

New Zealand Chamber of Commerce (Singapore)
(Unique Entity Number: S83SS0025L)
(Registered under Societies Act, Chapter 311)

AUDITED FINANCIAL STATEMENTS
For the Financial Year Ended 31 March 2021



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New Zealand Chamber of Commerce (Singapore)

AUDITED FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2021

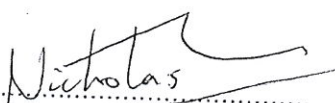
Contents	Page
Statement by the Board Members	1
Independent Auditor's Report	2 - 4
Statement of Financial Position	5
Statement of Financial Activities	6
Statement of Changes in Fund	7
Statement of Cash Flows	8
Notes to the Financial Statements	9 - 23


New Zealand Chamber of Commerce (Singapore)
STATEMENT BY THE BOARD MEMBERS
For the Financial Year Ended 31 March 2021

In the opinion of the Board Members

- (a) the financial statements of New Zealand Chamber of Commerce (Singapore) (the "Chamber") are properly drawn up so as to present fairly, in all material respects, the state of affairs of the Chamber as at 31 March 2021, and the results, changes in fund, and cash flows of the Chamber for the financial year ended on that date;
- (b) at the date of this statement, there are reasonable grounds to believe that the Chamber will be able to pay its debts as and when they fall due; and
- (c) There was no fund-raising appeal held by the Chamber during the financial year.

On behalf of the Board Members


.....
Nick Lee
President


.....
Steven Parsons
Treasurer

Singapore

Date: 26 July 2021

INDEPENDENT AUDITOR'S REPORT

To the Members of
New Zealand Chamber of Commerce (Singapore)
For the Financial Year Ended 31 March 2021

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of New Zealand Chamber of Commerce (Singapore) (the "Chamber"), which comprise the statement of financial position of the Chamber as at 31 March 2021, the statement of financial activities, statement of changes in fund, and statement of cash flows of the Chamber for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Societies Act, Chapter 311 (the "Act"), and Financial Reporting Standards in Singapore ("FRSs") so as to present fairly, in all material respect, the state of affairs of the Chamber as at 31 March 2021, and the results, changes in fund, and cash flows of the Chamber for the financial 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 Chamber in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the Statement by the Board Members, but does not include financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT

To the Members of New Zealand Chamber of Commerce (Singapore) For the Financial Year Ended 31 March 2021

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 Act and FRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Chamber'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.
- 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 Chamber's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

INDEPENDENT AUDITOR'S REPORT

**To the Members of
New Zealand Chamber of Commerce (Singapore)
For the Financial Year Ended 31 March 2021**

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

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Chamber'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 Chamber 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 by the Societies Regulations enacted under the Act to be kept by the Chamber have been properly kept in accordance with those Regulations.

There was no fund-raising appeal held by the Chamber during the financial year.



Tan, Chan & Partners
*Public Accountants and
Chartered Accountants*

Singapore

Date: 26 July 2021

New Zealand Chamber of Commerce (Singapore)

STATEMENT OF FINANCIAL POSITION

As at 31 March 2021

	Note	2021 \$	2020 \$
ASSETS			
Non-current assets			
Plant and equipment	4	2,887	4,536
Intangible assets	5	-	1,388
		<u>2,887</u>	<u>5,924</u>
Current assets			
Prepayments		3,517	6,608
Trade receivables	6	9,353	5,957
Bank balances	7	92,895	102,550
		<u>105,765</u>	<u>115,115</u>
Total assets		<u><u>108,652</u></u>	<u><u>121,039</u></u>
LIABILITIES AND FUND			
Current liabilities			
Other payables	8	5,576	6,059
Deferred income	9	26,939	36,619
		<u>32,515</u>	<u>42,678</u>
Fund			
Accumulated fund		<u>76,137</u>	<u>78,361</u>
Total liabilities and fund		<u><u>108,652</u></u>	<u><u>121,039</u></u>

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

New Zealand Chamber of Commerce (Singapore)

