

**PRO BONO SG
(Formerly known as LAW SOCIETY
PRO BONO SERVICES)**

[UEN. 201700430E]

[A company limited by guarantee and
not having share capital]

[Incorporated in the Republic of Singapore]

**AUDITED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
31 MARCH 2023**

CONTENTS

Directors' Statement	2
Independent Auditor's Report	3
Statement of Comprehensive Income	7
Statement of Financial Position	8
Statement of Changes in Equity	9
Statement of Cash Flows	10
Notes to the Financial Statements	11

Fiducia LLP

(UEN. T10LL0955L)

Public Accountants and
Chartered Accountants of Singapore

71 Ubi Crescent
Excalibur Centre #08-01
Singapore 408571
T: (65) 6846 8376
F: (65) 6491 5218

DIRECTORS' STATEMENT

The directors are pleased to present their statement to the members together with the audited financial statements of **Pro Bono SG** [Formerly known as Law Society Pro Bono Services] (the "Company") for the financial year ended 31 March 2023.

In the opinion of the directors,

- a) the financial statements are drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2023 and the financial performance, changes in funds and cash flows of the Company for the financial year ended; and
- b) at the date of the statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

The directors of the Company in office at the date of this statement are as follows:

Gregory Vijayendran Ganesamoorthy
Wong Weng Wah Kelvin
Seah Zhen Wei, Paul
Arfat Beebee Binte Noor Mohamed Abdul Latiff Mrs Arfat Selvam
Derek Kang Yu Hsien
Dinesh Singh Dhillon
Narayanan Sreenivasan
Sunil Sudheesan
Tan Cheow Hung
Tan Gim Hai Adrian
Thio Shen Yi
Low Wei Ling (appointed on 11 July 2022)
Sim Guan Seng (appointed on 1 September 2022)

Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial period was the Company a party to any arrangement whose objects are, or one of whose object is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of the Company or any other body corporate.


Other matters

As the Company is limited by guarantee, matters relating to interest in shares, debentures or share options are not applicable.


Independent auditors

The independent auditors, Messrs. Fiducia LLP, Public Accountants and Chartered Accountants of Singapore, has expressed its willingness to accept re-appointment.

On behalf of the Board of Directors,



Gregory Vijayendran Ganesamoorthy
Chairman



Seah Zhen Wei, Paul
Treasurer

Singapore, **13 JUN 2023**

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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 **Pro Bono SG** [Formerly known as Law Society Pro Bono Services] (the "Company"), which comprise the statement of financial position as at 31 March 2023, and the statement of comprehensive income, 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 provisions of the Companies Act 1967 (the "Companies Act"), the Charities Act 1994 and other relevant regulations (the "Charities Act and Regulations") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the Company as at 31 March 2022 and of the financial performance, changes in funds and cash flows of the Company 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 Group 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 Directors' Statement (as set out on page 2), but does not include the financial statements and our auditor's report thereon which we obtained prior to the date of this auditor's report, and the annual report, which we expected to be made available to us after that date.

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

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Other Information (Cont'd)

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.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with the provisions of the Companies Act, 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 the 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 Company'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 Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance comprises the directors. Their responsibilities include overseeing the Company'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.

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

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

- 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company'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 Company 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.

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Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required to be kept by the Company have been properly kept in accordance with the provisions of the Companies Act and the Charities Act and Regulations.

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

- a. the Company 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
- b. the Company has not complied with the requirements of Regulation 15 of the Charities (Institutions of a Public Character) Regulations.



Fiducia LLP
Public Accountants and
Chartered Accountants

Singapore, **13 JUN 2023**

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

STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

	Note	2023			2022		
		Unrestricted fund	Restricted funds	Total funds	Unrestricted fund	Restricted funds	Total funds
INCOME							
Donations	5	1,444,876	89,886	1,534,762	742,546	141,947	884,493
Grants	7	1,533,001	1,634,439	3,167,440	976,266	1,441,439	2,417,705
CLAS Co-Payment collection		0	44,692	44,692	0	55,184	55,184
Other income	8	121,657	24,857	146,514	88,779	245,143	333,922
Amortisation of deferred grants	14	100,000	0	100,000	40,993	42,050	83,043
Total income		<u>3,199,534</u>	<u>1,793,874</u>	<u>4,993,408</u>	<u>1,848,584</u>	<u>1,925,763</u>	<u>3,774,347</u>
LESS: EXPENDITURE							
Interest on lease liabilities	18	1,104	11,831	12,935	1,517	16,588	18,105
Committee activities and projects	9	234,733	667,680	902,413	96,764	274,445	371,209
Administrative expenses	10	133,985	579,405	713,390	73,197	405,073	478,270
Personnel costs	11	932,940	2,396,214	3,329,154	817,616	2,291,347	3,108,963
Total expenditure		<u>1,302,762</u>	<u>3,655,130</u>	<u>4,957,892</u>	<u>989,094</u>	<u>2,987,453</u>	<u>3,976,547</u>
Net surplus/(deficit), representing total comprehensive income		<u>1,896,772</u>	<u>(1,861,256)</u>	<u>35,516</u>	<u>859,490</u>	<u>(1,061,690)</u>	<u>(202,200)</u>

