

CANOSSIAN SCHOOL

[UEN. S87CC0500A]

[Registered under Charities Act
(Chapter 37) in the Republic of Singapore]

[Registered under the Ministry of Education,
Reg. no. 2779]

AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

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Suhaimi Salleh & Associates

[UEN. S88PF0247L]

Public Accountants and
Chartered Accountants of Singapore

71 Ubi Crescent
Excalibur Centre #08-01
Singapore 408571
T: (65) 6846.8376
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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 2021 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

Chairman	Gerard Ee Hock Kim
Supervisor	Seow Lee Huang Theresa
Secretary	Christina Michael
Treasurer	Chia Heng Chian Dominic
Member	Dr Euan Murugasu

For and on behalf of the Management Committee,

DocuSigned by:

Gerard Ee Hock Kim

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Gerard Ee Hock Kim
Chairman

DocuSigned by:

Chia Heng Chian Dominic

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Chia Heng Chian Dominic
Treasurer

Singapore,

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Independent auditor's report to the members of:

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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 2021, 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 2021 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 Charities Act
(Chapter 37) in the Republic of Singapore]
[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 FRSSs, 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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Independent auditor's report to the members of:

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[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 2021 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.

Suhaimi Salleh & Associates

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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.

DocuSigned by:

Suhaimi Salleh & Associates

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Suhaimi Salleh & Associates

Public Accountants and
Chartered Accountants

Singapore,

Partner-in-charge: Gan Chek Huat
PAB No.: 01939

STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

	Note	Restricted funds							Total funds 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\$			
2021 INCOME										
Grants from MOE										
- Total operating expenditure		1,220,565	0	0	0	0	0	0	0	
- Special purpose grants	5	0	0	0	0	0	0	0	222,973	
Grants from NCSS										
- NCSS community funding for S.E.T		413,947	0	0	0	0	0	0	0	
Grants from NAC										
- Tote Board arts grant	5	0	0	0	0	0	0	0	5,145	
Grants - other government agencies										
- Jobs support scheme		266,949	0	0	0	0	0	0	0	
- Southeast Community Development Council		5,000	0	0	0	0	0	0	0	
- Special Employment Credit		8,822	0	0	0	0	0	0	0	
- Wages Credit Scheme		45,408	0	0	0	0	0	0	0	
Total government grants		1,960,691	0	0	0	0	0	0	228,118	
Audiological service fee	4	0	0	8,899	0	0	0	0	0	
Interest income		1,050	68	0	0	318	0	0	0	
Non-tax deductible donations	4	0	0	0	0	3,407	70,000	0	0	
Other income		(491)	0	0	0	0	0	0	0	
Parents guidance fees and mapping fees	4	0	0	80	0	20	0	0	0	
Sales of hearing aids and accessories	4	0	0	38,600	0	303	0	0	0	
School bursary project	4	0	0	0	0	12,000	0	0	0	
School fees and registration	4	0	0	0	0	42,710	0	0	0	
Programme fee	4	0	0	0	0	990	0	0	0	
Total income		1,961,250	68	47,579	0	59,748	70,000	0	228,118	

STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

	Note	Restricted funds								Total funds 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\$			
2021 (CONT'D) EXPENDITURE										
Cost of sales		0	0	35,792	0	0	0	0	0	35,792
Audit fees		6,600	0	0	0	0	0	0	0	6,600
Bank charges		710	0	0	0	0	0	0	0	710
Cleaning services		40,928	0	0	0	0	0	0	0	40,928
Depreciation on plant and equipment	11	117,052	15,204	20,614	0	2,996	0	0	0	155,866
Foreign worker levy		1,800	0	0	0	0	0	0	0	1,800
Insurance		24,513	0	0	0	0	0	0	0	24,513
IT expenses		20,096	0	0	0	0	0	0	0	20,096
Interest expense on lease liabilities		1,337	0	0	0	0	0	0	0	1,337
Other expenses		16,967	0	0	0	0	0	0	0	16,967
Professional and other services		76,939	0	0	0	0	0	0	8,897	85,836
Repair and maintenance		93,946	0	0	0	0	0	0	0	93,946
Refreshments		2,604	0	0	0	0	0	0	0	2,604
School functions / activities		5,134	0	0	0	0	0	0	0	5,134
Salaries and allowances	6	1,934,073	0	0	0	0	0	0	43,978	1,978,051
Staff development		12,319	0	0	0	0	0	0	0	12,319
Staff welfare		2,399	0	0	0	0	0	0	0	2,399
Student expense		28,454	0	0	0	0	0	0	0	28,454
Subscription		6,083	0	0	0	0	0	0	0	6,083
Supplies and materials		10,150	0	0	0	0	0	0	0	10,150
Transport and other pupil subsidy		0	0	0	0	0	0	0	39,492	39,492
Utilities		17,218	0	0	0	0	0	0	0	17,218
Others		12,327	0	0	0	0	0	0	0	12,327
Total expenditure		2,431,649	15,204	56,406	0	2,996	0	0	92,367	2,598,622
NET (EXPENDITURE) / INCOME		(470,399)	(15,136)	(8,827)	0	56,752	70,000	0	135,751	(231,859)

STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

	Note	Restricted funds								Total funds 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\$			
2020 INCOME										
Grants from MOE										
- Total operating expenditure		1,125,794	0	0	0	0	0	0	0	1,125,794
- Special purpose grants	5	0	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	0	416,390
Grants - other government agencies										
- Special Employment Credit		17,237	0	0	0	0	0	0	0	17,237
- Wages Credit Scheme		9,520	0	0	0	0	0	0	0	9,520
Total government grants		1,568,941	0	0	0	0	0	0	202,204	1,771,145
Audiological service fee	4	18,397	0	52,618	0	0	0	0	0	71,015
Interest income		396	448	0	0	298	0	0	0	1,142
Non-tax deductible donations	4	0	0	32,300	0	503,516	0	0	0	535,816
Other income	4	10,154	0	9,043	0	1,247	0	0	0	20,444
Parents guidance fees and mapping fees	4	0	0	0	0	0	181	0	0	181
Reinstatement income	4	0	90,913	0	0	0	0	0	0	90,913
Sales of hearing aids and accessories	4	0	0	68,988	0	0	0	0	0	68,988
School fees and registration	4	5,340	0	0	0	25,440	0	0	0	30,780
Tax deductible donations	4	0	0	0	0	6,200	0	0	0	6,200
Total income		1,603,228	91,361	162,949	0	536,701	181	0	202,204	2,596,624

STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

	Note	Restricted funds							Total funds 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\$			
2020 (CONT'D) EXPENDITURE										
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	6	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 liabilities		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
Operating lease expense - 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
Total expenditure		2,372,217	106,703	232,474	293	33,958	0	0	173,667	2,919,312
NET (EXPENDITURE) / INCOME		(768,989)	(15,342)	(69,525)	(293)	502,743	181	0	28,537	(322,688)

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

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2021

	Note	2021 S\$	2020 S\$
ASSETS			
Current assets			
Cash and cash equivalents	8	2,327,912	2,454,783
Fixed deposits	9	246,526	245,545
Other receivables	10	<u>108,549</u>	<u>205,156</u>
		2,682,987	2,905,484
Non-current assets			
Plant and equipment	11	<u>320,202</u>	<u>423,765</u>
Total assets		<u>3,003,189</u>	<u>3,329,249</u>
LIABILITIES			
Current liabilities			
Other payables	12	140,738	229,331
Lease liabilities	13	<u>6,574</u>	<u>6,239</u>
		147,312	235,570
Non-current liabilities			
Grant received in advance	14	279,271	279,271
Lease liabilities	13	<u>16,745</u>	<u>22,688</u>
		296,016	301,959
Total liabilities		<u>443,328</u>	<u>537,529</u>
NET ASSETS		<u>2,559,861</u>	<u>2,791,720</u>
FUNDS			
Restricted funds			
Accumulated Fund	15	(459,438)	10,961
Building Fund	15	358,550	373,686
Special Project Fund	15	385,478	394,305
Cochlear Implant Fund	15	384,564	384,564
Canossian School Donation Fund			
- General	15	923,483	866,731
- Designated	15	226,005	156,005
Parents' Guidance Fund	15	385,364	385,364
Other Funds	15	<u>355,855</u>	<u>220,104</u>
TOTAL FUNDS		<u>2,559,861</u>	<u>2,791,720</u>

