(92,560)	-	(92,560)
Specific donations received	-	275,000	-	-	275,000
Interest income from bank	4,191	-	-	-	4,191
Balance as at 31 December 2016	290,754	744,000	6,403,637	716,401	8,154,792

See accompanying notes to the financial statements.

ST. JOHN SINGAPORE
Statement of cash flows
For the year ended 31 December 2016

	Note	2016 \$	2015 \$
Cash flows from operating activities			
(Deficit)/surplus for the year		(92,560)	366,459
Adjustment for:			
Depreciation of plant and equipment	4	120,027	102,176
Government grants		(151,907)	(175,186)
Interest income		(98,945)	(32,038)
Operating (deficit)/surplus before working capital changes		<u>(223,385)</u>	<u>261,411</u>
Changes in working capital:			
Trade and other receivables		(18,859)	79,313
Inventories		76	(1,970)
Income received in advance		1,060	(14,676)
Accruals and other payables		518,243	(36,692)
Net cash inflow from operating activities		<u>277,135</u>	<u>287,386</u>
Cash flows from investing activities			
Interest received		98,945	32,038
Purchase of property, plant and equipment	4	(2,145,139)	(137,529)
Net cash outflow from investing activities		<u>(2,046,194)</u>	<u>(105,491)</u>
Cash flows from financing activities			
Interest income for zone bursary fund		4,191	1,806
Government grants received		151,907	175,186
Donations for Dementia Day-Care Centre & International Charity Fund		275,000	120,000
Utilisation of designated funds for corps and Cambodia Mission fund		-	(8,534)
Net cash inflow from financing activities		<u>431,098</u>	<u>288,458</u>
Net (decrease)/increase in cash and cash equivalents		(1,337,961)	470,353
Cash and cash equivalents			
- at the beginning of the year		<u>7,408,017</u>	<u>6,937,664</u>
- at the end of the year	7	<u>6,070,056</u>	<u>7,408,017</u>

See accompanying notes to the financial statements.

ST. JOHN SINGAPORE
Notes to the financial statements
For the year ended 31 December 2016

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

1. General information

St. John Singapore ("the Council") is domiciled and registered in the Republic of Singapore as a Society under the Societies Act, Cap. 311. The Council is registered as a charity under the Charities Act, Cap. 37 (Unique entity number: S70SS0009L) and is also an approved Institution of a Public Character (IPC).

The Council's registered office and principal place of operation is at

420 Beach Road
Singapore 199582

The principal activities of the Council are those relating to the provision of first-aid courses to members, students and the general public in order to promote and encourage all works of humanity. The Council is also involved in the provision of public duty with ambulance support on a non-emergency basis.

2. Summary of significant accounting policies

2.1 Basis of accounting

The financial statements of the Council comprise the compilation of the individual financial statements of the Council, Brigade, Association, Fellowship, 10 Zones and Jurong Centre.

The financial statements of the Council are prepared in accordance with the historical cost convention and comply with Singapore Financial Reporting Standards ("SFRS") issued by the Accounting Standards Council and the applicable requirements of the Societies Act, Cap. 311 and the Charities Act, Cap. 37 and the regulations enacted thereunder, except as disclosed in the accounting policies below.

Interpretations and amendments to published standards effective in 2016

In the current financial year, the Council has adopted all the new or amended SFRS and Interpretation to SFRS ("INT FRS") that are relevant and mandatory to its operations. Changes to the Council's accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS and INT FRS.

The adoption of these new or amended SFRS and INT FRS did not result in substantial changes to the Council's accounting policies and had no material effect on the amounts reported for the current or prior financial year.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

2.2 Foreign currencies

(a) Functional and presentation currencies

Transactions in the Council are measured using the currency of the primary economic environment in which the Council operates ("the functional currency"). The audited financial statements are presented in Singapore Dollars which is the functional currency and the presentation currency of the Council.

(b) Transactions and balances

Transactions in foreign currencies are translated to the functional currencies at the exchange rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies at the date of the statement of financial position are translated to the functional currency at the exchange rate closely approximating to those ruling at the date of the statement of financial position.