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

STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2023

	Note	2023 S\$	2022 S\$
ASSETS			
Current assets			
Cash and cash equivalents	12	3,804,715	4,164,243
Other receivables	13	609,428	457,053
Contract assets	4	240,741	64,007
Deferred expenditure	14	0	2,250
		<u>4,654,884</u>	<u>4,687,553</u>
Non-current assets			
Property, plant and equipment	15	311,210	395,536
Intangible assets	16	301,725	67,429
		<u>612,935</u>	<u>462,965</u>
Total assets		<u>5,267,819</u>	<u>5,150,518</u>
LIABILITIES			
Current liabilities			
Trade and other payables	17	1,127,608	635,352
Lease liabilities	18	111,643	106,210
Deferred income		100,000	0
Deferred grants	14	10,373	396,500
		<u>1,349,624</u>	<u>1,138,062</u>
Non-current liabilities			
Lease liabilities	18	70,927	200,704
Total liabilities		<u>1,420,551</u>	<u>1,338,766</u>
NET ASSETS		<u>3,847,268</u>	<u>3,811,752</u>
FUNDS			
Unrestricted fund	19	2,300,496	2,616,325
Restricted funds	19	1,546,772	1,195,427
TOTAL FUNDS		<u>3,847,268</u>	<u>3,811,752</u>

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

**STATEMENT OF CHANGES IN FUNDS
 FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023**

	Unrestricted fund	Restricted funds						Total unrestricted and restricted funds
	General fund	Criminal Legal Aid Scheme	Community Law Centre Fund	Family Justice Support Scheme	Law Awareness Fund	Bar Memorial Scholarship Fund	Invictus Fund	
	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$
2023								
Balance at beginning of financial year	2,616,325	950,423	0	168,083	(10,930)	78,086	9,765	3,811,752
Net surplus/(deficit), representing total comprehensive income	1,896,772	(1,377,343)	67,908	(127,310)	(421,680)	0	(2,831)	35,516
Transfer of funds (Note 19)	(2,212,601)	1,576,214	78,107	125,717	432,610	(47)	0	0
Balance at end of financial year	<u>2,300,496</u>	<u>1,149,294</u>	<u>146,015</u>	<u>166,490</u>	<u>0</u>	<u>78,039</u>	<u>6,934</u>	<u>3,847,268</u>
2022								
Balance at beginning of financial year	3,302,478	536,378	0	70,356	(3,193)	95,337	12,596	4,013,952
Net surplus/(deficit), representing total comprehensive income	859,491	(599,302)	0	(91,315)	(343,742)	(24,501)	(2,831)	(202,200)
Transfer of funds (Note 19)	(1,545,644)	1,013,347	0	189,042	336,005	7,250	0	0
Balance at end of financial year	<u>2,616,325</u>	<u>950,423</u>	<u>0</u>	<u>168,083</u>	<u>(10,930)</u>	<u>78,086</u>	<u>9,765</u>	<u>3,811,752</u>

