

## **CANOSSIAN SCHOOL**

[UEN. S87CC0500A]

[Registered under the Ministry of Education]

### **AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020**

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## **Suhaimi Salleh & Associates**

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Public Accountants and  
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**STATEMENT BY THE MANAGEMENT COMMITTEE**

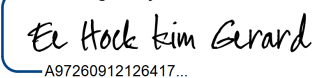
In the opinion of the Management Committee, the financial statements of Canossian School (the "School") are drawn up so as to present fairly, in all material respects, the state of affairs of the School as at 31 March 2020 and the results, changes in funds and cash flows, monthly pupil eligible for funding and monthly pupil enrolment for international students of the of the School for the financial year then ended.


At the date of this statement, there are reasonable grounds to believe that the School will be able to pay its debts as and when they fall due.

The Management Committee, comprising the following, authorised the issue of these financial statements on 21 June 2021.

Chairman	Gerard Ee Hock Kim	
Supervisor	Seow Lee Huang Theresa	
Secretary	Christina Michael	
Treasurer	Chia Heng Chian Dominic	(Appointed on 3 February 2021)

For and on behalf of the Management Committee,

DocuSigned by:  
  
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Gerard Ee Hock Kim  
Chairman

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Chia Heng Chian Dominic  
Treasurer

Singapore, 21 June 2021

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Independent auditor's report to the members of:

**CANOSSIAN SCHOOL**[UEN. S87CC0500A]  
[Registered under the Ministry of Education]**Report on the Audit of the Financial Statements****Opinion**

We have audited the financial statements of Canossian School (the "School"), which comprise the statement of financial position as at 31 March 2020, and the statement of financial activities, statement of changes in funds and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provision of the Charities Act, Chapter 37 and other relevant regulations (the "Charities Act and Regulations") and Financial Reporting Standards in Singapore ("FRSs") so as to present fairly, in all material respects, the state of affairs of the School as at 31 March 2020 and the results, changes in funds and cash flows of the School 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 School 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 Management Committee (as set out on page 2), but does not include the 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.

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(CONT'D)

Independent auditor's report to the members of:

**CANOSSIAN SCHOOL**[UEN. S87CC0500A]  
[Registered under the Ministry of Education]**Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Rules and Regulations issued by the Ministry of Education, the Charities Act and Regulations and FRSS, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

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

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

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(CONT'D)

Independent auditor's report to the members of:

**CANOSSIAN SCHOOL**[UEN. S87CC0500A]  
[Registered under the Ministry of Education]**Auditor's Responsibilities for the Audit of the Financial Statements (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 School'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 School 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****Management's Responsibility for Compliance with Legal and Regulatory Requirements**

Management is responsible for ensuring that the receipt, expenditure, investment income and the acquisition and disposal of assets, are in accordance with the Rules and Regulations issued by the Ministry of Education. The responsibility includes implementing accounting and internal controls as management determines are necessary to enable compliance with the Rules and Regulations issued by the Ministry of Education.

In our opinion,

- (a) the financial statements are properly drawn up in accordance with Singapore Financial Reporting Standards, as appropriate and so as to give a true and fair view of the state of affairs of the School as at 31 March 2020 and of the income and expenditure and cash flows of the School for the year ended on that date; and
- (b) the accounting and other records have been properly kept in accordance to the Rules and Regulations issued by the Ministry of Education and the National Council of Social Service, as well as of any agreement signed with the Ministry of Education and National Council of Social Service.

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## Suhaimi Salleh & Associates

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Chartered Accountants of Singapore

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(CONT'D)

Independent auditor's report to the members of:

### **CANOSSIAN SCHOOL**

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### **Report on Other Legal and Regulatory Requirements (Cont'd)**

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

- (i) the receipt, expenditure and investment of monies; and
- (ii) the acquisition and disposal of assets by the School;

have not been carried out in accordance to the Rules and Regulations issued by the Ministry of Education and the National Council of Social Service, as well as of any agreement signed with the Ministry of Education and National Council of Social Service; nor that

- (iii) the donations and other receipts of the school were not used for approved projects and the purposes intended.
- (iv) the School has not used the donation moneys in accordance with its objectives as required under Regulation 11 of the Charities (Institutions of a Public Character) Regulations; and
- (v) the School has not complied with the requirements of Regulation 15 of the Charities (Institutions of a Public Character) Regulations.

DocuSigned by:  
  
BA0EEB4928E1498...  
**Suhaimi Salleh & Associates**  
Public Accountants and  
Chartered Accountants

Singapore, 21 June 2021

Partner-in-charge:      Soo Hon Weng  
PAB No.:                      01089

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020**

2020	Note	Restricted funds								Total S\$	
		Accumulated Fund S\$	Building Fund S\$	Special Project Fund S\$	Cochlear Implant Fund S\$	Canossian School Donation Fund		Parents' Guidance Fund S\$	Other Funds S\$		Canossian EIPIC S\$
						General S\$	Designated S\$				
<b>INCOME</b>											
Grants from MOE											
- Total operating expenditure		1,125,794	0	0	0	0	0	0	0	0	1,125,794
- Special purpose grants	5	0	0	0	0	0	0	0	202,204	0	202,204
Grants from NCSS											
- NCSS community funding for S.E.T		416,390	0	0	0	0	0	0	0	0	416,390
Grants from other agencies											
- Special Employment Credit		17,237	0	0	0	0	0	0	0	0	17,237
- Wages Credit Scheme		9,520	0	0	0	0	0	0	0	0	9,520
Total government grants		1,568,941	0	0	0	0	0	0	202,204	0	1,771,145
Audiological service fee	4	18,397	0	52,618	0	0	0	0	0	0	71,015
Interest income		396	448	0	0	298	0	0	0	0	1,142
Non-tax deductible donations	4	0	0	32,300	0	503,516	0	0	0	0	535,816
Other income	4	10,154	0	9,043	0	1,247	0	0	0	0	20,444
Parents guidance fees and mapping fees	4	0	0	0	0	0	181	0	0	0	181
Reinstatement income	4	0	90,913	0	0	0	0	0	0	0	90,913
Sales of hearing aids and accessories	4	0	0	68,988	0	0	0	0	0	0	68,988
School fees and registration	4	5,340	0	0	0	25,440	0	0	0	0	30,780
Tax deductible donations	4	0	0	0	0	6,200	0	0	0	0	6,200
<b>Total income</b>		<b>1,603,228</b>	<b>91,361</b>	<b>162,949</b>	<b>0</b>	<b>536,701</b>	<b>181</b>	<b>0</b>	<b>202,204</b>	<b>0</b>	<b>2,596,624</b>

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020 (CONT'D)**

2020 (Cont'd)	Note	Restricted funds								Total S\$	
		Accumulated Fund S\$	Building Fund S\$	Special Project Fund S\$	Cochlear Implant Fund S\$	Canossian School Donation Fund		Parents' Guidance Fund S\$	Other Funds S\$		Canossian EIPIC S\$
						General S\$	Designated S\$				
<b>EXPENDITURE</b>											
Cost of sales		0	0	192,476	0	0	0	0	0	0	192,476
Audit fees		6,500	0	0	0	0	0	0	0	0	6,500
Bank charges		341	0	56	0	210	0	0	0	0	607
Cleaning services		32,437	0	0	0	0	0	0	0	0	32,437
Depreciation on plant and equipment	11	103,639	99,367	16,493	0	10,818	0	0	29,151	0	259,468
Foreign worker levy	6	2,236	0	0	0	0	0	0	0	0	2,236
Insurance		8,843	0	410	0	0	0	0	0	0	9,253
IT expenses		33,269	0	0	0	0	0	0	0	0	33,269
Interest expense on lease liability		1,212	0	0	0	0	0	0	0	0	1,212
Loss on disposal of plant and equipment		0	0	0	0	11,747	0	0	0	0	11,747
Other expenses		39,841	0	3,820	0	100	0	0	0	0	43,761
Professional and other services		55,726	0	0	0	0	0	0	20,000	0	75,726
Operating lease expense - equipment		1,829	0	0	0	0	0	0	0	0	1,829
Repair and maintenance		103,975	7,336	1,387	0	1,583	0	0	0	0	114,281
Refreshments		4,649	0	0	0	0	0	0	0	0	4,649
School functions / activities		9,473	0	0	0	9,500	0	0	0	0	18,973
Salaries and allowances	6	1,879,072	0	0	0	0	0	0	54,621	0	1,933,693
Staff development		0	0	0	0	0	0	0	11,773	0	11,773
Staff welfare		11,193	0	0	0	0	0	0	14,825	0	26,018
Subscription		10,881	0	0	0	0	0	0	0	0	10,881
Transport and other pupil subsidy		0	0	0	0	0	0	0	43,297	0	43,297
Utilities		20,289	0	0	0	0	0	0	0	0	20,289
Write off receivables		0	0	17,832	293	0	0	0	0	0	18,125
Others		46,812	0	0	0	0	0	0	0	0	46,812
<b>Total expenditure</b>		<b>2,372,217</b>	<b>106,703</b>	<b>232,474</b>	<b>293</b>	<b>33,958</b>	<b>0</b>	<b>0</b>	<b>173,667</b>	<b>0</b>	<b>2,919,312</b>
<b>NET (EXPENDITURE) / INCOME</b>		<b>(768,989)</b>	<b>(15,342)</b>	<b>(69,525)</b>	<b>(293)</b>	<b>502,743</b>	<b>181</b>	<b>0</b>	<b>28,537</b>	<b>0</b>	<b>(322,688)</b>

Note: The above is a combined statement of financial activities for School Programme and Canossian EIPIC Programme.

Please refer to pages 14 to 17 and 19 for the respective 2020 statement of financial activities for School Programme and Canossian EIPIC Programme.