ST. JOHN SINGAPORE
Notes to the financial statements
For the year ended 31 December 2016

2. Summary of significant accounting policies (continued)

2.2 Foreign currencies (continued)

(b) Transactions and balances (continued)

Non-monetary assets and liabilities measured items of historical costs in a foreign currency are translated using the exchange rate at the date of the initial transaction. Non-monetary items denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date in which the fair value was determined.

Translation differences are taken to the income statement.

2.3 Property, plant and equipment

(a) Owned assets

The cost of an item of property, plant and equipment is recognised as an asset, if and only if, it is probable that future economic benefits associated with the item will flow to the Council and the cost item can be measured reliably.

Property, plant and equipment are recorded at cost, which includes expenditure that is directly attributable to the acquisition of the assets, less accumulated depreciation and impairment losses. Fully depreciated property, plant and equipment are retained in the audited financial statements until they are no longer in use.

The carrying amount of property, plant and equipment is reviewed annually to determine whether it is impaired at the date of the statement of financial position.

An impairment loss is recognised immediately in the income statement. Any revaluation surplus if recognised is credited directly to revaluation reserve in equity, except to the extent that it reverses the impairment loss of the same asset previously recognised in the income statement, in which case the surplus is recognised in the income statement. An impairment loss is recognised in the income statement, except to the extent that it offsets an existing surplus on the same assets carried in the revaluation reserve.

The accumulated depreciation of an asset is eliminated on the date of revaluation or impairment.

(b) Component of costs

The cost of an item of property, plant and equipment initially recognised includes the purchase price and any cost that is directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the management. Costs also include borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets.

(c) Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the property, plant and equipment when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing asset, will flow to the Council. All other subsequent expenditure is recognised as an expense in the period in which it is incurred.

(d) Disposals

The gain or loss arising from the retirement or disposal of property, plant and equipment is determined as the difference between the estimated net disposal proceeds and the carrying amount of the asset and is recognised in the income statement on the date of retirement or disposal.

ST. JOHN SINGAPORE
Notes to the financial statements
For the year ended 31 December 2016

2. Summary of significant accounting policies (continued)

2.3 Property, plant and equipment (continued)

(d) Disposals (continued)

Any revaluation surplus included in the revaluation reserve in respect of an asset that is disposed or retired is transferred directly to accumulated fund or to the income statement.

(e) Depreciation

Depreciation is computed on a straight-line basis so as to write off the cost or the carrying amount over their estimated useful lives.

The carrying amount, residual value and useful lives are reviewed and adjusted as appropriate at the end of each reporting period with changes in estimate accounted for on a prospective basis.

2.4 Inventories

Inventories comprise of first-aid manuals, booklets, kits, pouches and uniform accessories, cadet proficiency badges and cardio-pulmonary resuscitation charts that are held for sale in the ordinary course of activities of the Council.

Inventories are stated at the lower of cost, determined on the first-in first-out method, and net realisable value. Cost comprises all costs of purchases, conversion and other costs in bringing the inventories to their present condition and location. Where necessary, an allowance is provided for damaged, obsolete and slow moving items to adjust the carrying value of inventories to the lower of cost or net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business less the selling expense or estimated costs of completion and the applicable variable selling expenses.

2.5 Financial assets

(a) Classifications

The classification of financial assets depends on the nature and purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition. The classifications are as follows:

(i) Financial assets, at fair value through profit or loss:

(aa) Financial assets held for trading

These assets are acquired principally for the purpose of selling in the short term including derivatives that are not designated as hedges.

(bb) Those designated at fair value through profit or loss at inception.

These are assets that are managed and their performances evaluated on a fair value basis.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

ST. JOHN SINGAPORE
Notes to the financial statements
For the year ended 31 December 2016

2. Summary of significant accounting policies (continued)

2.5 Financial assets (continued)

(a) Classifications (continued)

(iii) Financial assets, held-to-maturity

Financial assets, held-to-maturity are non-derivatives financial assets with fixed or determinable payments and fixed maturities that management has the positive intention and ability to hold to maturity. If more than an insignificant amount of any such assets are sold or reclassified, during the financial year or during the two preceding financial years they are reclassified as available-for-sale.

(iv) Financial assets, available-for-sale

Financial assets, available-for-sale are non-derivatives that are either designated in this category or not classified in any other categories.