STATEMENT OF FINANCIAL ACTIVITIES
For the Financial Year Ended 31 March 2021

	Note	2021 \$	2020 \$
Income			
<u>Income from generated fund</u>			
Membership fees		38,153	42,841
Event income		35,838	236,914
Sponsorship		74,513	90,209
<u>Other income</u>			
Miscellaneous revenue		13,042	1,439
		<u>161,546</u>	<u>371,403</u>
Less: Cost of generating fund			
Event expenses		22,825	167,290
Event bank charges		1,779	4,682
		<u>24,604</u>	<u>171,972</u>
Net income		136,942	199,431
Less: Governance and administrative cost	10	<u>139,166</u>	<u>184,722</u>
(Deficit)/Surplus before taxation		(2,224)	14,709
Taxation	11	<u>-</u>	<u>-</u>
(Deficit)/Surplus for the financial year, representing total comprehensive (loss)/income for the financial year		<u><u>(2,224)</u></u>	<u><u>14,709</u></u>

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

New Zealand Chamber of Commerce (Singapore)

STATEMENT OF CHANGES IN FUND
For the Financial Year Ended 31 March 2021

	Accumulated fund \$
As at 1 April 2019	63,652
Surplus for the financial year, representing total comprehensive income for the financial year	<u>14,709</u>
As at 31 March 2020	78,361
Deficit for the financial year, representing total comprehensive loss for the financial year	<u>(2,224)</u>
As at 31 March 2021	<u><u>76,137</u></u>

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

New Zealand Chamber of Commerce (Singapore)

STATEMENT OF CASH FLOWS
For the Financial Year Ended 31 March 2021

	Note	2021 \$	2020 \$
Operating activities			
(Deficit)/Surplus before taxation		(2,224)	14,709
<u>Adjustment for:</u>			
Amortisation of intangible asset	5	1,388	2,025
Depreciation of plant and equipment	4	1,649	1,119
Operating cash flow before changes in working capital		813	17,853
<u>Adjustments for changes in working capital:</u>			
Prepayments		3,091	38,589
Trade and other receivables		(3,396)	(5,597)
Other payables		(483)	(3,597)
Deferred income		(9,680)	(8,172)
Net cash flows (used in)/generated from operating activities		(9,655)	39,076
Investing activity			
Acquisition of plant and equipment	4	-	(4,949)
Net cash flow used in investing activity		-	(4,949)
Net changes in cash and cash equivalents		(9,655)	34,127
Cash and cash equivalents at the beginning of the financial year		102,550	68,423
Cash and cash equivalents at the end of the financial year	7	92,895	102,550

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

New Zealand Chamber of Commerce (Singapore)

NOTES TO THE FINANCIAL STATEMENTS For the Financial Year Ended 31 March 2021

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

1. GENERAL INFORMATION

New Zealand Chamber of Commerce (Singapore) (the “Chamber”) is registered under the Societies Act, Chapter 311 and domiciled in the Republic of Singapore.

The registered address and principal place of operation of the Chamber is located at 1 George Street, #21-04, Singapore 049145.

The objectives for which the Chamber is established are:

- (a) To provide a forum on an organised and continuing basis for members to meet and discuss matters of common interest and to exchange views and information regarding economic and commercial issues;
- (b) To assist in promoting trade, investment, finance and industry between New Zealand and Singapore;
- (c) To assist New Zealand business entities and individuals who are already established or wish to be established in business in Singapore;
- (d) To help New Zealand business entities and individuals who intend to sell or invest in Singapore, and Singapore business entities and individuals who intend to sell or invest in New Zealand;
- (e) To promote meetings and various social activities in connection with the objectives of the Chamber;
- (f) To cooperate with other appropriate bodies and associations in Singapore and the region to further the Chamber’s objectives;
- (g) To distribute information on subjects that may be of use to members, and keep members informed on matters of general interest;
- (h) To liaise and cooperate with Singapore and New Zealand authorities, and to make representations to the same as and when necessary; and
- (i) To create and maintain a good general New Zealand image.

The financial statements of the Chamber for the financial year ended 31 March 2021 were authorised for issue by the Board Members on 26 July 2021.

2.1 Basis of preparation

The financial statements have been prepared in accordance with Financial Reporting Standards in Singapore (“FRSs”). The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The financial statements of the Chamber are presented in Singapore Dollars (“\$”).