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

**STATEMENT OF CHANGES IN FUNDS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021**

2021	Note	Balance at beginning of financial year S\$	Net (expenditure) / income for the year S\$	Transfer of funds S\$	Balance at end of financial year S\$
Restricted funds					
Accumulated Fund	15.1	10,961	(470,399)	0	(459,438)
Building Fund	15.2	373,686	(15,136)	0	358,550
Special Project Fund	15.3	394,305	(8,827)	0	385,478
Cochlear Implant Fund	15.4	384,564	0	0	384,564
Canossian School Donation Fund	15.5				
- General		866,731	56,752	0	923,483
- Designated		156,005	70,000	0	226,005
Parents' Guidance Fund	15.6	385,364	0	0	385,364
Other Funds	15.7				
- Special Purpose grants		207,668	130,606	0	338,274
- Other restricted grants		12,436	5,145	0	17,581
		<u>2,791,720</u>	<u>(231,859)</u>	<u>0</u>	<u>2,559,861</u>
2020					
	Note	Balance at beginning of financial year S\$	Net (expenditure) / income for the year S\$	Transfer of funds S\$	Balance at end of financial year S\$
Restricted funds					
Accumulated Fund	15.1	848,459	(768,989)	(68,509)	10,961
Building Fund	15.2	272,196	(15,342)	116,832	373,686
Special Project Fund	15.3	491,877	(69,525)	(28,047)	394,305
Cochlear Implant Fund	15.4	384,857	(293)	0	384,564
Canossian School Donation Fund	15.5				
- General		384,264	502,743	(20,276)	866,731
- Designated		156,005	0	0	156,005
Parents' Guidance Fund	15.6	385,183	181	0	385,364
Other Funds	15.7				
- Special Purpose grants		180,045	27,623	0	207,668
- Other restricted grants		11,522	914	0	12,436
		<u>3,114,408</u>	<u>(322,688)</u>	<u>0</u>	<u>2,791,720</u>

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

**STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021**

	Note	2021 S\$	2020 S\$
Cash flows from operating activities			
Net expenditure for the financial year		(231,859)	(322,688)
Adjustments for:			
- Depreciation of plant and equipment	11	155,866	259,468
- Interest income		(1,436)	(1,142)
- Interest expense on lease liabilities		1,337	1,212
- Loss on disposal of plant and equipment		0	11,747
Operating before working capital changes		<u>(76,092)</u>	<u>(51,403)</u>
Changes in working capital			
- Other receivables		96,423	(95,432)
- Other payables		<u>(88,593)</u>	<u>(783,612)</u>
Net cash used in operating activities		<u>(68,262)</u>	<u>(930,447)</u>
Cash flows from investing activities			
Interest received		1,620	1,207
Purchases of plant and equipment		<u>(52,303)</u>	<u>(225,229)</u>
Net cash used in investing activities		<u>(50,683)</u>	<u>(224,022)</u>
Cash flows from financing activities			
Increase in fixed deposits		(981)	(317)
Interest paid on lease liabilities	13	(1,337)	(1,212)
Payment of principal portion of lease liabilities		<u>(5,608)</u>	<u>(4,471)</u>
Net cash used in financing activities		<u>(7,926)</u>	<u>(6,000)</u>
Net decrease in cash and cash equivalents		(126,871)	(1,160,469)
Cash and cash equivalents at beginning of financial year		<u>2,454,783</u>	<u>3,615,252</u>
Cash and cash equivalents at end of financial year	8	<u><u>2,327,912</u></u>	<u><u>2,454,783</u></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 2021**

	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-20	0	64	0	1	0	65
01-May-20	0	64	0	1	0	65
01-Jun-20	0	64	0	1	0	65
01-Jul-20	0	64	0	1	0	65
01-Aug-20	0	64	0	1	0	65
01-Sep-20	0	63	0	1	0	64
01-Oct-20	0	63	0	1	0	64
01-Nov-20	0	63	0	1	0	64
01-Dec-20	0	63	0	1	0	64
01-Jan-21	0	55	0	0	0	55
01-Feb-21	0	55	0	0	0	55
01-Mar-21	0	55	0	0	0	55

**STATEMENT OF MONTHLY PUPIL ENROLMENT FOR INTERNATIONAL STUDENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021**

	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-20	0	4	0	1	5
01-May-20	0	4	0	1	5
01-Jun-20	0	4	0	1	5
01-Jul-20	0	4	0	1	5
01-Aug-20	0	4	0	1	5
01-Sep-20	0	4	0	0	4
01-Oct-20	0	4	0	0	4
01-Nov-20	0	4	0	0	4
01-Dec-20	0	4	0	0	4
01-Jan-21	0	2	0	0	2
01-Feb-21	0	2	0	0	2
01-Mar-21	0	2	0	0	2

* 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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021**

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

1. General information

Canossian School (the "School") was registered under the Charities Act (Chapter 37) on 24 September 1987 and also registered under the Ministry of Education (Registration number: 2779) on 1 May 2003. The School has been accorded an 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 operation is located at 1 Sallim Road, Singapore 387621.

The principal activities of the School are those of providing of 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

In the current financial year, the School has adopted the new or revised FRSs and Interpretations to FRSs ("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.