Financial assets are presented as current assets if management intends to dispose of the assets within 12 months after the date of the statement of financial position, or non-current assets.

(b) Recognition and derecognition

Regular way purchases and sale of financial assets are recognised on trade-date - the date of which the Council commits to purchase or sell the assets.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and substantially all risks and rewards of ownership are transferred. On disposal of a financial asset, the difference between the carrying amount and the sale proceeds, and any cumulative gain or loss that had been recognised directly in equity shall be recognised in the income statement.

(c) Initial measurement

All financial assets are initially recognised at fair value plus transactions cost except for financial assets at fair value through profit or loss, which are recognised at fair value and its related transactions cost recognised immediately as expenses.

(d) Subsequent measurement

(i) At fair value

Financial assets classified as at fair value through profit or loss are subsequently carried at fair value. Changes in fair values including currency translation are taken to the income statement.

Financial assets classified as available for sale are subsequently carried at fair value. Changes in fair value are taken to fair value reserve in equity, except for the effects of currency translation which are taken to the income statement.

Interest incomes in respect of these assets are taken to the income statement.

(ii) At amortised cost using the effective interest method

Financial assets classified as loan and receivables and held-to-maturity are subsequently carried using this method. Any gain or loss is taken to the income statement.

ST. JOHN SINGAPORE
Notes to the financial statements
For the year ended 31 December 2016

2. Summary of significant accounting policies (continued)

2.5 Financial assets (continued)

(e) Impairment

At the date of the statement of financial position if there is objective evidence that a financial asset is impaired, the amount of impairment loss is recognised in the income statement as follows:

(i) Loans and receivables / Financial assets, held-to-maturity

The amount of the loss is the difference between the carrying amount and the present value of estimated future cash flows discounted at the assets' original effective interest rate.

The carrying amount is reduced through the use of an allowance account. If in a subsequent period the amount of impairment loss decreases, the previously recognised impairment loss shall be reversed by adjusting the allowance account and recognised in the income statement. The reversal shall not result in a carrying amount that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed.

(ii) Financial assets, available-for-sale

The impairment loss shall be removed from the cumulative fair value loss in equity and recognised in the income statement. The amount to be removed shall be the difference between the acquisition cost and current fair value, less any impairment loss previously recognised in the income statement. Impairment loss in respect of equity instrument, including unquoted equity instrument, recognised in the income statement cannot be reversed through the income statement in subsequent period. However, debt instrument may have its impairment loss reversed to the income statement in subsequent period.

(f) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is legally enforceable right to offset and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

2.6 Financial liabilities

Financial liabilities include derivatives that are not hedges. All financial liabilities are recognised initially at fair value plus directly attributable transaction costs except for derivatives and financial liabilities fair value through profit and loss; these are recognised initially at fair value.

Subsequent to initial recognition, all financial liabilities are measured at amortised costs using the effective interest method, except for derivatives and financial liabilities fair value through profit and loss, which are measured at fair value. All gains and losses are taken to the income statement.

A financial liability is derecognised when the obligations under the liability is extinguished.

2.7 Leases

The Council leases premises and equipment under operating lease from non-related party.

Lessee – Operating Lease

Leases where substantially all risks and rewards incidental to ownership are retained by the lessors are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessors) are recognised in the statement of comprehensive income on a straight-line basis over the period of the lease.

ST. JOHN SINGAPORE
Notes to the financial statements
For the year ended 31 December 2016

2. Summary of significant accounting policies (continued)

2.7 Leases (continued)

Contingent rentals are recognised as an expense in the income statement when incurred.

2.8 Impairment of non-financial assets

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit ("CGU") exceeds its estimated recoverable amount. A CGU is the smallest identifiable asset group that generates cash flows that are largely independent from other assets and groups.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the CGU to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in the income statement, unless the asset is carried at revalued amount, in which case, such impairment loss is treated as a revaluation decrease.

2.9 Employee benefits

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalized as an asset.

Defined contribution plans

Obligations for contributions to defined contribution pension plans are recognised as an expense in the income statement as incurred.

Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A provision is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Council has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Employees' entitlements to annual leave are recognised when they accrue to employees. An allowance is made for the estimated liability for leave as a result of services rendered by employees up to the date of the statement of financial position.