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



**STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020 (Cont'd)**

	Note	Restricted funds								Total S\$	
		Accumulated Fund S\$	Building Fund S\$	Special Project Fund S\$	Cochlear Implant Fund S\$	Canossian School Donation Fund		Parents' Guidance Fund S\$	Other Funds S\$		Canossian EIPIC S\$
						General S\$	Designated S\$				
<b>2019</b>											
<b>INCOME</b>											
Grants from MOE											
- Total operating expenditure		1,121,098	0	0	0	0	0	0	0	1,121,098	
- Special purpose grants	5	0	0	0	0	0	0	322,033	0	322,033	
Grants from MSF											
- EIPIC Funding		0	0	0	0	0	0	0	0	0	
- VWO transport subsidies		(2,928)	0	0	0	0	0	0	0	(2,928)	
Grants from NCSS											
- NCSS community funding for S.E.T		401,777	0	0	0	0	0	0	0	401,777	
Grants from other agencies											
- Other funding		0	0	0	0	0	0	0	0	0	
- Special Employment Credit		11,229	0	0	0	0	0	0	0	11,229	
- Temporary Employment Credit		3,358	0	0	0	0	0	0	0	3,358	
- Wages Credit Scheme		13,803	0	0	0	0	0	0	0	13,803	
Total government grants		1,548,337	0	0	0	0	0	322,033	0	1,870,370	
Interest income	4	702	274	0	0	0	0	285	0	1,261	
Non-tax deductible donations	4	5,467	0	85,700	0	0	0	9,545	0	100,712	
Other income		9,075	0	1,100	0	0	0	1,025	0	11,200	
Parents guidance fees and mapping fees	4	0	0	880	0	0	0	0	0	880	
Sales of hearing aids and accessories	4	0	0	73,499	0	0	0	0	0	73,499	
School fees and registration	4	9,684	0	0	0	0	0	670	0	10,354	
Tax deductible donations	4	27,600	0	0	0	0	0	2,000	0	29,600	
<b>Total income</b>		<b>1,600,865</b>	<b>274</b>	<b>161,179</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>13,525</b>	<b>322,033</b>	<b>2,097,876</b>	

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020 (CONT'D)**

2019 (Cont'd)	Note	Restricted funds								Total S\$	
		Accumulated Fund S\$	Building Fund S\$	Special Project Fund S\$	Cochlear Implant Fund S\$	Canossian School Donation Fund		Parents' Guidance Fund S\$	Other Funds S\$		Canossian EIPIC S\$
						General S\$	Designated S\$				
<b>EXPENDITURE</b>											
Cost of sales		0	0	166,353	0	0	0	0	0	0	166,353
Teaching resources		6,813	0	0	0	0	0	0	0	0	6,813
Audit fees		8,100	0	0	0	0	0	0	0	0	8,100
Bank charges		240	50	118	0	0	0	0	0	0	408
Cleaning services		40,607	0	2,890	0	0	0	0	0	0	43,497
Depreciation on plant and equipment	11	80,344	141,016	10,864	0	0	0	10,069	26,395	12,252	280,940
Insurance		2,334	0	0	0	0	0	0	0	0	2,334
IT expenses		18,590	0	0	0	0	0	0	0	0	18,590
Loss on disposal of plant and equipment		0	0	0	0	0	0	0	0	18,651	18,651
Other expenses		20,352	0	1,116	0	0	0	0	0	0	21,468
Postage		106	0	219	0	0	0	0	0	0	325
Professional and other services		89,283	0	0	0	0	0	0	59,000	0	148,283
Rental - equipment		5,136	0	0	0	0	0	0	0	0	5,136
Repair and maintenance		76,651	0	1,338	0	0	0	0	0	0	77,989
Award disbursement		7,785	0	0	0	0	0	0	0	0	7,785
Refreshments		1,263	0	0	0	0	0	0	2,500	0	3,763
School functions / activities		18,066	0	0	0	0	0	0	0	0	18,066
Salaries and allowances	6	1,400,564	0	108,087	0	0	0	0	161,732	0	1,670,383
Staff development		5,023	0	0	0	0	0	0	26,500	0	31,523
Staff welfare		7,477	0	0	0	0	0	3,618	23,478	0	34,573
Students' expenses		8,417	0	0	0	0	0	0	0	0	8,417
Supplies and materials		21,359	0	0	0	0	0	0	0	0	21,359
Transport and other pupil subsidy		48,210	0	0	0	0	0	0	7,520	0	55,730
Transportation		8,996	0	0	0	0	0	0	0	0	8,996
Utilities		24,067	0	0	0	0	0	0	0	0	24,067
<b>Total expenditure</b>		<b>1,899,783</b>	<b>141,066</b>	<b>290,985</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>13,687</b>	<b>307,125</b>	<b>30,903</b>	<b>2,683,549</b>
<b>NET (EXPENDITURE) / INCOME</b>		<b>(298,918)</b>	<b>(140,792)</b>	<b>(129,806)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(162)</b>	<b>14,908</b>	<b>(30,903)</b>	<b>(585,673)</b>

Note: The above is a combined statement of financial activities for School Programme and Canossian EIPIC Programme.

--Please refer to pages 16 to 17 and 19 for the respective 2019 statement of financial activities for School Programme and Canossian EIPIC Programme.

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

**STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2020**

	Note	2020 S\$	2019 S\$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	8	2,454,783	3,615,252
Fixed deposits	9	245,545	245,228
Other receivables	10	205,156	109,789
		<u>2,905,484</u>	<u>3,970,269</u>
<b>Non-current asset</b>			
Plant and equipment	11	<u>423,765</u>	<u>436,355</u>
<b>Total assets</b>		<u>3,329,249</u>	<u>4,406,624</u>
<b>LIABILITIES</b>			
<b>Current liability</b>			
Other payables	12	229,331	1,012,945
Lease liability	13	6,239	0
		<u>235,570</u>	<u>1,012,945</u>
<b>Non-current liability</b>			
Grant received in advance	14	279,271	279,271
Lease liability	13	22,688	0
		<u>301,959</u>	<u>279,271</u>
<b>Total liabilities</b>		<u>537,529</u>	<u>1,292,216</u>
<b>NET ASSETS</b>		<u>2,791,720</u>	<u>3,114,408</u>
<b>FUNDS</b>			
<b>Restricted funds</b>			
Accumulated Fund	15	10,961	848,459
Building Fund	15	373,686	272,196
Special Project Fund	15	394,305	491,877
Cochlear Implant Fund	15	384,564	384,857
Canossian School Donation Fund			
- General	15	866,731	384,264
- Designated	15	156,005	156,005
Parents' Guidance Fund	15	385,364	385,183
Other Funds	15	220,104	191,567
<b>TOTAL FUNDS</b>		<u>2,791,720</u>	<u>3,114,408</u>

Note: The above is a combined statement of financial position for School Programme and Canossian EIPIC Programme.

Please refer to pages 18 and 20 for the respective statement of financial position for School Programme and Canossian EIPIC Programme.

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



**STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020**

	Note	2020 S\$	2019 S\$
<b>Cash flows from operating activities</b>			
Net expenditure for the financial year		(322,688)	(585,673)
Adjustments for:			
- Depreciation of plant and equipment	11	259,468	280,940
- Interest income		(1,142)	(1,261)
- Interest expense on lease liability		1,212	0
- Loss on disposal of plant and equipment		11,747	18,651
Operating before working capital changes		<u>(51,403)</u>	<u>(287,343)</u>
Changes in working capital			
- Other receivables		(95,432)	(27,909)
- Other payables		<u>(783,612)</u>	<u>122,635</u>
<b>Net cash used in operating activities</b>		<u>(930,447)</u>	<u>(192,617)</u>
<b>Cash flows from investing activities</b>			
Interest received		1,207	1,252
Purchases of plant and equipment	11	<u>(225,229)</u>	<u>(112,930)</u>
<b>Net cash used in investing activities</b>		<u>(224,022)</u>	<u>(111,678)</u>
<b>Cash flows from financing activity</b>			
Increase in fixed deposits		(317)	(569)
Interest paid on lease liabilities		(1,212)	0
Payment of principal portion of lease liabilities		<u>(4,471)</u>	<u>0</u>
<b>Net cash used in financing activity</b>		<u>(6,000)</u>	<u>(569)</u>
<b>Net decrease in cash and cash equivalents</b>		(1,160,469)	(304,864)
Cash and cash equivalents at beginning of financial year		<u>3,615,252</u>	<u>3,920,116</u>
<b>Cash and cash equivalents at end of financial year</b>	8	<u><u>2,454,783</u></u>	<u><u>3,615,252</u></u>

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

**STATEMENT OF FINANCIAL ACTIVITIES OF THE SCHOOL PROGRAMME FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020**

	Note	Restricted funds							Total S\$	
		Accumulated Fund S\$	Building Fund S\$	Special Project Fund S\$	Cochlear Implant Fund S\$	Canossian School Donation Fund		Parents' Guidance Fund S\$		Other Funds S\$
						General S\$	Designated S\$			
<b>2020</b>										
<b>INCOME</b>										
Grants from MOE										
- Total operating expenditure		1,125,794	0	0	0	0	0	0	1,125,794	
- Special purpose grants	5	0	0	0	0	0	0	202,204	202,204	
Grants from NCSS										
- NCSS community funding for S.E.T		416,390	0	0	0	0	0	0	416,390	
Grants from other agencies										
- Special Employment Credit		17,237	0	0	0	0	0	0	17,237	
- Wages Credit Scheme		9,520	0	0	0	0	0	0	9,520	
Total government grants		1,568,941	0	0	0	0	0	202,204	1,771,145	
Audiological service fee		18,397	0	52,618	0	0	0	0	71,015	
Interest income		396	448	0	0	298	0	0	1,142	
Non-tax deductible donations		0	0	32,300	0	503,516	0	0	535,816	
Other income		10,154	0	9,043	0	1,247	0	0	20,444	
Parents guidance fees and mapping fees		0	0	0	0	0	181	0	181	
Sales of hearing aids and accessories		0	0	68,988	0	0	0	0	68,988	
Reinstatement income		0	90,913	0	0	0	0	0	90,913	
School fees and registration		5,340	0	0	0	25,440	0	0	30,780	
Tax deductible donations		0	0	0	0	6,200	0	0	6,200	
<b>Total income</b>		<b>1,603,228</b>	<b>91,361</b>	<b>162,949</b>	<b>0</b>	<b>536,701</b>	<b>181</b>	<b>0</b>	<b>2,596,624</b>	