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

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:	
- FRS 109, FRS 39, FRS 107, FRS 104, FRS 116: Interest Rate Benchmark Reform - Phase 2	1 January 2021
- FRS 103: References to the Conceptual Framework	1 January 2022
- FRS 16: Property, Plant and Equipment – Proceeds before Intended Use	1 January 2022
- FRS 37: Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022
Annual Improvements to FRSs 2018-2020	1 January 2022
Amendments to:	
- FRS 1: Classification of Liabilities as Current or Noncurrent	1 January 2023
- FRS 1: Disclosure of Accounting Policies	1 January 2023
- FRS 8: Definition of Accounting Estimates	1 January 2023
- FRS 12: Deferred tax related to Assets and Liabilities arising from a single transaction	1 January 2023
- FRS 10 and FRS 28 Sale or Contribution of Assets between an Investor Date to be determined and its Associate or Joint Venture	Date not yet 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. Significant accounting policies (Cont'd)**2.2 Income recognition (Cont'd)**

Income is recognised as follows: (cont'd)

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).

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 when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Where the grant relates to an asset, the fair value is recognised as deferred capital grant on the statement of financial position and is amortised to the statement of financial activities over the expected useful life of the relevant asset by equal annual instalments.

Where loans or similar assistance are provided by governments or related institutions with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as additional government grant.

Government grants related to future expenses are recognised under "Grant received in advance" 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 compensationDefined 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.

2. Significant accounting policies (Cont'd)**2.5 Employee compensation (Cont'd)**Employee leave entitlement

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

2.6 Leases

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.

When the School is a lessee

The School applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The School recognises lease liabilities representing the obligations to make lease payments, and right-of-use assets representing the right to use the underlying leased assets.

2.6.1 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.

2.6.2 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.

2. Significant accounting policies (Cont'd)**2.6 Leases (Cont'd)**When the School is a lessee (cont'd)

2.6.2 Lease liabilities (Cont'd)

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.

The School has applied the amendment to FRS 116 Leases: Covid 19-Related Rent Concessions. The School applies the practical expedient allowing it not to assess whether a rent concession related to Covid-19 is a lease modification. The School applies the practical expedient consistently to contracts with similar characteristics and in similar circumstances. For rent concessions in leases to which the School chooses not to apply the practical expedient, or that do not qualify for the practical expedient, the School assesses whether there is a lease modification.

2.6.3 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.

2.6.4 Variable lease payments

Variable lease payments that are not based on an index or a rate are not included as part of the measurement and initial recognition of the lease liability. The School shall recognise those lease payments in statement of comprehensive income in the periods that triggered those lease payments.

2. Significant accounting policies (Cont'd)

2.7 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.

2.7.1 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.

2.7.2 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.

2.7.3 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)

2.8 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.

2.9 Plant and equipment

2.9.1 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.

Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal and restoration is included as a consequence of acquiring or using the property, plant and equipment.

2.9.2 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
Van	5 years

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

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. Significant accounting policies (Cont'd)**2.9 Plant and equipment (Cont'd)**

2.9.3 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.

2.9.4 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.

2.10 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.

2.11 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 liabilities" on the statement of financial position.

2. Significant accounting policies (Cont'd)**2.11 Financial liabilities (Cont'd)**

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.

2.12 Other payables

Other payables excluding accruals, are recognised at their transaction price, excluding transaction cost, if any, both at initial recognition and at subsequent measurement. Transaction costs are recognised as expenditure in the statement of financial activities as incurred. Accruals are recognised at the best estimate of the amount payable.

2.13 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.

2.14 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.

2.15 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.

2.16 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

The School makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Estimated useful lives of plant and equipment

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

The carrying amount of the School's plant and equipment at the reporting date is disclosed in Note 11.

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.

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. Revenue from contracts with customers

a) Disaggregation of revenue from contracts with customers:

	2021 S\$	2020 S\$
Income from:		
Donations		
- Non-tax deductible donations	73,407	535,816
- Tax deductible donations	0	6,200
Audiological service fee	8,899	71,015
School bursary project	12,000	0
Parents guidance fees and mapping fees	100	181
Sales of hearing aids and accessories	38,903	68,988
Reinstatement income	0	90,913
School fees and registration	42,710	30,780
Other income	(491)	20,444
	<u>175,528</u>	<u>824,337</u>

4. Revenue from contracts with customers (Cont'd)

	2021 S\$	2020 S\$
Transfer of timing:		
- At a point in time	123,919	722,542
- Over time	51,609	101,795
	<u>175,528</u>	<u>824,337</u>

b) Contract liabilities

	2021 S\$	2020 S\$
Amounts received in advance for the school fees from the students	<u>239</u>	<u>0</u>

The contract liabilities relate to the school fees received for the unsatisfied performance obligation in providing the classes for the next term. Revenue will be recognised when the services rendered over the period.