2.10 Provisions

Provisions are recognised if, as a result of a past event, the Council has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Changes in the estimated timing or amount of the expenditure or discount rate are recognised in the income statement when the changes arise.

ST. JOHN SINGAPORE
Notes to the financial statements
For the year ended 31 December 2016

2. Summary of significant accounting policies (continued)

2.11 Income recognition

Income is recognised to the extent that it is probable that the economic benefits will flow to the Council and the income can be reliably measured, regardless of when the payment is made. Income is measured at the fair value of consideration received or receivable, net of return and allowances, trade discounts, volume rebates and taking into account contractually defined terms of payment and excluding taxes or duty. The Council assesses its income arrangements to determine if it is acting as principal or agent. The Council has concluded that it is acting as a principal in all of its revenue arrangements and if in an agency arrangements the amounts collected on behalf of the principal are excluded from income.

The following specific recognition criteria must also be met before income is recognised.

Revenue from course fees is recognised when services are performed.

Cash donations are recognised on a receipt or collection basis.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, and there is no continuing management involvement with the goods.

Interest income is recognised on an accrual basis using the effective interest method.

All other income is recognised on a receipt basis.

2.12 Government grants

Funds and grants received for specific purposes are accounted directly to the specific funds.

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all the attaching conditions will be complied with. When the grant or funding relates to an expense item, it is recognised as income over the periods necessary to match them on a systematic basis to the costs which it is intended to compensate.

2.13 Income taxes

As the Council is registered as a Charity under the Charities Act, it is exempted from income tax, in accordance with the provisions of the Income Tax Act.

2.14 Goods and services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax except:-

- (i) Where the goods and services tax incurred in a purchase of assets or services is not recoverable from the taxation authority, in which case the goods and services tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- (ii) Receivables and payables are stated with the amount of goods and services tax included.

The net amount of goods and services tax recoverable from or payable to the taxation authority is included as part of receivables or payables in the statement of financial position.

ST. JOHN SINGAPORE
Notes to the financial statements
For the year ended 31 December 2016

2. Summary of significant accounting policies (continued)

2.15 Contingencies

A contingent liability or asset is a possible obligation or asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future event(s) not wholly within the control of the Council.

Contingent liabilities and assets are not recognised on the audited statement of financial position of the Council.

2.16 Cash and cash equivalents

For the purpose of presentation in the audited statement of cash flows, cash and cash equivalents include cash on hand and deposits with financial institutions which are subject to insignificant change in value.

2.17 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 utilized in accordance with the purpose 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 activities of a fund that is directly attributable to the fund is charged to that fund. Common expenses, if any, are allocated on a reasonable basis to the funds based on a method most suitable to that common expense.

3 Critical accounting estimates, assumptions and judgments

The preparation of audited financial statements in conformity with SFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

3.1 Key sources of accounting estimation and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the date of the audited statement of financial position, that have a significant risk in causing material adjustments to the carrying amounts of assets and liabilities within the next financial year are discussed below:-

(a) Depreciation of property, plant and equipment

These assets are depreciated on a straight-line basis over their estimated useful lives estimated by management. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, and therefore future depreciation charges could be revised.

	<u>Number of years</u>
Leasehold property	20
Furniture & fittings and equipment	1 to 5
Motor vehicles	10
Renovation	5 to 10

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3 Critical accounting estimates, assumptions and judgments (continued)

3.1 Key sources of accounting estimation and assumptions (continued)

(b) Impairment of receivables

Management views its receivables for objective evidence of impairment at least on a yearly basis. Significant financial difficulties of the receivable, the probability that the receivable will enter into bankruptcy, and default or significant delay in payments are considered objective evidence that a receivable is impaired. In determining this, management makes judgment as to whether there is observable data indicating that there has been a significant change in the payment ability of the receivable, or whether there have been significant changes with adverse effect in the technological, market, economic or legal environment in which the receivable operates in.

Where there is objective evidence of impairment, management makes judgment as to whether an impairment loss should be recorded as an expense. In determining this, management uses estimates based on historical loss experience for assets with similar credit risk characteristics. The methodology and assumptions are reviewed regularly to reduce any differences between the estimated loss and the actual loss experience.