**STATEMENT OF FINANCIAL ACTIVITIES OF THE SCHOOL PROGRAMME FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020 (CONT'D)**

2020 (Cont'd)	Note	Restricted funds							Total S\$	
		Accumulated Fund S\$	Building Fund S\$	Special Project Fund S\$	Cochlear Implant Fund S\$	Canossian School Donation Fund		Parents' Guidance Fund S\$		Other Funds S\$
						General S\$	Designated S\$			
<b>EXPENDITURE</b>										
Cost of sales		0	0	192,476	0	0	0	0	0	192,476
Audit fees		6,500	0	0	0	0	0	0	0	6,500
Bank charges		341	0	56	0	210	0	0	0	607
Cleaning services		32,437	0	0	0	0	0	0	0	32,437
Depreciation on plant and equipment	11	103,639	99,367	16,493	0	10,818	0	0	29,151	259,468
Foreign worker levy		2,236	0	0	0	0	0	0	0	2,236
Insurance		8,843	0	410	0	0	0	0	0	9,253
IT expenses		33,269	0	0	0	0	0	0	0	33,269
Interest expense on lease liability		1,212	0	0	0	0	0	0	0	1,212
Loss on disposal of plant and equipment		0	0	0	0	11,747	0	0	0	11,747
Other expenses		39,841	0	3,820	0	100	0	0	0	43,761
Professional and other services		55,726	0	0	0	0	0	0	20,000	75,726
Rental - equipment		1,829	0	0	0	0	0	0	0	1,829
Repair and maintenance		103,975	7,336	1,387	0	1,583	0	0	0	114,281
Refreshments		4,649	0	0	0	0	0	0	0	4,649
School functions / activities		9,473	0	0	0	9,500	0	0	0	18,973
Salaries and allowances	6	1,879,072	0	0	0	0	0	0	54,621	1,933,693
Staff development		0	0	0	0	0	0	0	11,773	11,773
Staff welfare		11,193	0	0	0	0	0	0	14,825	26,018
Subscription		10,881	0	0	0	0	0	0	0	10,881
Transport and other pupil subsidy		0	0	0	0	0	0	0	43,297	43,297
Utilities		20,289	0	0	0	0	0	0	0	20,289
Write off receivables		0	0	17,832	293	0	0	0	0	18,125
Others		46,812	0	0	0	0	0	0	0	46,812
<b>Total expenditure</b>		<b>2,372,217</b>	<b>106,703</b>	<b>232,474</b>	<b>293</b>	<b>33,958</b>	<b>0</b>	<b>0</b>	<b>173,667</b>	<b>2,919,312</b>
<b>NET (EXPENDITURE) / INCOME</b>		<b>(768,989)</b>	<b>(15,342)</b>	<b>(69,525)</b>	<b>(293)</b>	<b>502,743</b>	<b>181</b>	<b>0</b>	<b>28,537</b>	<b>(322,688)</b>

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

**STATEMENT OF FINANCIAL ACTIVITIES OF THE SCHOOL PROGRAMME FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020 (CONT'D)**

	Note	Restricted funds							Total S\$
		Accumulated Fund S\$	Building Fund S\$	Special Project Fund S\$	Cochlear Implant Fund S\$	Canossian School Donation Fund		Parents' Guidance Fund S\$	
						General S\$	Designated S\$		
<b>2019</b>									
<b>INCOME</b>									
Grants from MOE									
- Total operating expenditure		1,121,098	0	0	0	0	0	0	0
- Special purpose grants	5	0	0	0	0	0	0	0	322,033
Grants from MSF									
- VWO transport subsidies		(2,928)	0	0	0	0	0	0	0
Grants from NCSS									
- NCSS community funding for S.E.T		401,777	0	0	0	0	0	0	0
Grants from other agencies									
- Other funding		0	0	0	0	0	0	0	0
- Special Employment Credit		11,229	0	0	0	0	0	0	0
- Temporary Employment Credit		3,358	0	0	0	0	0	0	0
- Wages credit scheme		13,803	0	0	0	0	0	0	0
Total government grants		1,548,337	0	0	0	0	0	0	322,033
Interest income		702	274	0	0	0	0	285	0
Non-tax deductible donations		5,467	0	85,700	0	0	0	9,545	0
Other income		9,075	0	1,100	0	0	0	1,025	0
Parents guidance fees and mapping fees		0	0	880	0	0	0	0	0
Sales of hearing aids and accessories		0	0	73,499	0	0	0	0	0
School fees and registration		9,684	0	0	0	0	0	670	0
Tax deductible donations		27,600	0	0	0	0	0	2,000	0
<b>Total income</b>		<b>1,600,865</b>	<b>274</b>	<b>161,179</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>13,525</b>	<b>322,033</b>
									<b>2,097,876</b>



**STATEMENT OF FINANCIAL ACTIVITIES OF THE SCHOOL PROGRAMME FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020 (CONT'D)**

<b>2019 (Cont'd)</b>	Restricted funds							Total S\$	
	Accumulated Fund S\$	Building Fund S\$	Special Project Fund S\$	Cochlear Implant Fund S\$	Canossian School Donation Fund		Parents' Guidance Fund S\$		Other Funds S\$
					General S\$	Designated S\$			
<b>EXPENDITURE</b>									
Cost of sales	0	0	166,353	0	0	0	0	0	166,353
Teaching resources	6,813	0	0	0	0	0	0	0	6,813
Audit fees	8,100	0	0	0	0	0	0	0	8,100
Bank charges	240	50	118	0	0	0	0	0	408
Bad debts written off	0	0	0	0	0	0	0	0	0
Cleaning services	40,607	0	2,890	0	0	0	0	0	43,497
Depreciation on plant and equipment	80,344	141,016	10,864	0	0	0	10,069	26,395	268,688
Insurance	2,334	0	0	0	0	0	0	0	2,334
IT expenses	18,590	0	0	0	0	0	0	0	18,590
Other expenses	20,352	0	1,116	0	0	0	0	0	21,468
Postage	106	0	219	0	0	0	0	0	325
Professional and other services	89,283	0	0	0	0	0	0	59,000	148,283
Rental - equipment	5,136	0	0	0	0	0	0	0	5,136
Repair and maintenance	76,651	0	1,338	0	0	0	0	0	77,989
Award disbursement	7,785	0	0	0	0	0	0	0	7,785
Refreshments	1,263	0	0	0	0	0	0	2,500	3,763
School functions / activities	18,066	0	0	0	0	0	0	0	18,066
Salaries and allowances	1,400,564	0	108,087	0	0	0	0	161,732	1,670,383
Staff development	5,023	0	0	0	0	0	0	26,500	31,523
Staff welfare	7,477	0	0	0	0	0	3,618	23,478	34,573
Students' expenses	8,417	0	0	0	0	0	0	0	8,417
Supplies and materials	21,359	0	0	0	0	0	0	0	21,359
Transport and other pupil subsidy	48,210	0	0	0	0	0	0	7,520	55,730
Transportation	8,996	0	0	0	0	0	0	0	8,996
Utilities	24,067	0	0	0	0	0	0	0	24,067
<b>Total expenditure</b>	<b>1,899,783</b>	<b>141,066</b>	<b>290,985</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>13,687</b>	<b>307,125</b>	<b>2,652,646</b>
<b>NET (EXPENDITURE) / INCOME</b>	<b>(298,918)</b>	<b>(140,792)</b>	<b>(129,806)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(162)</b>	<b>14,908</b>	<b>(554,770)</b>

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

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**STATEMENT OF FINANCIAL POSITION OF THE SCHOOL PROGRAMME AS AT 31 MARCH 2020**

	2020 S\$	2019 S\$
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	2,454,783	2,773,577
Fixed deposits	245,545	245,228
Other receivables	205,156	109,789
	<u>2,905,484</u>	<u>3,128,594</u>
<b>Non-current asset</b>		
Plant and equipment	<u>423,765</u>	<u>436,355</u>
<b>Total assets</b>	<u>3,329,249</u>	<u>3,564,949</u>
<b>LIABILITIES</b>		
<b>Current liability</b>		
Other payables	229,331	171,270
Lease liability	6,239	0
	<u>235,570</u>	<u>171,270</u>
<b>Non-current liability</b>		
Grant received in advance	279,271	279,271
Lease liability	22,688	0
	<u>301,959</u>	<u>279,271</u>
<b>Total liabilities</b>	<u>537,529</u>	<u>450,541</u>
<b>NET ASSETS</b>	<u>2,791,720</u>	<u>3,114,408</u>
<b>FUNDS</b>		
<b>Restricted funds</b>		
Accumulated Fund	10,961	848,459
Building Fund	373,686	272,196
Special Project Fund	394,305	491,877
Cochlear Implant Fund	384,564	384,857
Canossian School Donation Fund		
- General	866,731	384,264
- Designated	156,005	156,005
Parents' Guidance Fund	385,364	385,183
Other Funds	220,104	191,567
<b>TOTAL FUNDS</b>	<u>2,791,720</u>	<u>3,114,408</u>