5. Special purpose grants

	2021 S\$	2020 S\$
Additional training vote	0	4,000
Annual grant for discretionary financial assistance	11,000	11,000
Curriculum enhancement grant	0	20,000
Edusave fund	3,125	3,300
High needs grant	0	49,103
MOE ICT manpower grant	35,293	43,831
MOE IT fund	13,000	(1,886)
MOE Edusave award	5,300	1,150
MOE opportunity fund	1,855	1,680
National Art Council grant	5,145	3,681
Parent support group fund	45	2,500
Public transport subsidy	360	0
Purchase of frequency modulation system	126,440	0
Relief Teaching (RT) Fund	9,000	0
School bus subsidy	5,347	22,248
School meals programme	2,958	6,744
School pocket money fund	691	0
Special education financial assistance scheme	2,539	12,853
Staff training vote	0	22,000
Temporary Relief Support (TRS) Fund	520	0
The Community Foundation of Singapore	5,500	0
	<u>228,118</u>	<u>202,204</u>

6. Salaries and allowances

	2021	2020
	S\$	S\$
Salaries and bonuses		
- High needs grant staff	25,654	47,799
- ICT grant staff	3,900	0
- MOE seconded teaching staff	599,112	553,461
- Other teaching staff	701,602	566,508
- Professional staff	62,417	165,819
- Support staff	332,339	310,108
- Other contract teaching staff	56,129	113,476
CPF contribution and SDL	196,898	176,522
	<u>1,978,051</u>	<u>1,933,693</u>

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, Chapter 134.

8. Cash and cash equivalents

	2021	2020
	S\$	S\$
Cash on hand	1,323	1,964
Cash at bank	1,911,667	2,038,442
Short-term fixed deposits	414,922	414,377
	<u>2,327,912</u>	<u>2,454,783</u>

The short-term fixed deposits have a maturity period of less than 2 months (2020: less than 2 months) from the financial year end with interest rates ranging from 0.05% to 0.20% (2020: 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 11 months (2020: 3 to 12 months) from the financial year end with interest rates ranging from 0.05% to 1.40% (2020: 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 (2020: S\$5,916) to secure the credit card facilities offered from one of the bank institution of the School. (Note 17)

10. Other receivables

	2021 S\$	2020 S\$
Deposit	100	100
Grant receivables – Jobs Support Scheme	26,807	111,549
Interest receivables	0	184
Prepayments	19,750	31,707
School fee receivables	61,892	61,616
	108,549	205,156

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.

There is no other class of financial assets that is past due and/or impaired except for School fee receivables.

Receivables that are past due but not impaired

The School had fee receivables amounting to S\$58,315 (2020: S\$ NIL) that were past due at the reporting date but not impaired. These receivables were unsecured and the analysis of their aging at the reporting date was as follows:

	2021 S\$	2020 S\$
Fee receivables past due but not impaired:		
Lesser than 30 days	0	0
31 to 60 days	17,524	0
61 to 90 days	6	0
More than 90 days	40,785	0
	58,315	0

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\$
Cost									
At 1 April 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	(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
Additions	37,032	0	0	0	12,471	0	2,800	0	52,303
Disposals/written off	0	0	0	0	0	0	0	0	0
At 31 March 2021	225,853	0	15,013	67,014	738,037	50,101	871,803	0	1,967,821
Accumulated depreciation									
At 1 April 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	(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
Depreciation charge	23,788	0	0	1,440	78,143	6,247	46,248	0	155,866
Disposals/written off	0	0	0	0	0	0	0	0	0
At 31 March 2021	188,171	0	15,013	66,389	547,229	33,559	797,258	0	1,647,619
Carrying amount									
31 March 2020	24,438	0	0	2,065	256,480	22,789	117,993	0	423,765
31 March 2021	37,682	0	0	625	190,808	16,542	74,545	0	320,202

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.