(c) Impairment of financial assets

The Council follows the guidance of *FRS 36 Impairment of Assets* and *FRS 39 Financial Instruments: Recognition and Measurement* in determining when an investment or financial asset is impaired and this requires significant judgement. The Council evaluate among other factors, the duration and extent to which the fair value of an investment or financial assets is less than its cost; and the financial health of and near term business outlook for the investment or financial asset, including factors such as industry and sector performance, changes in technology and operational and financing cash flows.

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Notes to the financial statements
For the year ended 31 December 2016

4. Property, plant and equipment	Leasehold property \$	Asset under construction \$	Furniture, fittings & equipment \$	Motor vehicles \$	Renovation \$	Total \$
At cost/ valuation						
As at 1 January 2015	172,471	-	417,267	291,567	458,090	1,339,395
Transfer from prepayment	-	70,651	-	-	-	70,651
Addition	-	20,865	10,364	106,300	-	137,529
As at 31 December 2015	172,471	91,516	427,631	397,867	458,090	1,547,575
Addition	-	1,872,731	28,214	155,759	88,435	2,145,139
Written off	-	-	(7,110)	-	-	(7,110)
As at 31 December 2016	172,471	1,964,247	448,735	553,626	546,525	3,685,604
Accumulated depreciation						
As at 1 January 2015	172,471	-	333,181	261,729	264,670	1,032,051
Charge for the year	-	-	41,502	20,576	40,098	102,176
As at 31 December 2015	172,471	-	374,683	282,305	304,768	1,134,227
Charge for the year	-	-	34,165	36,152	49,710	120,027
Written off	-	-	(7,110)	-	-	(7,110)
As at 31 December 2016	172,471	-	401,738	318,457	354,478	1,247,144
Net book value as at						
31 December 2016	-	1,964,247	46,997	235,169	192,047	2,438,460
31 December 2015	-	91,516	52,948	115,562	153,322	413,348

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5. Inventories

	2016 \$	2015 \$
Goods held for resale	<u>56,746</u>	<u>56,822</u>

The cost of inventories recognised as an expense and included in cost of goods sold amounts to \$27,695 (2015: \$27,489).

6. Trade and other receivables

	2016 \$	2015 \$
Trade receivables	98,348	80,822
Amount due from Ministry of Education for capitation grant	67,184	68,102
Interest receivable from fixed deposits (Note 7)	3,171	8,464
Other receivables	4,511	13,502
Deposits	13,887	6,727
Prepayments	<u>23,490</u>	<u>14,115</u>
	<u>210,591</u>	<u>191,732</u>

Trade receivables are non-interest bearing and are generally on 30 days terms. They are recognised at their invoice amounts which represents their fair values on initial recognition.

The Council has unsecured trade receivables amounting to \$49,946 (2015: \$31,068) that are past settlement date at the date of statement of financial position but not impaired and their ageing at the date of statement of financial position are as follows:-

	2016 \$	2015 \$
Trade receivables past due		
30 to 60 days	21,394	11,647
61 to 90 days	8,270	5,447
Over 90 days	<u>20,282</u>	<u>13,974</u>
	<u>49,946</u>	<u>31,068</u>

7. Cash and cash equivalents

	2016 \$	2015 \$
Fixed deposits placed with financial institutions	3,120,000	6,007,265
Cash and bank balances	<u>2,950,056</u>	<u>1,400,752</u>
Cash and cash equivalents per statement of cash flows	<u>6,070,056</u>	<u>7,408,017</u>

Included in the fixed deposit account are designated deposits in support of zone bursary fund (note 10) amounting to \$290,754 (2015: \$286,563).

Fixed deposits at the end of the reporting period bear effective interest rate of 1.28%-1.30% p.a. (2015: 0.19%-1.80% p.a.) and were placed on a 1-year duration.

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8. Accruals and other payables

	2016 \$	2015 \$
Accruals	577,479	64,613
Other payables	19,232	16,026
GST payable	20,938	18,767
	<u>617,649</u>	<u>99,406</u>

Other payables are non-interest bearing. Other payables are normally settled on 30-day terms while accruals have an average term of 1 month.