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

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**STATEMENT OF FINANCIAL ACTIVITIES OF THE EARLY INTERVENTION PROGRAMME FOR INFANTS AND CHILDREN (EIPIC) FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020**

	2020 S\$	2019 S\$
<b>EXPENDITURE</b>		
Depreciation	0	12,252
Plant and equipment written off	<u>0</u>	<u>18,651</u>
<b>Total expenditure</b>	<u>0</u>	<u>30,903</u>
<b>NET EXPENDITURE</b>	<u>0</u>	<u>(30,903)</u>

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

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**STATEMENT OF FINANCIAL POSITION OF THE EARLY INTERVENTION PROGRAMME FOR INFANTS AND CHILDREN (EIPIC) AS AT 31 MARCH 2020**

	2020 S\$	2019 S\$
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	<u>0</u>	<u>841,675</u>
<b>LIABILITY</b>		
<b>Current liability</b>		
Other payables	<u>0</u>	<u>841,675</u>
<b>NET ASSETS</b>	<u>0</u>	<u>0</u>
<b>FUND</b>		
<b>Restricted fund</b>		
Accumulated Fund	<u>0</u>	<u>0</u>

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

**STATEMENT OF MONTHLY PUPIL ELIGIBLE FOR FUNDING  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020**

	No of Pupils by Disability Group (a)				No of Pupils under Mainstream Secondary / Vocational Track (b)	Total no of Pupils c = (a+b)
	Hearing impairment		Autism Spectrum Disorder (Mainstream Curriculum)			
	Pre-school	Primary	Pre-school	Primary		
01-Apr-19	0	68	0	1	0	69
01-May-19	0	68	0	1	0	69
01-Jun-19	0	68	0	1	0	69
01-Jul-19	0	68	0	1	0	69
01-Aug-19	0	68	0	1	0	69
01-Sep-19	0	68	0	1	0	69
01-Oct-19	0	68	0	1	0	69
01-Nov-19	0	68	0	1	0	69
01-Dec-19	0	68	0	1	0	69
01-Jan-20	0	64	0	1	0	65
01-Feb-20	0	64	0	1	0	65
01-Mar-20	0	64	0	1	0	65

**STATEMENT OF MONTHLY PUPIL ENROLMENT FOR INTERNATIONAL STUDENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020**

	No of International Pupils * (a)		No of International Pupils ** (b)		Total no of pupils c = (a+b)
	Pre-school	Primary	Pre-school	Primary	
01-Apr-19	0	0	0	0	0
01-May-19	0	0	0	0	0
01-Jun-19	0	0	0	0	0
01-Jul-19	0	0	0	0	0
01-Aug-19	0	0	0	0	0
01-Sep-19	0	0	0	0	0
01-Oct-19	0	0	0	0	0
01-Nov-19	0	0	0	0	0
01-Dec-19	0	0	0	0	0
01-Jan-20	0	1	0	0	1
01-Feb-20	0	1	0	0	1
01-Mar-20	0	1	0	0	1

\* International students who are children of employment pass holders, skilled workers or diplomatic staff.

\*\* International students who are not children of employment pass holders, skilled workers or diplomatic staff

Note: International students are defined as those who are not of Singaporean Citizen or Permanent Resident Status

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020**

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

**1. General information**

Canossian School (the "School") was registered under the Ministry of Education and also registered under the Charities Act (Chapter 37) on 24 September 1987. The School has been accorded Institutions of a Public Character ("IPC") status for the period 4 July 2018 to 3 November 2019.

The School is domiciled in the Republic of Singapore and its registered office and the principal place of office is located at 1 Sallim Road, Singapore 387621.

The principal activities of the School are to provide a language-enabling environment where hearing-impaired children are exposed to the normal speech and language models of their hearing peers.

There have been no significant changes in the nature of these activities during the financial year.

**2. Significant accounting policies****2.1 Basis of preparation**

The financial statements have been prepared in accordance with the provisions of the Charities Act (Chapter 37) and 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 are presented in Singapore Dollar (S\$), which is the School's functional currency.

The preparation of the financial statements in conformity with FRSs requires management to exercise its judgement in the process of applying the School's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

**2.1.1 Interpretations and amendments to published standards effective in 2020**

On 1 April 2019, the School adopted the new or amended FRSs and Interpretations of FRS ("INT FRSs") that are mandatory for application for the financial year. Changes to the School's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRSs and INT FRSs.

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**2. Significant accounting policies (Cont'd)****2.1 Basis of preparation (Cont'd)****2.1.1 Interpretations and amendments to published standards effective in 2020 (Cont'd)**

Except for the adoption of FRS 116 Leases as described below, the adoption of these new or amended FRSs and INT FRSs did not result in substantial changes to the School's accounting policies and had not material effect on the amounts reported for the current or prior financial years.

Adoption of FRS 116 Leases

The School has adopted the new standard using the modified retrospective method with the date of initial application of 1 April 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application as an adjustment to the opening balance of accumulated funds. The School has recognised the right-of-use assets for the leases based on an amount equal to the lease liability, as a result of this, no adjustment to the opening balance of accumulated funds was provided at the date of initial adoption as of 1 April 2019. The School elected to use the transition practical expedient to not assess whether a contract is, or contains a lease at 1 April 2019. Instead, the School applied the standard only to contracts that were previously identified as leases applying FRS 17 and INT FRS 104 at the date of initial application.

Lease previously accounted for as operating leases

Prior to the adoption of FRS 116, non-cancellable operating lease payments were not recognised as liabilities in the statement of financial position. These payments were recognised as rental expenses over the lease term on a straight-line basis. The School's accounting policy on leases after the adoption of FRS 116 is as disclosed in Note 2.5.

The School recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases and leases of low-value assets. The right-of-use assets for the leases were recognised based on an amount equal to the lease liability, adjusted for previously recognised prepaid or accrued lease payments. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

The School also applied the available practical expedients wherein it:

- used a single discount rate to a portfolio of leases with reasonably similar characteristics;
- relied on its assessment of whether leases are onerous immediately before the date of initial application as an alternative to performing an impairment review;
- applied the short-term leases exemption to leases with lease term that ends within 12 months of the date of initial application;
- excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application; and
- used hindsight in determining the lease term where the contract contained options to extend or terminate the lease.

There were no onerous contracts as at 1 April 2019.



## 2. Significant accounting policies (Cont'd)

### 2.1 Basis of preparation (Cont'd)

#### 2.1.2 Standards issued but not yet effective

The School has not adopted the following relevant new/revised FRSs, INT FRSs and amendments to FRSs that were issued but not yet effective:

Description	Effective for annual periods beginning on or after
Amendments to References to the Conceptual Framework in FRS Standards	1 January 2020
Amendments to FRS 103 Definition of a Business	1 January 2020
Amendments to FRS 1 and FRS 8 Definition of Material	1 January 2020
Amendments to FRS 109, FRS 39 and FRS 107 Interest Rate Benchmark Reform	1 January 2020
Amendments to FRS 116 Covid-19 – Related Rent Concession	1 June 2020
FRS 117 Insurance Contracts	1 January 2021
Amendments to FRS 110 and FRS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Date to be determined

The Management Committee expects that the adoption of the other standards and interpretations do not have material impact on the financial statements in the year of the initial application.

### 2.2 Income recognition

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

Income is recognised when the School satisfies a performance obligation by transferring a promise good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of income recognised is the amount allocated to the satisfied performance obligation. Income is recognised as follows:

#### 2.2.1 School and audiological fees

School and audiological fees are recognised over the period in which the services have been performed and rendered (i.e. over time).

#### 2.2.2 Donations

Donations are recognised as and when received (i.e. at a point in time).

#### 2.2.3 Sales of hearing aids and accessories

Revenue from sales of hearing aids and accessories are recognised upon delivery of the items sold and all criteria for acceptance have been satisfied (i.e. at a point in time).

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**2. Significant accounting policies (Cont'd)****2.2 Income recognition**

## 2.2.4 Interest income

Income on bank current accounts and fixed deposits placed with banks are recognised on time-proportion basis using the effective interest method.

## 2.2.5 Parents guidance fees and mapping fees

Parents guidance fees and mapping fees are recognised in which the services have been performed and rendered (i.e. at a point in time).

## 2.2.6 Other income

Other income is recognised when received.

**2.3 Government grants**

Government grants are recognised at their fair value where there is reasonable assurance that the grants will be received and all attaching conditions will be complied with. Government grants shall be recognised in the statement of financial activities on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate.

Government grants related to future expenses are recognised under "Deferred grants" in the statement of financial position.

**2.4 Cost and expense recognition**

All expenditures are accounted for on accrual basis, aggregated under the respective areas. Direct costs are attributed to the activity where possible. Where costs are not wholly attributable to an activity, they are apportioned on a basis consistent with the use of resources.

**2.5 Employee compensation**Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the School pays fixed contributions into separate entities such as the Central Provident Fund ("CPF"), on a mandatory, contractual or voluntary basis. The School has no further payment obligations once the contribution has been paid. The School's contribution to defined contribution plans are recognised as employee compensation expense when they are due.

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**2. Significant accounting policies (Cont'd)****2.6 Leases**

2.6.1 These accounting policies are applied before the initial application date of FRS 116, 1 April 2019:

As lessee

Leases of assets in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are taken to the statement of financial activities on a straight-line basis over the period of the lease. When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

Rental on operating lease is charged to the statement of financial activities.