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

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

	Note	2023 S\$	2022 S\$
Cash flows from operating activities			
Net surplus/(deficit) for the financial year		35,516	(202,200)
Adjustments for:			
- Depreciation of property, plant and equipment	15	148,432	146,024
- Amortisation of deferred grants	14	(100,000)	(83,043)
- Deferred grants recognised	14	(634,127)	(42,524)
- Amortisation of deferred expenditure	14	2,250	46,174
- Amortisation of intangible assets	16	23,118	32,737
- Interest income	8	(13,471)	(13,019)
- Interest on lease liabilities	18	12,935	18,105
- Honoraria and disbursements for CLAS lawyers written back	8	0	(232,305)
Operating cash flows before changes in working capital		<u>(525,348)</u>	<u>(330,051)</u>
Changes in working capital:			
- Other receivables		(321,910)	(109,063)
- Trade and other payables		585,055	(61,374)
- Deferred grants		348,000	372,331
Net cash generated from operating activities		<u>85,798</u>	<u>497,018</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	15	(64,104)	(23,056)
Purchase of intangible assets	16	(257,414)	0
Interest received		13,471	13,019
Net cash used in investing activities		<u>(308,047)</u>	<u>(10,037)</u>
Cash flows from financing activities			
Payment of principal portion of lease liabilities		(124,344)	(101,040)
Interest paid		(12,935)	(18,105)
Net cash used in financing activities		<u>(137,279)</u>	<u>(119,145)</u>
Net decrease in cash and cash equivalents		(359,528)	(257,339)
Cash and cash equivalents at beginning of financial year		<u>4,164,243</u>	<u>4,421,582</u>
Cash and cash equivalents at end of financial year	12	<u>3,804,715</u>	<u>4,164,243</u>

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

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

1. General information

Pro Bono SG (the "Company") (Formerly known as Law Society Pro Bono Services) is incorporated in Singapore on 4 January 2017. The Company's registered office and principal place of activities is located at 1 Havelock Square, #B1-18 State Courts, Singapore 059724.

The principal activities of the Company are to coordinate and administer all pro bono initiatives of the Law Society, including the Company's General fund ("General Fund"), Criminal Legal Aid Scheme ("CLAS"), Community Law Centre ("CLC"), Family Justice Support Scheme ("FJSS"), Law Awareness Fund and Bar Memorial Scholarship Fund ("BMSF"). The purpose of the Company is to implement the Law Society's vision and initiatives as to the provision of pro bono legal services in Singapore.

With effect from 25 October 2022, the name of the Company was changed from Law Society Pro Bono Services to Pro Bono SG.

The Company was registered as a charity under the Charities Act 1994 on 31 March 2017 and has been accorded an Institutions of a Public Character ("IPC") status for the period from 31 March 2019 to 31 March 2022. The status has been renewed for the period from 1 April 2022 to 31 March 2025.

The Company is a public company limited by guarantee whereby its member undertakes to contribute to the assets of the Company, in the event of the Company being wound up while it is a member, or within one (1) year after he ceases to be a member, for payment of debts and liabilities of the Company contracted before he ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves, such amount as may be required not exceeding S\$10 Singapore Dollars only.

The Company's sole member is The Law Society of Singapore (the "Law Society") whose members are lawyers in Singapore and registered office located at 28 Maxwell Road, #01-03 Maxwell Chambers Suites, Singapore 069120.

2. Significant accounting policies

2.1 Basis of preparation

The financial statements have been prepared in accordance with Financial Reporting Standards in Singapore ("FRSs") and the disclosure requirements of the Charities Act 1994 and Regulations. The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

These financial statements are presented in Singapore Dollar (S\$), which is the Company's functional currency.

The preparation of these financial statements in conformity with FRSs requires management to exercise its judgement in the process of applying the Company'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 estimates and assumptions are significant to the financial statements are disclosed in Note 3.

2. Significant accounting policies (Cont'd)

2.1 Basis of preparation (Cont'd)

2.1.1 Interpretations and amendments to published standards effective in 2022

In the current financial year, the Company has adopted all the new and revised FRSs and Interpretations of FRSs ("INT FRSs") that are relevant to its operations and effective for the current financial year. Changes to the Company'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 Company's accounting policies and had not material effect on the amounts reported for the current or prior financial years.

2.1.2 Standards issued but not yet effective

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

Description	Effective for annual periods beginning on or after
Amendments to:	
- FRS 1 and FRS Practice Statement 2: Disclosure of Accounting Policies	1 January 2023
- FRS 8: Definition of Accounting Estimates	1 January 2023
- FRS 12, FRS 101: Deferred tax related to Assets and Liabilities arising from a single transaction	1 January 2023
- FRS 1: Classification of Liabilities as Current or Non-current	1 January 2024
- FRS 116 : Lease Liability in a Sale and leaseback	1 January 2024
- FRS 1 : Non-current Liabilities with Covenants	1 January 2024
- FRS 10 and FRS 28 Sale of Contribution of Assets between an Investor and its Associate or Joint Venture	Date not yet determined

The directors expect that the adoption of the revised standards and interpretations will have no material impact on the financial statements in the year of initial application.

2.2 Income recognition

Income is measured based on the consideration to which the Company 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 a Company satisfies a performance obligation by transferring a promised good and 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.