9. Income received in advance

Income received in advance includes course fees and season parking fees for year 2017.

10. Zone bursary fund

Zone bursary fund is a restricted fund set-up by Zone 9 to provide bursary and scholarship awards to deserving members of Zone 9. Interest earned from and disbursements made out of this fund is credited to and deducted respectively from this fund.

11. Designated funds

	2016 \$	2015 \$
(a) Cambodia Mission Fund		
Balance as at 1 January 2016/2015	-	8,534
Donation received	-	-
Fund utilised	-	(8,534)
Balance as at 31 December 2016/2015	<u>-</u>	<u>-</u>
	2016 \$	2015 \$
(b) Dementia Day-Care Centre & International Charity Fund		
Balance as at 1 January 2016/2015	469,000	349,000
Donation received:		
- Donation towards the Board of Benefactors	75,000	120,000
- Specific donation from the Lee Foundation	200,000	-
Fund utilised	-	-
Balance as at 31 December 2016/2015	<u>744,000</u>	<u>469,000</u>

(c) Funds from the Board of Benefactors, plus the Lee Foundation's donation of \$200,000 are specially set aside for works related to the operations of a new Dementia Day-Care Centre of St. John Singapore as well as works related to the St. John Priory of Singapore. Total donation towards the "Dementia Day-Care Centre & International Charity Fund" for 2016 is \$275,000 (2015: \$120,000), of which Nil (2015: \$15,000) (note 14) was not tax-deductible at the request of the donor.

12. Capital reserve

The capital reserve represents compensation previously received by the Council for relinquishing its rights over a part of the land which has a 99-year lease tenure and where the Council's building (note 4) stands.

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Notes to the financial statements
For the year ended 31 December 2016

13. Funds generating activities

	2016 \$	2015 \$
Fund generated from:		
F1 survival kit charity sales	16,591	22,441
Flag Day	221,429	236,276
Walkathon	97,893	82,367
Priory Anniversary cum Variety show	-	78,518
SJ80 musical night	-	338,090
Giving SG	610	-
	<u>336,523</u>	<u>757,692</u>
Less: Fund raising expenses		
F1 survival kit charity sales	(9,269)	(11,113)
Flag Day	(14,863)	(12,820)
Walkathon	(17,609)	(2,175)
Priory Anniversary cum Variety show	-	(23,847)
SJ80 musical night	-	(29,056)
	<u>(41,741)</u>	<u>(79,011)</u>
	<u>294,782</u>	<u>678,681</u>

14. Donations – non-tax deductible

	2016 \$	2015 \$
Donations - Gross	35,480	104,786
Less: - Donations attributable to Dementia Day-Care Centre & International Charity Fund (note 11)	-	(15,000)
- Donation attributable to SJ80 Musical Night	-	(650)
	<u>35,480</u>	<u>89,136</u>

15. Donations – tax deductible

	2016 \$	2015 \$
Donations – Gross	608,347	911,574
Less: - Donations attributable to Dementia Day-Care Centre & International Charity Fund (note 11)	(275,000)	(105,000)
- Donation attributable to SJ80 Musical Night	-	(269,200)
- Donation attributable to Priory Anniversary Cum Variety Show	-	(46,950)
	<u>(275,000)</u>	<u>(421,150)</u>
	<u>333,347</u>	<u>490,424</u>

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Notes to the financial statements
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16. Government grants

	2016	2015
	\$	\$
Capitation grant	67,184	68,102
Grant for purchasing of facilitation toolkits	-	17,400
Student development curriculum training grant	60,000	60,000
SinMal camp grant	-	6,684
Grant from Ministry of Health	23,000	23,000
Grant from National Council of Social Service	1,723	-
	<u>151,907</u>	<u>175,186</u>
Less: Grant utilised		
Purchase of facilitation toolkits	-	(16,400)
SinMal Camp	-	(6,684)
Net grant	<u>151,907</u>	<u>152,102</u>

17. Other income

	2016	2015
	\$	\$
Parking fee income	23,581	29,533
Ambulance service fee	14,000	17,927
Special employment credit	28,727	23,692
Wage Credit Scheme	18,317	8,509
Sundry income	9,531	8,009
	<u>94,156</u>	<u>87,670</u>