New Zealand Chamber of Commerce (Singapore)

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.2 Adoption of new and amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Chamber has adopted all the new and revised standards which are effective for annual financial periods beginning on or after 01 April 2020. The adoption of these new/revised standards and interpretations did not result in any substantial changes to the accounting policies of the Chamber, or have any material effect on the financial performance or position of the Chamber.

2.3 Standards issued but not yet effective

Certain new standards, amendments to standards and interpretations are issued but effective for annual financial periods beginning on or after 01 April 2021, and which the Chamber has not been early adopted in preparing these financial statements. None of these are expected to have a significant impact on the Chamber's financial statements.

2.4 Foreign currency

Functional and presentation currency

The functional currency of the Chamber is determined to be Singapore Dollar (“\$”), which is also the presentation currency of the Chamber's financial statements.

Transactions and balances

Transactions arising in foreign currencies are recorded on initial recognition at the exchange rate approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. 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 measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in statement of financial activities.

2.5 Plant and equipment

All items of plant and equipment are initially recorded at cost. Subsequent to initial recognition, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to working condition for its intended use.

Depreciation is computed on a straight-line method over the estimated useful lives of the assets as follows:

	<u>Estimated useful lives</u>
Computers	3 years
Furniture and fittings	3 years
Office equipment	2-3 years

New Zealand Chamber of Commerce (Singapore)

NOTES TO THE FINANCIAL STATEMENTS
For the Financial Year Ended 31 March 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.5 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, estimated useful lives and depreciation method are reviewed at each reporting period 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 arising from derecognition of the assets is included in statement of financial activities in the period that the assets are derecognised.

2.6 Intangible assets

Intangible assets acquired separately are recorded at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and any accumulated impairment losses.

Intangible assets with finite useful lives are amortised on a straight-line basis over their estimated useful lives, and assessed for impairment whenever there is an indication that the intangible assets may be impaired. The estimated useful lives and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of financial activities when the asset is derecognised.

Website and software

Intangible assets refer to website and software costs. The website and software costs are amortised on a straight-line basis over its useful life of 3 years.

2.7 Impairment of non-financial assets

The Chamber assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment assessment for an asset is required, the Chamber 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 to sell 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. In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and written down to its recoverable amount.

Impairment losses are recognised in statement of financial activities.

New Zealand Chamber of Commerce (Singapore)

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.7 Impairment of non-financial assets (cont'd)

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 statement of financial activities.

2.8 Financial instruments

a) Financial assets

The Chamber has debt instruments only.

Initial recognition and measurement

Financial assets are recognised when, and only when the Chamber becomes party to the contractual provisions of the instruments.

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

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

Subsequent measurement

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using effective interest method, less impairment. Gains and losses are recognised in the statement of financial activities when the assets are derecognised or impaired, and through the amortisation process.

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in the statement of financial activities.

New Zealand Chamber of Commerce (Singapore)

NOTES TO THE FINANCIAL STATEMENTS
For the Financial Year Ended 31 March 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.8 Financial instruments (cont'd)

b) Financial liabilities

Initial recognition and measurement

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

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at FVPL, directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at FVPL are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in the statement of financial activities when the liabilities are derecognised, and through the amortisation process.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in the statement of financial activities.

2.9 Cash and bank balances

Cash and bank balances comprise cash at bank and cash on hand that are subject to an insignificant risk of changes in value. The carrying amounts of these assets approximate their fair value.

2.10 Impairment of financial assets

The Chamber recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at FVPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Chamber expects to receive, discounted at an approximation of the original effective interest rate.

The Chamber applies a simplified approach in calculating ECLs. Therefore, the Chamber does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

The Chamber consider a financial asset to be in default when internal or external information indicates that the Chamber is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancement held by the Chamber. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

New Zealand Chamber of Commerce (Singapore)

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.11 Provisions

Provisions are recognised when the Chamber 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 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 resources embodying economic benefits 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.

2.12 Employee benefits

Defined contribution plan

The Chamber makes contribution to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to this national pension scheme are recognised as an expense in the period in which the related service is performed.