2.6.2 These accounting policies are applied on and after the initial application date of FRS 116, 1 April 2019:

As lessee

At the inception of the contract, the School assesses if the contract contains a lease. A contract contains a lease if the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

(a) Right-of-use assets

The School recognises the right-of-use assets based on an amount equal to the lease liability, adjusted for previously recognised prepaid or accrued lease payments. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the School at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in Note 2.9. The School's right-of-use assets are presented within plant and equipment as disclosed in Note 11.

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**2. Significant accounting policies (Cont'd)****2.6 Leases (Cont'd)**

2.6.2 These accounting policies are applied on and after the initial application date of FRS 116, 1 April 2019: (Cont'd)

As lessee (Cont'd)

## (b) Lease liabilities

At the commencement date of the lease, the School recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the School and payments of penalties for terminating the lease, if the lease term reflects the School exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the School uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The School's lease liabilities are disclosed in Note 13.

## (c) Short-term leases and leases of low-value assets

The School applies the short-term lease recognition exemption to its short-term leases of equipment (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

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**2. Significant accounting policies (Cont'd)****2.6 Financial assets**

The School classifies its financial assets under the at amortised cost category.

The classification of debt instruments depends on the School's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial assets.

The School reclassifies debt instruments when and only when its business model for managing those assets changes.

**2.6.1 Classification and measurement***At initial recognition*

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

*At subsequent measurement*

Debt instruments of the School mainly comprise of cash and cash equivalents, fixed deposits and other receivables.

There are three prescribed subsequent measurement categories, depending on the School's business model in managing the assets and the cash flow characteristics of the assets. The School managed these group of financial assets by collecting the contractual cash flows and these cash flows represents solely payment of principal and interest. Accordingly, these group of financial assets are measured at amortised cost subsequent to initial recognition.

**2.6.2 Impairment**

The School assesses on forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost.

For cash and cash equivalents, fixed deposit and other receivables, the general 3 stage approach is applied. Credit loss allowance is based on 12-month expected credit loss if there is no significant increase in credit risk since initial recognition of the assets. If there is a significant increase in credit risk since initial recognition, lifetime expected credit loss will be calculated and recognised.

**2.6.3 Recognition and derecognition**

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the School commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the School has transferred substantially all risks and rewards of ownership.

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in statement of financial activities.

## 2. Significant accounting policies (Cont'd)

### 2.7 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, deposits with financial institutions and short-term and highly liquid investments that are readily convertible to known amounts of cash which are subject to an insignificant risk of changes in value.

### 2.8 Plant and equipment

#### 2.8.1 Measurement

All plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment loss.

The cost of an item of plant and equipment includes its purchase price and any costs that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by Management.

#### 2.8.2 Depreciation

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

	Useful lives
Computer	3 years
Children playground equipment	5 years
Cochlear implant equipment	5 years
Fixtures and fittings	5 years
Furniture and equipment	5 years
Musical instruments	5 years
Renovations	5 years
Right-of-use assets	5 years
Van	5 years

Fully depreciated assets are retained in the financial statements until they are no longer in use.

The residual values and useful lives of plant and equipment are reviewed, and adjusted as appropriate, at each reporting date. The effects of any revision of the residual values and useful lives are included in the statement of financial activities for the financial year in which the changes arise.

#### 2.8.3 Subsequent expenditure

Subsequent expenditure relating to plant and equipment that have already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the School and the cost of the item can be measured reliably. Other subsequent expenditure is recognised as repair and maintenance expenses in the statement of financial activities during the financial year in which it is incurred.

#### 2.8.4 Disposal

On disposal of an item of plant and equipment, the difference between the net disposal proceeds and its carrying amount is taken to the statement of financial activities.

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**2. Significant accounting policies (Cont'd)****2.9 Impairment of non-financial assets**

Plant and equipment are reviewed for impairment whenever there is any indication that these assets may be impaired. If any such indication exists, the recoverable amount (i.e. the higher of the fair value less cost of disposal and value in use) of the assets is estimated to determine the amount of impairment loss.

For the purpose of impairment testing of the assets, recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, recoverable amount is determined for the cash-generating unit ("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 impairment loss is recognised in the statement of financial activities.

An impairment loss for an asset is reversed if, there has been a change in the estimates used to determine the assets' recoverable amount since the last impairment loss was recognised. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset is recognised in the statement of financial activities.

**2.10 Financial liabilities**

Financial liabilities are recognised when the School becomes a party to the contractual agreements of the instrument and are classified according to the substance of the contractual arrangements entered into. All interest related charges are recognised in the statement of financial activities. Financial liabilities include "Other payables" and "Lease liability" on the statement of financial position.

Financial liabilities which are due to be settled within 12 months after the reporting date are presented as current liabilities in the statement of financial position even though the original term was for a period longer than 12 months and an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the reporting date and before the financial statements are authorised for issue. Other financial liabilities due to be settled more than 12 months after the reporting date are presented as non-current liabilities in the statement of financial position.

Financial liabilities are derecognised when the obligations under the liability are discharged, cancelled or expire. When existing financial liabilities are replaced by another from the same lender on substantially different terms of an existing liability or are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognised in the statement of financial activities.

**2.11 Other payables**

Other payables are initially recognised at fair value, and subsequently carried at amortised cost, using the effective interest method.

Accruals are recognised at the best estimate of the amount payable.

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**2. Significant accounting policies (Cont'd)****2.12 Provisions for other liabilities and charges**

Provisions for other liabilities and charges are recognised when the School has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

**2.13 Contingencies**

Contingent liabilities are not recognised in the financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is not recognised in the financial statements but disclosed when an inflow of economic benefit is probable.

**2.14 Funds**

Fund balances restricted by outside sources are so indicated and are distinguished from unrestricted funds allocated to specific purpose, if any, by action of the Management Committee. Externally restricted funds may only be utilised in accordance with the purposes for which they are established. The Management Committee retains full control over the use of unrestricted funds for any of the School's purposes.

**2.15 Events after the reporting period**

Events after the reporting period that provide additional information about the School's position at the reporting date (adjusting events) are reflected in the financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes to the financial statements when material.

**3. Critical accounting estimates, assumptions and judgements**

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**3.1 Critical accounting estimates and assumptions**

At the reporting date, there were no critical accounting estimates and assumptions that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

**3.2 Critical judgements in applying the entity's accounting policies**

The critical judgement in applying the entity's accounting policies at the reporting date, that has a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is discussed below.



**3. Critical accounting estimates, assumptions and judgements (Cont'd)**

**3.2 Critical judgements in applying the entity's accounting policies (Cont'd)**

Government grants

Government grants to meet operating expenses are recognised as income in the income and expenditure statement on the accrual basis in the year these operating expenses were incurred and there is reasonable assurance that the School will comply with the conditions attached to it. For certain grants, the government agencies reserve the right to withdraw, withhold or reduce the amount of any funds approved but not yet disbursed or to call for the refund of all funds which have been disbursed to the School if the conditions are not met.

**4. Disaggregation of income**

	2020	2019
	S\$	S\$
<b>Income from:</b>		
Donations		
- Non-tax deductible donations	535,816	100,712
- Tax deductible donations	6,200	29,600
Audiological service fee	71,015	0
Parents guidance fees and mapping fees	181	880
Sales of hearing aids and accessories	68,988	73,499
Reinstatement income	90,913	0
School fees and registration	30,780	10,354
Other income	20,444	11,200
	824,337	226,245
	2020	2019
	S\$	S\$
<b>Transfer of timing:</b>		
At a point in time	722,542	215,891
Over time	101,795	10,354
	824,337	226,245

There is no contract liability balances.

**5. Special purpose grants**

	2020 S\$	2019 S\$
Annual grant for discretionary financial assistance	11,000	7,160
Curriculum enhancement grant	20,000	20,000
High needs grant	49,103	94,170
Parent support group fund	2,500	2,500
Provision for administrative manager	0	98,952
School meals programme	6,744	0
Special education financial assistance scheme	12,853	14,753
School bus subsidy	22,248	0
Additional training vote	4,000	800
Staff training vote	22,000	18,326
MOE ICT manpower grant	43,831	39,000
MOE IT fund	(1,886)	12,914
MOE Edusave award	1,150	6,800
National Art Council grant	3,681	0
Public transport subsidy	0	480
Edusave fund	3,300	3,475
MOE opportunity fund	1,680	2,380
Trailblazer fund	0	323
	202,204	322,033

**6. Salaries and allowances**

	2020 S\$	2019 S\$
Salaries and bonuses		
- High needs grant staff	47,799	0
- MOE seconded teaching staff	553,461	250,740
- Other teaching staff	566,508	642,559
- Professional staff	165,819	147,490
- Support staff	310,108	161,423
- Other contract teaching staff	113,476	286,447
CPF contribution and SDL	176,522	181,724
Foreign worker levy	2,236	0
	1,935,929	1,670,383

**7. Income tax expense**

As the School is an approved charity, no provision for taxation has been made in the financial statements as the School is exempted from income tax under Section 13 of the Income Tax Act, Cap 134.

**8. Cash and cash equivalents**

	2020 S\$	2019 S\$
Cash in hand	1,964	1,600
Cash at bank	2,038,442	3,200,062
Short-term fixed deposits	414,377	413,590
	<u>2,454,783</u>	<u>3,615,252</u>

The short-term fixed deposits have a maturity period of less than 2 months (2019: less than 2 months) with interest rates ranging from 0.10% to 0.15% (2019: 0.10% to 0.15%) per annum.

At the reporting date, the carrying amounts of cash and cash equivalents approximate their fair values.