11. Plant and equipment (Cont'd)

Depreciation for the year were allocated as follows:

	2021 S\$	2020 S\$
Accumulated Fund	117,052	103,639
Building Fund	15,204	99,367
Special Project Fund	20,614	16,493
Canossian School Donation Fund	2,996	10,818
Other Funds	0	29,151
	<u>155,866</u>	<u>259,468</u>

12. Other payables

	2021 S\$	2020 S\$
Accrued expenses	14,276	14,060
Contract liabilities	239	0
Deferred grant income – Jobs Support Scheme	45,929	111,549
Other payables	80,294	103,722
	<u>140,738</u>	<u>229,331</u>

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 till 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

	2021 S\$	2020 S\$
Current	6,574	6,239
Non-current	16,745	22,688
	<u>23,319</u>	<u>28,927</u>

Nature of the School's leasing activities

The School has lease photo-copier machines for operation use. The School's obligation under these leases are 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%.

13. Lease liabilities (Cont'd)

- (a) Carrying amount

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

	2021 S\$	2020 S\$
Furniture and equipment	<u>21,708</u>	<u>28,387</u>

- (b) Amount recognised in statement of financial activities:

	2021 S\$	2020 S\$
Depreciation of right-of-use assets	6,679	5,009
Interest expense on lease liabilities	1,337	1,212
Operating lease expense - equipment	<u>0</u>	<u>1,829</u>
	<u>8,016</u>	<u>8,050</u>

- (c) Total cash outflow:

The School had total cash outflows for lease of S\$6,945 in 2021 (2020: S\$7,510).

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

	1 April 2020 S\$	Additions S\$	Cash flows S\$	Non-cash changes		31 March 2021 S\$
				Accretion of interests S\$	Other S\$	
Lease liabilities						
- Current	6,239	0	(6,945)	1,337	5,943	6,574
- Non-current	22,688	0	0	0	(5,943)	16,745
	<u>28,927</u>	<u>0</u>	<u>(6,945)</u>	<u>1,337</u>	<u>0</u>	<u>23,319</u>

	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 Funds

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.

15.5 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.

15.7 Other funds

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

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.

15. Restricted funds (Cont'd)**15.7 Other funds (Cont'd)**

Included under other funds are various funds received for specific purposes and summarised as follows: (cont'd)

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.

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.

15. Restricted funds (Cont'd)**15.7 Other funds (Cont'd)**

Included under other funds are various funds received for specific purposes and summarised as follows: (cont'd)

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)

15.7 Other funds (Cont'd)

Movement in each fund under other funds are presented as follows:

2021	Special Purpose grants										Subtotal S\$
	AGDFA S\$	CTR S\$	HNG S\$	PSGF S\$	PFMS S\$	SMP S\$	CFS S\$	SPMF S\$	ATV S\$	STV S\$	
Income	11,000	9,000	0	45	126,440	2,958	5,500	691	0	0	155,634
Less: Expenditure											
Transport and other pupil subsidy	0	0	0	0	0	0	0	0	0	0	0
Salaries and bonus	0	0	40,078	0	0	0	0	0	0	0	40,078
Students expenses	0	0	0	0	0	0	0	0	0	0	0
Professional and other services	0	0	0	0	0	0	0	0	0	0	0
Total expenditure	0	0	40,078	0	0	0	0	0	0	0	40,078
Net surplus /(expenditure)	11,000	9,000	(40,078)	45	126,440	2,958	5,500	691	0	0	115,556
Beginning balance of the year	0	0	25,872	2,500	38,220	1,608	0	0	4,000	10,227	82,427
Ending balance carried forward	11,000	9,000	(14,206)	2,545	164,660	4,566	5,500	691	4,000	10,227	197,983

2021	Special Purpose grants										Subtotal S\$
	IF S\$	ICT S\$	NAC S\$	FAS S\$	SBS S\$	TRS S\$	EA S\$	PTS S\$	EF S\$	PIP S\$	
Income	13,000	35,293	5,145	2,539	5,347	520	5,300	360	3,125	0	70,629
Less: Expenditure											
Transport and other pupil subsidy	0	0	0	0	0	0	0	39,492	0	0	39,492
Salaries and bonus	0	3,900	0	0	0	0	0	0	0	0	3,900
Students expenses	0	0	0	0	0	0	0	0	0	0	0
Professional and other services	0	8,897	0	0	0	0	0	0	0	0	8,897
Total expenditure	0	12,797	0	0	0	0	0	39,492	0	0	52,289
Net surplus /(expenditure)	13,000	22,496	5,145	2,539	5,347	520	5,300	(39,132)	3,125	0	18,340
Beginning balance of the year	77,728	43,831	3,682	0	0	0	0	0	1,838	5,536	132,615
Ending balance carried forward	90,728	66,327	8,827	2,539	5,347	520	5,300	(39,132)	4,963	5,536	150,955