Short-term benefits

All short-term benefits are recognised in statement of financial activities in the period in which the employees rendered their services to the Chamber.

2.13 Taxation

In accordance with Section 11(2) of the Singapore Income Tax Act, the Chamber is deemed to carry on a business only where more than 50% of its receipts by way of entrance fees and subscription fees are from Singapore members who are entitled to claim deductions for tax purpose.

Where the Chamber is deemed to carry on a business, all its income from transactions with Singapore members and non-members (including entrance fees and subscriptions) are treated as receipts from a business and the Chamber will be chargeable on profits arising from that business. Any income from transactions from foreign members would not be subject to tax.

2.14 Revenue recognition

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

Income is recognised when the Chamber satisfies a performance obligation by transferring a promised good or service to the customers, which is when the customers obtain control of the good or service. A performance obligation may be satisfied at a point in time or over time.

New Zealand Chamber of Commerce (Singapore)

NOTES TO THE FINANCIAL STATEMENTS
For the Financial Year Ended 31 March 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.14 Revenue recognition (cont'd)

The amount of income recognised is the amount allocated to the satisfied performance obligation.

Membership fees

Membership fees are recognised over a period of time in accordance with the membership terms and conditions.

Event income

Event income relates to those short-term duration program held by the Chamber which are recognised at the point in time which is usually on the completion of the program event.

Sponsorship

Sponsorship are recognised at the point in time when the terms and conditions are met.

Other income

Other income is recognised at the point in time.

2.15 Contingencies

A contingent liability is:

- (a) a possible obligation that arises from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Chamber; or
- (b) a present obligation that arises from past events but is not recognised because:
 - (i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - (ii) the amount of the obligation cannot be measured within sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Chamber.

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

New Zealand Chamber of Commerce (Singapore)

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2021

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Chamber's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of the revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of reporting period. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3.1 Key judgements made in applying accounting policy

Management is of the opinion that any instance of application of judgement is not expected to have a significant effect on the amounts recognised in the financial statements, apart from those involving estimation mentioned below.

3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Chamber based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Chamber. Such changes are reflected in the assumptions when they occur.

Provision for expected credit losses of trade receivables

At every reporting date, the Chamber assesses whether a financial asset is impaired. Historical default rates and changes in forward-looking estimates are analysed and updated, in arriving at expected credit losses or impairment of trade receivables. The assessment is a significant estimate and historical experience and forecast of economic conditions may also not be representative of actual default in the future. Therefore, actual results may differ from management's estimates.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Chamber's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Chamber's trade receivables is disclosed in Note 17.

The carrying amount of the Chamber's trade receivables are disclosed in Note 6.

New Zealand Chamber of Commerce (Singapore)

NOTES TO THE FINANCIAL STATEMENTS
For the Financial Year Ended 31 March 2021

4. PLANT AND EQUIPMENT

	Note	Computers \$	Furniture and fittings \$	Office equipment \$	Total \$
<u>Cost</u>					
As at 1 April 2019 and Additions		9,602 4,949	389 -	1,956 -	11,947 4,949
As at 31 March 2020 and 31 March 2021		14,551	389	1,956	16,896
<u>Accumulated depreciation</u>					
As at 1 April 2019		8,955	389	1,897	11,241
Depreciation	10	1,060	-	59	1,119
As at 31 March 2020		10,015	389	1,956	12,360
Depreciation	10	1,649	-	-	1,649
As at 31 March 2021		11,664	389	1,956	14,009
<u>Net carrying amount</u>					
As at 31 March 2020		4,536	-	-	4,536
As at 31 March 2021		2,887	-	-	2,887

5. INTANGIBLE ASSETS

	Note	Website \$	Software \$	Total \$
<u>Cost</u>				
As at 1 April 2019, 31 March 2020 and at 31 March 2021		20,690	6,076	26,766
<u>Accumulated depreciation</u>				
As at 1 April 2019		20,690	2,663	23,353
Depreciation	10	-	2,025	2,025
As at 31 March 2020		20,690	4,688	25,378
Depreciation	10	-	1,388	1,388
As at 31 March 2021		20,690	6,076	26,766
<u>Net carrying amount</u>				
As at 31 March 2020		-	1,388	1,388
As at 31 March 2021		-	-	-