**9. Fixed deposits**

The fixed deposits have a maturity period of 6 to 12 months (2019: 3 to 12 months) with interest rates ranging from 0.20% to 1.40% (2019: 0.20% to 0.95%) per annum. There is legal right to set-off against the fixed deposit of the School for S\$5,916 (2019: S\$5,861) signed in favour of one of the School's bankers.

**10. Other receivables**

	2020 S\$	2019 S\$
Deposit	100	100
Grant receivables – Jobs Support Scheme	111,549	0
Interest receivables	184	258
Prepayments	31,707	26,985
Others	61,616	82,446
	<u>205,156</u>	<u>109,789</u>

The Jobs Support Scheme (JSS) provides wage support to employers to help them retain their local employees (Singapore citizens and Permanent Residents) during this period of economic and pandemic uncertainty. JSS payouts are intended to offset local employees' wages and help protect their jobs.

Other receivables are unsecured, non-interest bearing and are payable on demand.

At the reporting date, the carrying amounts of other receivables approximate their fair values.

## 11. Plant and equipment

	Computer S\$	Children playground equipment S\$	Cochlear implant equipment S\$	Fixtures and fittings S\$	Furniture and equipment S\$	Musical instruments S\$	Renovations S\$	Van S\$	Total S\$
<b>Cost</b>									
At 1 April 2018	444,403	46,925	15,013	198,994	1,590,478	32,954	794,792	30,150	3,153,709
Additions	0	0	0	0	4,258	1,421	107,251	0	112,930
Disposals	(102,878)	0	0	0	(80,646)	0	0	0	(183,524)
At 31 March 2019	341,525	46,925	15,013	198,994	1,514,090	34,375	902,043	30,150	3,083,115
Additions	10,935	0	0	0	214,660	15,726	17,304	0	258,625
Disposals/ Written off	(163,639)	(46,925)	0	(131,980)	(1,003,184)	0	(50,344)	(30,150)	(1,426,222)
At 31 March 2020	188,821	0	15,013	67,014	725,566	50,101	869,003	0	1,915,518
<b>Accumulated depreciation</b>									
At 1 April 2018	367,314	46,925	15,013	191,649	1,377,062	19,867	482,713	30,150	2,530,693
Depreciation charge	31,654	0	0	2,880	75,674	3,078	167,654	0	280,940
Disposals	(102,878)	0	0	0	(61,995)	0	0	0	(164,873)
At 31 March 2019	296,090	46,925	15,013	194,529	1,390,741	22,945	650,367	30,150	2,646,760
Depreciation charge	31,932	0	0	2,400	81,529	4,367	139,240	0	259,468
Disposals/ Written off	(163,639)	(46,925)	0	(131,980)	(1,003,184)	0	(38,597)	(30,150)	(1,414,475)
At 31 March 2020	164,383	0	15,013	64,949	469,086	27,312	751,010	0	1,491,753
<b>Carrying amount</b>									
31 March 2019	45,435	0	0	4,465	123,349	11,430	251,676	0	436,355
31 March 2020	24,438	0	0	2,065	256,480	22,789	117,993	0	423,765

Right-of-use asset acquired under leasing arrangement is presented together with the owned assets of the same class. Details of the leased asset is disclosed in Note 13.

**12. Other payables**

	2020 S\$	2019 S\$
Accrued expenses	14,060	19,072
Deferred grant income – Jobs Support Scheme	111,549	0
Other payables	103,722	993,873
	229,331	1,012,945

The deferred grant income – Jobs Support Scheme (JSS) will be recognised as a grant income, on a systematic basis, over the estimated 17 months of economic uncertainty until August 2021 in which the entity recognises the related salary costs.

Other payables are unsecured, non-interest bearing and is repayable on demand.

At the reporting date, the carrying amounts of other payables approximate their fair values.

**13. Lease liabilities**

	2020 S\$	2019 S\$
Current	6,239	0
Non-current	22,688	0
	28,927	0

Nature of the School's leasing activities

The School has lease contracts for photo-copier machines. The School's obligation under these lease is secured by the lessor's title to the leased assets. The School is restricted from assigning and subleasing the leased assets. The incremental borrowing rate used to compute the present value of the lease payments was 5.25%.

(a) Carrying amount

Right-of-use ("ROU") assets classified within Plant and equipment

	2020 S\$	2019 S\$
Furniture and equipment	28,387	0

(b) Amount recognised in statement of financial activities:

	2020 S\$
Depreciation of right-of-use assets	5,009
Interest expense on lease liabilities	1,212
Operating lease expense - equipment	1,829
	8,050

**13. Lease liabilities (Cont'd)**

(a) Total cash outflow:

The School had total cash outflows for lease of S\$7,510 in 2020.

(b) A reconciliation of liabilities arising from financing activities is as follows:

	1 April 2019 S\$	Additions S\$	Cash flows S\$	Non-cash changes		31 March 2020 S\$
				Accretion of interests S\$	Other S\$	
Lease liabilities						
- Current	0	4,469	(5,681)	1,212	6,239	6,239
- Non-current	0	28,927	0	0	(6,239)	22,688
	<u>0</u>	<u>33,396</u>	<u>(5,681)</u>	<u>1,212</u>	<u>0</u>	<u>28,927</u>

**14. Grant received in advance**

This is a fund from Ministry of Education since 1999. The purpose of the grant is used for purchases of information and communication technologies for the School.

**15. Restricted funds**

**15.1 Accumulated Fund**

Accumulated funds are restricted and will not be transferred out of the School other than for the benefit of its intended clients and School's objectives. The main contributors of funds are the Ministry of Education and National Council of Social Service.

**15.2 Building Fund**

The fund was set up for the purpose of constructing a separate building for the School and is now reserved for major upgrading expenditure in future.

**15.3 Special Project Fund**

Special project funds are raised from sales of hearing devices and the profits are set aside to subsidise the cost of hearing devices for hearing impaired students who cannot afford to purchase their own equipment.

**15.4 Cochlear Implant Fund**

Cochlear Implants project was initiated with Singapore General Hospital to fund students who need to undergo Cochlear Implant operations.

**15. Restricted funds (Cont'd)**

**15.5 Canossian School Donation Fund**

Donations from the public to support the school's efforts to provide quality education for hearing impaired children. The donations can be general or designated. For the designated donations, the donors would have clearly indicated the purpose of the donation and how the monies are to be used. For the general donations, the donor would leave it to the discretion of the school to use the monies to support the education of the hearing impaired children, school programmes and activities.

**15.6 Parents' Guidance Fund**

Income earned from the Parent Guidance Programme which enables parents to learn how to interact with their hearing impaired child and support his/her linguistic development.

## 15. Restricted funds (Cont'd)

### 15.7 Other funds

Included under other funds are various funds received for specific purposes presented as follows:

2020	Special Purpose grants														Total S\$
	AGDFA S\$	CEG S\$	HNG S\$	PSGF S\$	PAM S\$	PFMS S\$	SMP S\$	FAS S\$	SBS S\$	ATV S\$	STV S\$	IF S\$	ICT S\$	EA S\$	
<b>Receipts</b>	11,000	20,000	49,103	2,500	0	0	6,743	12,853	22,248	4,000	22,000	(1,886)	43,831	1,150	193,542
<b>Less: Expenditure</b>															
Transport and other pupil subsidy	10,180	0	0	0	0	0	0	0	0	0	0	0	0	0	10,180
Staff development	0	0	0	0	0	0	0	10,750	22,248	0	11,773	0	0	0	44,771
Depreciation	0	0	0	0	0	29,151	0	0	0	0	0	0	0	0	29,151
Salaries and bonus	0	0	54,621	0	0	0	0	0	0	0	0	0	0	0	54,621
Students expenses	820	0	0	0	0	0	5,135	2,103	0	0	0	0	0	2,700	10,758
Professional and other services	0	20,000	0	0	0	0	0	0	0	0	0	0	0	0	20,000
<b>Total expenditure</b>	<b>11,000</b>	<b>20,000</b>	<b>54,621</b>	<b>0</b>	<b>0</b>	<b>29,151</b>	<b>5,135</b>	<b>12,853</b>	<b>22,248</b>	<b>0</b>	<b>11,773</b>	<b>0</b>	<b>0</b>	<b>2,700</b>	<b>169,481</b>
<b>Net surplus /(expenditure)</b>	0	0	(5,518)	2,500	0	(29,151)	1,608	0	0	4,000	10,227	(1,886)	43,831	(1,550)	24,061
<b>Beginning balance of the year</b>	0	0	31,390	0	0	67,371	0	0	0	0	0	79,614	0	1,550	179,925
<b>Ending balance carried forward</b>	0	0	25,872	2,500	0	38,220	1,608	0	0	4,000	10,227	77,728	43,831	0	203,986

	Other restricted grants						Total S\$	Total Other Fund S\$
	NAC S\$	PTS S\$	EF S\$	PIP S\$	OG S\$	TF S\$		
<b>Receipts</b>	3,682	0	3,300	0	1,680	0	8,662	202,204
<b>Less: Expenditure</b>								
Transport and other pupil subsidy	0	120	0	0	0	0	120	10,300
Staff development	0	0	0	0	0	0	0	44,771
Depreciation	0	0	0	0	0	0	0	29,151
Salaries and bonus	0	0	0	0	0	0	0	54,621
Students expenses	0	0	1,462	0	2,604	0	4,006	14,764
Professional and other services	0	0	0	0	0	0	0	20,000
<b>Total expenditure</b>	<b>0</b>	<b>120</b>	<b>1,462</b>	<b>0</b>	<b>2,604</b>	<b>0</b>	<b>4,126</b>	<b>173,607</b>
<b>Net surplus</b>	3,682	(120)	1,838	0	(924)	0	4,476	28,537
<b>Beginning balance of the year</b>	0	120	0	5,536	2,380	3,606	11,642	191,567
<b>Ending balance carried forward</b>	3,682	0	1,838	5,536	1,456	3,606	16,118	220,104