18. Staff costs

	2016	2015
	\$	\$
Salaries and bonuses	838,589	791,158
CPF contributions	113,885	105,111
	<u>952,474</u>	<u>896,269</u>

19. Other expenses

	2016	2015
	\$	\$
Bank charges	844	889
License fees	902	871
Medical fees and welfare	21,553	27,256
Utilities	42,627	45,806
CPF overpayment written off	-	10,478
	<u>65,926</u>	<u>85,300</u>

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Notes to the financial statements
For the year ended 31 December 2016

20. Significant related party transactions

For the purposes of these audited financial statements, parties are considered to be related to the Council if the Council, its members and its key management personnel has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Council, its members and its key management personnel and the party are subject to common control or common significant influences. Related parties may be individuals or other entities.

In addition to the related party information disclosed elsewhere in the audited financial statements, the transactions with related parties at terms agreed between the parties, are as follows:

	2016	2015
	\$	\$
<u>Key management personnel compensation</u>		
Salaries and other short-term employee benefits	<u>303,999</u>	<u>294,827</u>
Number of key management in remuneration books:		
Less than \$100,000	<u>5</u>	<u>5</u>

There are five key management personnel, who are not members of the Council. The Council is the final authority and is overall responsible for policy-making and determination of all activities. The members of the Council are volunteers and receive no monetary remuneration for their contribution.

21. Commitments

a) Capital commitments

Capital expenditure contracted for as at the date of statement of financial position but not recognised on the financial statements is as follows:

	2016	2015
	\$	\$
Capital commitments in respect of property, plant and equipment (note 4)	<u>1,092,983</u>	<u>2,748,552</u>

22. Financial risk management

(a) Financial risk management objectives and policies

Risk management is integral to the whole activities of the Council. The Council has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Council's risk management process to ensure that an appropriate balance between risk and control is achieved. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Council's activities.

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Notes to the financial statements
For the year ended 31 December 2016

22. Financial risk management (continued)

(a) Financial risk management objectives and policies (continued)

Summary of financial instruments

	Loans and receivables	Non-trading financial liabilities	Non-financial instruments	Total
As at 31 December 2016	\$	\$	\$	\$
<u>Current assets</u>				
Inventories	-	-	56,746	56,746
Trade and other receivables	187,101	-	23,490	210,591
Cash and cash equivalents	6,070,056	-	-	6,070,056
<u>Non-current asset</u>				
Property, plant and equipment	-	-	2,438,460	2,438,460
Total assets	6,257,157	-	2,518,696	8,775,853
<u>Current liabilities</u>				
Income received in advance	-	-	3,412	3,412
Accruals and other payables	-	617,649	-	617,649
Total liabilities	-	617,649	3,412	621,061
As at 31 December 2015				
<u>Current assets</u>				
Inventories	-	-	56,822	56,822
Trade and other receivables	177,617	-	14,115	191,732
Cash and cash equivalents	7,408,017	-	-	7,408,017
<u>Non-current asset</u>				
Property, plant and equipment	-	-	413,348	413,348
Total assets	7,585,634	-	484,285	8,069,919
<u>Current liabilities</u>				
Income received in advance	-	-	2,352	2,352
Accruals and other payables	-	99,406	-	99,406
Total liabilities	-	99,406	2,352	101,758

(b) Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or a counterparty to settle its financial and contractual obligations to the company, as and when they fall due. The Council's exposure to credit risk arises primarily from bank deposits, trade and other receivables. For other financial assets, the Council minimizes credit risk by dealing with high credit rating counterparties.

The Council has a credit policy in place and the exposure to credit risk is monitored on an on-going basis. Credit evaluations are performed on all customers requiring credit over a certain amount. The Council does not require collateral in respect of trade and other receivables.

As the Council 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 audited statement of financial position.

ST. JOHN SINGAPORE
Notes to the financial statements
For the year ended 31 December 2016

22. Financial risk management (continued)

(b) Credit risk (continued)

(i) Financial assets that are neither past due nor impaired

Bank deposits that are neither past due nor impaired are mainly deposits with banks with high credit-ratings assigned by international credit-rating agencies. Trade receivables that are neither past due nor impaired are substantially companies with a good collection track record with the company.