New Zealand Chamber of Commerce (Singapore)

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2021

6. TRADE RECEIVABLES

	2021	2020
	\$	\$
Trade receivables	<u>9,353</u>	<u>5,957</u>

Trade receivables from third parties are unsecured, interest-free, and are generally settled within 30 days (2020: 30 days) term. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

The Chamber has trade receivables amounting to \$3,748 (2020: \$2,624) that are past due at the end of the reporting period but not impaired. These receivables are unsecured and the analysis of their aging at the end of the reporting period is as follows:

	2021	2020
	\$	\$
<u>Trade receivables</u>		
- Neither past due nor impaired	5,605	3,333
- 30 days past due but not impaired	1,450	2,088
- 31 to 60 days past due but not impaired	2,000	238
- 61 to 90 days past due but not impaired	-	283
- More than 90 days past due but not impaired	298	15
	<u>9,353</u>	<u>5,957</u>

7. BANK BALANCES

	2021	2020
	\$	\$
Cash at bank	<u>92,895</u>	<u>102,550</u>

Cash at bank earns interest at the prevailing bank interest rates.

8. OTHER PAYABLES

	2021	2020
	\$	\$
Accrued operating expenses	5,020	5,372
Sundry creditors	556	687
	<u>5,576</u>	<u>6,059</u>

9. DEFERRED INCOME

	2021	2020
	\$	\$
Membership fees	14,994	15,875
Sponsorships	11,945	15,958
Events	-	4,786
	<u>26,939</u>	<u>36,619</u>

New Zealand Chamber of Commerce (Singapore)

NOTES TO THE FINANCIAL STATEMENTS
For the Financial Year Ended 31 March 2021

10. GOVERNANCE AND ADMINISTRATIVE COST

	Note	2021 \$	2020 \$
Amortisation of intangible assets	5	1,388	2,025
Audit fee		2,877	3,995
Bank charges		125	285
Central Provident Fund & Skill Development Levy		8,299	10,507
Depreciation of plant and equipment	4	1,649	1,119
Insurance		2,354	2,477
Penalty		-	551
IT software and support		130	1,158
Meetings expenses		63	254
Miscellaneous expenses		946	4,756
Printing, stationery and postage		517	1,056
Professional fees		-	1,270
Salaries and bonus		109,580	144,578
Subscriptions		6,302	3,769
Tax fees		1,400	-
Telephone and internet		3,713	1,961
Travel and transportation		(177)	4,961
		<u>139,166</u>	<u>184,722</u>

11. TAXATION

In accordance with Section 11(2) of the Singapore Income Tax Act, income tax is provided on income earned from members after deduction of partial exemption explained in Note 2.13.

However, no income tax is provided as there is no chargeable income during the financial year.

Relationship between tax expense and accounting (deficit)/surplus

The reconciliation between tax expense and the product of accounting (deficit)/surplus multiplied by applicable corporate tax rate for the financial years ended 31 March 2021 and 2020 respectively are as follows:

	2021 \$	2020 \$
(Deficit)/Surplus before taxation	<u>(2,224)</u>	<u>14,709</u>
Tax calculated at statutory tax rate of 17% (2020: 17%)	(378)	2,501
Expense not deductible for tax purposes	516	1,332
Income not taxable	(2,782)	(1,612)
Utilisation of deferred tax asset	<u>2,644</u>	<u>(2,221)</u>
	<u>-</u>	<u>-</u>

New Zealand Chamber of Commerce (Singapore)

NOTES TO THE FINANCIAL STATEMENTS
For the Financial Year Ended 31 March 2021

12. DONATION IN KIND

The Chamber has been occupying the premises of The New Zealand High Commission free of charge. There is no sufficiently reliable estimate of the value the Chamber would have to pay, in the open market, for an equivalent item as there was no available information.