**Legend:**

- AGDFA - Annual grant for discretionary financial assistance**
- CEG - Curriculum enhancement grant**
- HNG - High needs grant**
- PSGF - Parent support group fund**
- PAM - Provision for administrative manager**
- PFMS - Purchase of frequency modulation system for students with hearing impairment**
- SMP - School meals programme**
- FAS - SPED financial assistance scheme**
- ATV - Additional training vote**
- STV - Staff training vote**
- IF - MOE IT fund**
- ICT - MOE ICT manpower grant**
- EA - MOE Edusave award**
- PTS - Public transport subsidy**
- EF - Edusave fund**
- PIP - NCSS Pilot IT Programme**
- SPMF - School pocket money fund**
- OG - MOE opportunity fund**
- TF - Trailblazer fund**



## 15. Restricted funds (Cont'd)

### 15.7 Other funds (Cont'd)

2019	Special Purpose grants														Total S\$
	AGDFA S\$	CTR S\$	CEG S\$	HNG S\$	PSGF S\$	PAM S\$	PFMS S\$	FAS S\$	ATV S\$	STV S\$	IF S\$	ICT S\$	EA S\$	PTS S\$	
<b>Receipts</b>	7,160	0	20,000	94,170	2,500	98,952	0	14,753	800	18,326	12,914	39,000	6,800	480	315,855
<b>Less: Expenditure</b>															
Transport and other pupil subsidy	7,160	0	0	0	0	0	0	0	0	0	0	0	0	360	7,520
Staff development	0	0	0	0	0	0	0	0	5,600	20,900	0	0	0	0	26,500
Depreciation	0	0	0	0	0	0	26,395	0	0	0	0	0	0	0	26,395
Salaries and bonus	0	0	0	62,780	0	98,952	0	0	0	0	0	0	0	0	161,732
Refreshments	0	0	0	0	2,500	0	0	0	0	0	0	0	0	0	2,500
Students expenses	0	0	0	0	0	0	0	14,753	0	0	0	0	5,250	0	20,003
Professional and other services	0	0	20,000	0	0	0	0	0	0	0	0	39,000	0	0	59,000
Total expenditure	7,160	0	20,000	62,780	2,500	98,952	26,395	14,753	5,600	20,900	0	39,000	5,250	360	303,650
<b>Net surplus / (expenditure)</b>	0	0	0	31,390	0	0	(26,395)	0	(4,800)	(2,574)	12,914	0	1,550	120	12,205
<b>Beginning balance of the year</b>	0	0	0	0	0	0	93,766	0	4,800	2,574	66,700	0	0	0	167,840
<b>Ending balance carried forward</b>	0	0	0	31,390	0	0	67,371	0	0	0	79,614	0	1,550	120	180,045

2019	Other restricted grants					Total S\$	Total Other Fund S\$
	EF S\$	PIP S\$	SPMF S\$	OG S\$	TF S\$		
<b>Receipts</b>	3,475	0	0	2,380	323	6,178	322,033
<b>Less: Expenditure</b>							
Transport and other pupil subsidy	0	0	0	0	0	0	7,520
Staff development	0	0	0	0	0	0	26,500
Depreciation	0	0	0	0	0	0	26,395
Salaries and bonus	0	0	0	0	0	0	161,732
Refreshments	0	0	0	0	0	0	2,500
Students expenses	3,475	0	0	0	0	3,475	23,478
Professional and other services	0	0	0	0	0	0	59,000
Total expenditure	3,475	0	0	0	0	3,475	307,125
<b>Net surplus</b>	0	0	0	2,380	323	2,703	14,908
<b>Beginning balance of the year</b>	0	5,536	0	0	3,283	8,819	176,659
<b>Ending balance carried forward</b>	0	5,536	0	2,380	3,606	11,522	191,567

**Legend:**

- AGDFA - Annual grant for discretionary financial assistance**
- CTR - Contract teaching resources**
- CEG - Curriculum enhancement grant**
- HNG - High needs grant**
- PSGF - Parent support group fund**
- PAM - Provision for administrative manager**
- PFMS - Purchase of frequency modulation system for students with hearing impairment**
- FAS - SPED financial assistance scheme**
- ATV - Additional training vote**
- STV - Staff training vote**
- IF - MOE IT fund**
- ICT - MOE ICT manpower grant**
- EA - MOE Edusave award**
- PTS - Public transport subsidy**
- EF - Edusave fund**
- PIP - NCSS Pilot IT Programme**
- SPMF - School pocket money fund**
- OG - MOE opportunity fund**
- TF - Trailblazer fund**

**15. Restricted funds (Cont'd)****15.7 Other funds (Cont'd)****Annual grant for discretionary financial assistance (AGDFA)**

This fund is to provide funding for the School Management Committee to administer discretionary financial assistance to benefit Singaporean students who do not meet the qualifying criteria for the Special Education Financial Assistance Scheme (SPED FAS), as well as provide additional assistance to those on the SPED FAS.

**Contract teaching resources (CTR)**

This fund is to reimburse the School which engage contract teachers to cover teaching duties of staff undergoing Diploma in Special Education (DISE), Advanced DISE and Management and Leadership in School (MLS) courses.

**Curriculum enhancement grant (CEG)**

The fund is to promote and sustain the School initiated efforts to enhance quality of the School curricular and co-curricular on a top up basis.

**High needs grant (HNG)**

This fund is to provide the School with additional resources to support students with exceptionally high needs upon approval by High Needs Grant Panel.

**Parent support group fund (PSGF)**

This fund enables the School to enhance the level of parental engagement and organise parent-related activities on a regular basis.

**Provision for administrative manager (PAM)**

The fund is to provide salaries and bonuses for one administrative manager at EIII Grade and other operating expenditure.

**Purchase of frequency modulation system for students with hearing impairment (PFMS)**

The fund is provided to the School to replace the Frequency Modulation (FM) System. The School must ensure that the procurement of the FM System achieve value for money and be conducted in a fair, open and transparent manner.

**School Meals Programme (SMP)**

This fund is to provide \$60 per month for SPED FAS students for their meals in school.

**School Breakfast Programme (SBP)**

This fund is to provide S\$1.50 per day for SPED FAS students aged from 6-11 years old as at 1 January for their breakfast.

**SPED financial assistance scheme (FAS)**

The fund is to provide needy students in the School with waiver of School fees, free uniforms and text books.

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**15. Restricted funds (Cont'd)****15.7 Other funds (Cont'd)****Additional training vote (ATV)**

This fund is top-up to the training vote for registered teachers.

**Staff training vote (STV)**

This fund enables permanent staff to receive training and development to improve service quality.

**MOE IT fund (IF)**

The MOE IT fund was established to purchase IT software and hardware.

**MOE ICT manpower grant (ICT)**

The MOE ICT manpower grant was established for employing ICT support staff.

**MOE Edusave award (EA)**

MOE Edusave award, this fund is use for Awards given to students (Singapore Citizen) for Scholarship, Bursary, Good Progress and Leadership awards.

**Public transport subsidy (PTS)**

This fund is use tor Financial Assistance students travelling to and fro school using Public Transport.

**Edusave fund (EF)**

Schools use the grants to organise enrichment programmes or purchase additional resources which benefit students.

**NCSS pilot IT programme (PIP)**

This fund is to help those youths, typically identified by risk factors including troubled family backgrounds, academic underachievement and low self-esteem – directly on their negative influences or personal problems, youth workers reach out to talk about their personal aspirations.

**School pocket money fund (SPMF)**

This fund is to provide pocket money to children from low-income families to help them through school. The children can use this money for school-related expenses, such as buying a meal during recess, paying for transport or using it to meet other schooling needs.

**MOE Opportunity Fund**

This fund is to subsidise children from low-income for use of enrichment programmes.

**Trailblazer fund (TF)**

The Trailblazer General Fund focuses on the education and development of Singaporeans who have unique talent or innovative ideas and who are likely to make a difference to the Singapore community.

**15. Restricted funds (Cont'd)****15.8 Canossian Early Intervention Programme for Infants and Children (EIPIC)**

This relates to funds received from Ministry of Community Development, Youth and Sports and National Council of Social Service specifically for the EIPIC programme.

In 2019, fund transfer of S\$778,303 between School and Canossaville Children and Community Services is approved by funders and Management Committee.

**16. Fund raising activities and expenditure**

During the financial years 2020 and 2019, the School did not carry out any fund raising activities. Consequently, no fund raising expenditure was incurred.

**17. Contingent liability**

One of the School's bankers has issued a letter of guarantee for S\$5,916 (2019: S\$5,861) to a third party on behalf of the School. The guarantee is secured by a right to set-off against the School's fixed deposits.

**18. Commitment****18.1 Operating lease commitment**

At the reporting date, the School has commitments for future minimum lease payments in respect of leasing of equipment under non-cancellable operating leases as follows:

	2020 S\$	2019 S\$
Not later than one year	0	5,136
Later than one year but not later than five years	0	8,346
	<u>0</u>	<u>13,482</u>

As disclosed in Note 2.1.1, the School has adopted FRS 116 on 1 April 2019. These lease payments have been assessed as short-term lease. As such, no right-of-use assets and liabilities were recognised in the statement of financial position relating to the leasing agreement.