15. Restricted funds (Cont'd)**15.7 Other funds (Cont'd)**

Movement in each fund under other funds are presented as follows: (cont'd)

	Other restricted grants		Subtotal	Total Other Funds
	OG	TF		
2021	S\$	S\$	S\$	S\$
Income	1,855	0	1,855	228,118
Less: Expenditure				
Transport and other pupil subsidy	0	0	0	39,492
Salaries and bonus	0	0	0	43,978
Students expenses	0	0	0	0
Professional and other services	0	0	0	8,897
Total expenditure	0	0	0	92,367
Net surplus	1,855	0	1,855	135,751
Beginning balance of the year	1,456	3,606	5,062	220,104
Ending balance carried forward	3,311	3,606	6,917	355,855

Legend:

- AGDFA - Annual grant for discretionary financial assistance**
- CEG - Curriculum enhancement grant**
- HNG - High needs grant**
- PSGF - Parent support group fund**
- 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**
- CTR - Relief Teaching Fund**
- CFS - The Community Foundation of Singapore**
- TRS - Temporary Relief Support Fund**
- SPMF - MOE-ST School Pocket Money Fund Meal Subsidies**

15. Restricted funds (Cont'd)

15.7 Other funds (Cont'd)

Movement in each fund under other funds are presented as follows: (cont'd)

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

	Other restricted grants						Subtotal S\$	Total Other Funds S\$	Legend:
	NAC S\$	PTS S\$	EF S\$	PIP S\$	OG S\$	TF S\$			
2020									
Income	3,682	0	3,300	0	1,680	0	8,662	202,204	
Less: Expenditure									
Transport and other pupil subsidy	0	120	0	0	0	0	120	10,300	AGDFA - Annual grant for discretionary financial assistance
Staff development	0	0	0	0	0	0	0	44,771	CEG - Curriculum enhancement grant
Depreciation	0	0	0	0	0	0	0	29,151	HNG - High needs grant
Salaries and bonus	0	0	0	0	0	0	0	54,621	PSGF - Parent support group fund
Students expenses	0	0	1,462	0	2,604	0	4,066	14,824	PFMS - Purchase of frequency modulation system for students with hearing impairment
Professional and other services	0	0	0	0	0	0	0	20,000	SMP - School meals programme
Total expenditure	0	120	1,462	0	2,604	0	4,186	173,667	FAS - SPED financial assistance scheme
Net surplus	3,682	(120)	1,838	0	(924)	0	4,476	28,537	ATV - Additional training vote
Beginning balance of the year	0	120	0	5,536	2,380	3,606	11,642	191,567	STV - Staff training vote
Ending balance carried forward	3,682	0	1,838	5,536	1,456	3,606	16,118	220,104	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

16. Fund raising activities and expenditure

During the financial year ended 31 March 2021 and 31 March 2020, the School did not carry out any fund raising activities. Consequently, no fund raising expenditure was incurred.

17. Contingent liabilities

One of the School's bankers has issued a letter of guarantee for S\$5,916 (2020: S\$5,916) to secure the credit facilities offered to the School. The guarantee is secured by a right to set-off against the School's fixed deposits. (Note 9)

18. 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:

	2021 S\$	2020 S\$
Professional fees paid to		
- Canossa Convent Primary School	(257)	(12,729)
- Canossaville Children & Community Services	0	(856)
Utilities paid to		
- Canossa Convent Primary School	(17,218)	(22,006)
Staff welfare paid to Canossa Convent Primary School	0	(1,585)
Staff training paid to Canossian Daughters of Charity	0	(50)
Other expenses paid to		
- Canossian Daughters of Charity	(3,000)	(3,000)
- Canossaville Children & Community Services	(108)	(884)
- Canossa Catholic Primary School	(2,621)	0
Income received from		
- Catholic Primary School (other income)	0	90,913
- Canossa Convent Primary School (donation)	0	500
- Canossaville Children & Community Services (service fee)	20,651	1,549
- Canossian Daughters of Charity (donation)	2,000	0
Staff salary received from Canossaville Preschool	0	81,111

18. Related party transactions (Cont'd)

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:

	2021 S\$	2020 S\$
Salaries and other short-term employee benefits	179,673	228,159
Post-employment benefits – Contributions to CPF	11,824	13,259
	<u>191,497</u>	<u>241,418</u>
	2021 No. of key management personnel	2020 No. of key management personnel
Remuneration band (S\$)		
Above S\$100,000	<u>1</u>	<u>1</u>

In 2021 and 2020, 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. Management Committee did not received any remuneration from the School except for the 1 ket managemtn personnel who is also the Management Committee which was disclosed above for the year ended 31 December 2021 (2020: 1).