13. RELATED PARTY TRANSACTIONS

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

	2021	2020
	\$	\$
<u>Transaction with Board Members</u>		
Fees received from Board Members	<u>5,169</u>	<u>2,920</u>

The compensation of key management personnel during the financial year was as follows:

	2021	2020
	\$	\$
Directors' salaries, bonuses and allowances	<u>60,480</u>	<u>75,982</u>

14. FINANCIAL INSTRUMENTS

At the reporting date, the aggregate carrying amounts of financial assets and financial liability at amortised cost were as follows:

	Note	2021	2020
		\$	\$
<u>Financial assets</u>			
Trade receivables	6	9,353	5,957
Cash and bank balances	7	<u>92,895</u>	<u>102,550</u>
Total financial assets at amortised costs		<u>102,248</u>	<u>108,507</u>
<u>Financial liability</u>			
Other payable, representing			
total financial liability carried at amortised cost	8	<u>5,576</u>	<u>6,059</u>

15. FUND MANAGEMENT

The primary objective of the Chamber's funds management is to ensure that the funding from members and other sources are properly managed and used to support its operations.

The Chamber manages its fund structure and makes adjustments to it, in light of changes in economic conditions. No changes were made to the objectives, policies or processes during the financial years ended 31 March 2021 and 2020 respectively.

The Chamber is not subjected to externally imposed capital requirements.

New Zealand Chamber of Commerce (Singapore)

NOTES TO THE FINANCIAL STATEMENTS
For the Financial Year Ended 31 March 2021

16. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

No financial assets or liabilities were measured at fair value as at financial year end.

The carrying amounts of financial assets and liabilities on the statement of financial position approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

The management consider that the carrying amounts of financial assets and liabilities recorded at amortised cost in the financial statements approximate their fair values.

17. FINANCIAL RISK MANAGEMENT

17.1 Financial risk management

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

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

The following sections provide details regarding the Chamber'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 Chamber's exposure to these financial risks or the manner in which it manages and measures the risks.

(a) Credit risk

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

The Chamber considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The Chamber determines the default event on a financial asset to be when internal and/or external information indicates that the financial asset is unlikely to be received, which could include default of contractual payments due for more than 30 days or there is significant difficulty of the counterparty.

New Zealand Chamber of Commerce (Singapore)

NOTES TO THE FINANCIAL STATEMENTS
For the Financial Year Ended 31 March 2021

17. FINANCIAL RISK MANAGEMENT (Cont'd)

17.1 Financial risk management (cont'd)

(a) Credit risk (cont'd)

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

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

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

The Chamber determines that its financial assets are credit-impaired when:

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

Financial assets are written off when there is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery.

New Zealand Chamber of Commerce (Singapore)
NOTES TO THE FINANCIAL STATEMENTS
For the Financial Year Ended 31 March 2021

17. FINANCIAL RISK MANAGEMENT (Cont'd)

17.1 Financial risk management (cont'd)

(a) Credit risk (cont'd)

The Chamber's current credit risk grading framework comprises the following categories

Category	Definition of category	Basis for recognising expected credit loss (ECL)
I	Counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
II	Amount is >30 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL – not credit-impaired
III	Amount is >60 days past due or there is evidence indicating the asset is credit-impaired (in default).	Lifetime ECL – credit-impaired
IV	There is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery.	Amount is written off

Exposure to credit risk

The Chamber has no significant concentration of credit risk of trade receivables. The Chamber has credit policies and procedures in place to minimise and mitigate its credit risk exposure.

Financial assets that are neither past due nor impaired

Trade receivables that are neither past due nor impaired are creditworthy debtors with good payment record with the Chamber. Cash and bank balances are placed with or entered into with reputable financial institutions with high credit ratings and no history of default.

Financial assets that are past due but not impaired

The Chamber has trade receivables that are past due at the end of the reporting period for which the Chamber has not provided as there has not been a significant change in credit quality and the amounts are still considered recoverable. More information is disclosed in Note 6 of the financial statements.

(b) Liquidity risk

Liquidity risk is the risk that the Chamber may encounter difficulties to settle or meet its financial obligations due to shortage of available funds. The Chamber's objective is to maintain sufficient level of cash and bank balances, and internally generated cash flows to finance its activities. The Chamber actively manages its operating cash flows and availability of funding so as to ensure that all repayment and funding needs are met.

All financial liabilities in the statement of financial position are repayable within one year from the reporting date.