## 19. Related party transactions

The following transactions took place between the School and its related parties during the financial year at terms agreed between the parties:

	2020 S\$	2019 S\$
Professional fees paid to Canossa Convent	(12,729)	(15,755)
Professional fees paid to Canossaville Children & Community Services	(856)	0
Utilities paid to Canossa Convent Primary School	(22,006)	(20,835)
Staff welfare paid to Canossa Convent Primary School	(1,585)	(1,363)
Expenses paid to Canossian Daughters of Charity	(3,000)	(3,100)
Expenses paid to Canossaville Children & Community Services	(884)	0
Staff training paid to Canossian Daughters of Charity	(50)	(100)
Income receive from Canossa Catholic Primary School (renovation)	90,913	0
Income receive from Canossa Convent (donation)	500	0
Income receive from Canossaville Children & Community Services (donation)	1,549	0
Sales proceed from disposal of plant and equipment receive from Canossian Daughters of Charity	0	18,651
Staff salary receive from Canossaville Preschool	<u>81,111</u>	<u>80,275</u>

### Key management personnel remuneration and benefits

The key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the School. The key management personnel for the reporting period is the principal of the School who is also a member of Management Committee.

The annual remuneration of key management personnel is as follows:

	2020 S\$	2019 S\$
Salaries and other short-term employee benefits	228,159	167,431
Post-employment benefits – Contributions to CPF	<u>13,259</u>	<u>11,486</u>
	<u>241,418</u>	<u>178,917</u>
	2020 No. of key management personnel	2019 No. of key management personnel
Remuneration band (S\$)		
Above S\$100,000	<u>1</u>	<u>1</u>

In 2020 and 2019, the key management personnel above is the only paid staff that received an annual remuneration above \$100,000. The rest of the paid staff did not receive an annual remuneration above S\$100,000.

## 20. Financial instruments

The aggregate carrying amounts of financial assets and financial liabilities at amortised costs at the reporting date are as follows:

	2020	2019
	S\$	S\$
<b>Financial assets at amortised cost</b>		
Cash and cash equivalents	2,454,783	3,615,252
Fixed deposits	245,545	245,228
Other receivables (excluding prepayments)	236,863	82,804
	2,937,191	3,943,284
	2020	2019
	S\$	S\$
<b>Financial liabilities at amortised cost</b>		
Other payables (excluding deferred grant income)	111,782	1,012,945
Lease liability	28,927	0
	140,709	1,012,945

## 21. Financial risk management

The School's activities expose it to a variety of financial risks: credit risk, interest rate risk and liquidity risk.

The Management Committee are responsible for setting the objectives and underlying principles of financial risk management for the School. The School's management then establishes the detailed policies such as risk identification and measurement and exposure limits and hedging strategies, in accordance with the objectives and underlying principle approved by the Management Committee. Financial risk management is carried out by accounting personnel.

There has been no change to the School's exposure to these financial risks or the manner in which it manages and measures the risk.

### 21.1 Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the School. The School has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The School performs ongoing credit evaluation of its counterparties' financial condition and generally do not require a collateral.

The maximum exposure to credit risk in the event that the counterparties fail to perform their obligations as at the end of the financial year in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the statement of financial position.

#### Exposure to credit risk

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

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**21. Financial risk management (Cont'd)****21.1 Credit risk (Cont'd)**Financial assets that are neither past due nor impaired

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

Financial assets that are either past due or impaired

There are no financial assets that are either past due or impaired for the financial year ended 31 March 2020 and 31 March 2019.

**21.2 Interest rate risk**

The School's exposure to market risk for changes in interest rates, relates primarily to interest-bearing deposit placed with financial institutions. The School's policy is to place surplus funds in fixed deposits with Singapore financial institutions.

The sensitivity analysis for interest is not deemed necessary as the effect of movement in interest rate on the financial statements is not expected to be significant.

**21.3 Liquidity risk**

Liquidity risk is the risk that the School will encounter difficulty in meeting financial obligations due to the shortage of funds. The School's exposure to liquidity risk arises primarily from mismatches of the maturities of the financial assets and liabilities. The School adopts prudent liquidity risk management by maintaining sufficient cash and cash equivalents to finance its activities and minimise the liquidity risk.

Management monitors and ensures that the School maintains a level of cash and cash equivalents deemed adequate to finance the School's operations.

## 21. Financial risk management (Cont'd)

### 21.3 Liquidity risk (Cont'd)

The table below summarises the maturity profile of the School's financial assets and liabilities at the end of the reporting period based on the contractual undiscounted repayment obligations:

<b>2020</b>	Within one year S\$	Later than one year but not later than five years S\$	Total S\$
<b>Financial assets at amortised cost</b>			
Cash and cash equivalents	2,454,783	0	2,454,783
Fixed deposits	245,545	0	245,545
Other receivables (excluding prepayments)	<u>236,863</u>	<u>0</u>	<u>236,863</u>
	<u>2,937,191</u>	<u>0</u>	<u>2,937,191</u>
<b>Financial liabilities at amortised cost</b>			
Other payables (excluding deferred grant income)	(117,782)	0	(117,782)
Lease liability	<u>(7,576)</u>	<u>(24,621)</u>	<u>(32,197)</u>
	<u>(125,358)</u>	<u>(24,621)</u>	<u>(149,979)</u>
Net financial assets / (liabilities)	<u>2,811,833</u>	<u>(24,621)</u>	<u>2,787,212</u>
<b>2019</b>	Within one year S\$	Later than one year but not later than five years S\$	Total S\$
<b>Financial assets at amortised cost</b>			
Cash and cash equivalents	3,615,252	0	3,615,252
Fixed deposits	245,228	0	245,228
Other receivables (excluding prepayments)	<u>82,804</u>	<u>0</u>	<u>82,804</u>
	<u>3,943,284</u>	<u>0</u>	<u>3,943,284</u>
<b>Financial liabilities at amortised cost</b>			
Other payables	<u>(1,012,945)</u>	<u>0</u>	<u>(1,012,945)</u>
Net financial assets	<u>2,930,339</u>	<u>0</u>	<u>2,930,339</u>



## 21. Fair value

The carrying amounts of the financial assets and liabilities recorded in the financial statements of the School approximate their fair values due to their short-term nature.

The carrying amounts of non-current lease liabilities approximate their fair values as they are subject to interest rate close to market rate of interest for similar arrangements of the financial institution.

## 22. Reserve position and policy

The School's reserve position for financial years ended 31 March 2020 and 31 March 2019 are as follows:

		2020	2019	Increase/ (Decrease)
		S\$'000	S\$'000	%
A	Restricted Funds			
	Accumulated Fund	11	848	(98.70)
B	Restricted or Designated Funds			
	Building Fund	374	272	37.50
	Special Project Fund	394	492	(19.92)
	Cochlear Implant Fund	385	385	0
	Canossian School Donation Fund	1,023	540	89.44
	Parents' Guidance Fund	385	385	0
	Other Funds	220	192	14.58
C	Endowment Funds	N/A	N/A	N/A
D	Total Funds	2,792	3,114	(10.34)
E	Total Annual Operating Expenditure	2,919	2,684	8.76
F	Ratio of Funds to Annual Operating Expenditure (A/E)	0	0.32	

Reference:

- C. An endowment fund consists of assets, funds or properties that are held in perpetuity which produce annual income flow for a foundation to spend as grants.
- D. Total Funds include unrestricted, restricted / designated and endowment funds.
- E. Total Annual Operating Expenditure includes direct cost and administrative costs.

The School's reserve policy for the Accumulated Fund is as follows:

The School would hold its reserves in the total funds not more than one year's operational expenses.

The reserve of the School provide financial stability and the means for the development of the School's activities. The Management Committee intends to maintain the reserves at a level sufficient for its operating needs. The School reviews the level of reserves regularly for the School's continuing obligations.

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**23. Management of conflict of interest**

There is one paid staff on the School's Management Committee.

Management Committee are required to disclose any interest that they may have, whether directly or indirectly, that the School may enter into or in any organisations that the School has dealings with or is considering dealing with; and any personal interest accruing to him as one of the School's supplier, user of services or beneficiary. Should there be any potential conflict of interest, the affected management committee may not vote on the issue that was the subject matter of the disclosure. Detailed minutes will be taken on the disclosure as well as the basis for arriving at the final decision in relation to the issue at stake.

**24. Impact of COVID-19 (Coronavirus Disease 2019)**

The COVID-19 pandemic has affected almost all countries of the world and resulted in border closures, production stoppages, workplace closures, movement controls, and other measures imposed by various governments. The School's significant operations are in Singapore which have been affected by the spread of COVID-19 in 2020. The nature of the School's operation are to provide a language-enabling environment where hearing-impaired children are exposed to the normal speech and language models of their hearing peers, therefore, the impact of COVID-19 on the School's operations are minimal. The impact of COVID-19 on the School's financial performance reflected in this set of financial statements for the year ended 31 March 2020 are presented below:

- i) The School has assessed that the going concern basis of preparation for this set of financial statements remains appropriate. The Management Committee is continuously monitoring the Covid-19 pandemic situation and will take further action as necessary in response to the economic disruption.
- ii) The Singapore Multi-Ministry Taskforce implemented an elevated set of safe distancing measures as a circuit breaker from 7 April 2020 to 1 June 2020, to pre-empt the trend of increasing local transmission of COVID-19. Except for those providing essential services and selected economic sectors which are critical for our local and the global supply chains, all entities are required to suspend all in-person activities and the School's physical operations were temporarily closed to adhere to the respective governments' movement control measures.

As the global COVID-19 situation remains very fluid as at the date these financial statements were authorised for issuance, the School cannot reasonably ascertain the full extent of the probable impact of the COVID-19 disruptions on its operating and financial performance for the financial year ending 31 March 2021. If the situation persists beyond management's current expectations, the School's assets may be subject to further write-downs in the subsequent financial periods.

**25. Authorisation of financial statements**

These financial statements were authorised for issue in accordance with a resolution of the Management Committee of the School on 21 June 2021.