(ii) Financial assets that are past due and/or impaired

There is no other class of financial assets that is past due and/or impaired except for trade receivables (see note 6 for information on trade receivables)

(c) Liquidity risk

Liquidity risk is the risk that the Council will not be able to meet its financial obligations as they fall due. The Council's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Council's reputation.

The Council monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Council's operations and to mitigate the effects of fluctuations in cash flows.

The following table analyses the Council's non-derivative financial assets and financial liabilities into relevant maturity groupings based on the remaining period from the date of statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	Less than 1 year	Between 2 and 5 years	Over 5 years
	\$	\$	\$
At 31 December 2016			
Financial assets:			
Trade and other receivables	187,101	-	-
Cash and cash equivalents	6,070,056	-	-
	<u>6,257,157</u>	<u>-</u>	<u>-</u>
Financial liability:			
Accruals and other payables	(617,649)	-	-
	<u>(617,649)</u>	<u>-</u>	<u>-</u>
Total net financial assets	<u>5,639,508</u>	<u>-</u>	<u>-</u>
At 31 December 2015			
Financial assets:			
Trade and other receivables	177,617	-	-
Cash and cash equivalents	7,408,017	-	-
	<u>7,585,634</u>	<u>-</u>	<u>-</u>
Financial liability:			
Accruals and other payables	(99,406)	-	-
	<u>(99,406)</u>	<u>-</u>	<u>-</u>
Total net financial assets	<u>7,486,228</u>	<u>-</u>	<u>-</u>

ST. JOHN SINGAPORE
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22. Financial risk management (continued)

(d) Market risk

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates and equity prices will affect the Council's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

(e) Foreign currency risk

The Council is not exposed to any significant foreign currency risk as its transactions are mainly denominated in Singapore dollar.

(f) Interest rate risk

The Council's exposure to interest rates relates primarily to interest-bearing financial assets. Interest rate risk is managed by the Council on an on-going basis with the primary objective of limiting the extent to which net interest expense could be affected by an adverse movement in interest rates.

The interest rates of interest earned on fixed deposits (see note 7) is 1.28%-1.30% p.a. (2015: 0.19%-1.80% p.a.) per annum. The Council believes that it has no significant exposure to interest rate risk and interest income does not have a significant impact on the Council's earnings.

(g) Capital risk

The Council's capital is represented by its various funds. The Council's objective when managing its funds is to safeguard the Council's ability to continue as a going concern.

The Council is a charity and thus, it is dependent on donations and grants to fund its activities for charitable purposes. The funds are mainly comprised of the general "Accumulated Funds", which are primarily in the form of cash and cash equivalents to ensure adequate liquidity to meet the expenditure needs of the Council.

The Council is not subject to any externally imposed capital requirements, except for the limitations imposed on the use of its restricted funds.

(h) Fair values of financial instruments

Where possible, fair values have been estimated using market prices for the financial instruments. Where market prices are not available, values have been estimated using quoted prices for financial instruments with similar characteristics, or otherwise using a suitable valuation technique where it is practicable to do so. The fair value information presented represents the Council's best estimate of those values, subject to certain assumptions and limitations.

Methodologies

The methodologies and assumptions used in estimating fair values depend on the terms and risk characteristics of the various instruments and include the followings:

Other financial assets and liabilities

The carrying amounts of financial assets and liabilities with a maturity of less than one year (including trade and other receivables, cash and cash equivalents, and other payables and accruals) are assumed to approximate their fair values because of the short period to maturity. All other financial assets and liabilities are discounted to determine their fair values.

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23. New or revised accounting standards and interpretations

The following are the applicable mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the company's accounting periods beginning on or after 1 January 2017 or later periods and which the company has not early adopted.

Standards Effective For Annual Period Beginning on or after 1 January 2017

- SFRS 109 : Financial Instruments
- SFRS 116 : Leases
- Amendments to SFRS 7 : Disclosure Initiative

The management anticipates that the adoption of the above SFRS's INT SFRS's and amendments to SFRS in the future periods will not have a material impact on the financial statements of the company in the period of their initial adoption.

24. Authorisation of financial statements

These financial statements were authorised for issue by the Council Members on 18 MAY 2017.