19. Financial instruments

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

	2021 S\$	2020 S\$
Financial assets at amortised cost		
Cash and cash equivalents	2,327,912	2,454,783
Fixed deposits	246,526	245,545
Other receivables (excluding prepayments)	88,799	173,449
	<u>2,663,237</u>	<u>2,873,777</u>
Financial liabilities at amortised cost		
Other payables (excluding contract liabilities and deferred grant income)	94,570	117,782
Lease liabilities	23,319	28,927
	<u>117,889</u>	<u>146,709</u>

20. 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.

20.1 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.

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

Other than the fee receivables, there are no financial assets that are either past due or impaired for the financial year ended 31 March 2021 and 31 March 2020.

20.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the School's financial instruments will fluctuate because of changes in market interest rates. The School's exposure to interest rate risk arises primarily from their cash and cash equivalents and borrowings.

The School does not expect any significant effect on the School's income or expenditure arising from the effects of reasonably possible changes to interest rates on interest bearing financial instruments at the end of the financial year.

20. Financial risk management (Cont'd)

20.2 Interest rate risk (Cont'd)

Sensitivity analysis for interest rate risk

At the reporting date, the interest rate profile of the School's interest-bearing financial instruments was as follows:

	2020 S\$	2019 S\$
Fixed rate instruments		
<u>Financial assets</u>		
Fixed deposits	661,448	659,922
 <u>Financial liabilities</u>		
Lease liabilities	23,319	28,927

The sensitivity analysis is based on changes in the interest rates of variable rate financial instruments.

Sensitivity analysis for interest rate risk is not presented as the School do not have significant exposure to market risk for changes in interest rate.

At the reporting date, the School does not have variable rate interest-bearing financial instruments.

20.3 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.

20. Financial risk management (Cont'd)

20.3 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:

	Within one year S\$	Later than one year but not later than five years S\$	Total S\$
2021			
Financial assets at amortised cost			
Cash and cash equivalents	2,327,912	0	2,327,912
Fixed deposits	246,526	0	246,526
Other receivables (excluding prepayments)	88,799	0	88,799
	<u>2,663,237</u>	<u>0</u>	<u>2,663,237</u>
Financial liabilities at amortised cost			
Other payables (excluding contract liabilities and deferred grant income)	(94,570)	0	(94,570)
Lease liabilities	(7,576)	(17,045)	(24,621)
	<u>(102,146)</u>	<u>(17,045)</u>	<u>(119,191)</u>
Net financial assets / (liabilities)	<u>2,561,091</u>	<u>(17,045)</u>	<u>2,544,046</u>
2020			
Financial assets at amortised cost			
Cash and cash equivalents	2,454,783	0	2,454,783
Fixed deposits	245,545	0	245,545
Other receivables (excluding prepayments)	173,449	0	173,449
	<u>2,873,777</u>	<u>0</u>	<u>2,873,777</u>
Financial liabilities at amortised cost			
Other payables (excluding deferred grant income)	(117,782)	0	(117,782)
Lease liabilities	(7,576)	(24,621)	(32,197)
	<u>(125,358)</u>	<u>(24,621)</u>	<u>(149,979)</u>
Net financial assets / (liabilities)	<u>2,748,419</u>	<u>(24,621)</u>	<u>2,723,798</u>

21. Fair values

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 2021 and 31 March 2020 are as follows:

		2021	2020	Increase/ (Decrease)
		S\$'000	S\$'000	%
A	Restricted Funds			
	Accumulated Fund	(459)	11	(4,273)
B	Restricted or Designated Funds			
	Building Fund	358	374	(4)
	Special Project Fund	385	394	(2)
	Cochlear Implant Fund	385	385	0
	Canossian School Donation Fund	1,149	1,023	12
	Parents' Guidance Fund	385	385	0
	Other Funds	356	220	62
C	Endowment Funds	N/A	N/A	N/A
D	Total Funds	2,560	2,792	(8)
E	Total Annual Operating Expenditure	2,599	2,919	(11)
F	Ratio of Funds to Annual Operating Expenditure (A/E)	(0.18)	0.01	

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 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.

23. Management of conflict of interest

There is one paid staff on the School's Management Committee as disclosed in Note 18.

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 2021. 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. The impact of COVID-19 on the School's financial performance reflected in this set of financial statements for the year ended 31 March 2021 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 and service 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.
- iii) The government has also implemented assistance measures which might mitigate some of the impact of COVID-19 on the School's results and liquidity.

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 2022. 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