2. Significant accounting policies (Cont'd)

2.2 Income recognition (Cont'd)

Income is recognised as follows:

2.2.1 CLAS Fellowship sponsorships

CLAS Fellowship sponsorships is recognised over the period the sponsorship relates.

2.2.2 CLAS Co-Payment collection

CLAS Co-Payment collection is recognised when service is rendered.

2.2.3 Fund-raising event, conference fees and CLAS Training programme fees

Fund-raising event, conference fees and CLAS Training programme fees are recognised when the event is held.

2.2.4 Donations

Donations are recognised when received in cash or the right to receive payment is established.

2.2.5 Interest income

Interest income is recognised on a time proportion basis using the effective interest method.

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 a 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 in deferred grant on the statement of financial position and amortised to statement of comprehensive income over the expected useful life of the relevant asset by equal annual instalments.

When the grant related to expenditure item, it is recognised in statement of comprehensive income over the period necessary to match them on a systematic basis to the expenditure that it is intended to compensate.

2.4 Expenditure recognition

All expenditure is 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. Significant accounting policies (Cont'd)

2.5 Employee benefits

2.5.1. Defined contribution plans

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

2.5.2. Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

2.6 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

The Company applies a single recognition and measurement approach for all contracts that are, or contain, a lease, except for short-term leases (i.e. for leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option) and leases of low-value assets. For these exempted leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

2.6.1 Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). 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 Company 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 2.11. The Company's right-of-use assets are presented within property, plant and equipment as disclosed in Note 15.

2. Significant accounting policies (Cont'd)

2.6 Leases (Cont'd)

As a lessee (Cont'd)

2.6.2 Lease liabilities

At the commencement date of the lease, the Company 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 Company and payments of penalties for terminating the lease, if the lease term reflects the Company 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.

For contract that contain both lease and non-lease components, the Company allocates the consideration to each lease component on the basis of the relative standalone price of the lease and non-lease component. The Company has elected to not separate lease and non-lease component for property leases and account these as one single lease component.

In calculating the present value of lease payments, the Company 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 Company's lease liabilities are disclosed in Note 18.

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

2.6.3 Short-term leases and leases of low-value assets

The Company has elected to not recognise right-of-use assets and lease liabilities for short term leases that have lease term of 12 months or less and leases of low value leases, except for sublet arrangements. Lease payments relating to these leases are expensed to the statement of comprehensive income on a straight-line basis over the lease term. The Company's short-term lease is lodged in repair and maintenance under administrative expenses disclosed in Note 10.

2. Significant accounting policies (Cont'd)

2.6 Leases (Cont'd)

As a lessee (Cont'd)

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 Company shall recognise those lease payments in the statement of comprehensive income in the periods that triggered those lease payments.

2.7 Financial assets

2.7.1 Classification and measurement

The Company classifies its financial assets as at amortised cost.

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

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

At initial recognition

At initial recognition, the Company 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 comprehensive income.

At subsequent measurement

Debt instruments of the Company mainly comprise of "Cash and cash equivalents" and "Other receivables".

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

A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets are recognised using the effective interest rate method.

2. Significant accounting policies (Cont'd)

2.7 Financial assets (Cont'd)

2.7.2 Impairment

The Company assesses on a forward looking basis the expected credit losses associated with its debt financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For cash and cash equivalents 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 Company 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 Company 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 comprehensive income. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to statement of comprehensive income.

2.8 Cash and cash equivalents

Cash and cash equivalents comprise deposits with financial institutions which are subject to an insignificant risk of change in value and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

2.9 Property, plant and equipment

2.9.1 Measurement

Property, plant and equipment are initially recorded at cost. Subsequent to initial recognition, property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

The cost of property, plant and equipment initially recognised includes its purchase price and any cost that is 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 or restoration is incurred as a consequence of acquiring or using the asset.

2. Significant accounting policies (Cont'd)

2.9 Property, plant and equipment (Cont'd)

2.9.2 Depreciation

Depreciation is calculated on a straight-line basis to write off the depreciable amounts of property, plant and equipment over their expected useful lives. The estimated useful lives are as follows:

	<u>Years</u>
Computer	5
Office equipment	5
Renovation	3 to 5
Air-conditioners	3 to 5
Right-of-use assets	Over the remaining lease term

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each reporting date. The effects of any revision are recognised in statement of comprehensive income when the changes arise.

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

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 Company and the cost of the item can be measured reliably. Other subsequent expenditure is recognised as "repair and maintenance expenses" in the statement of comprehensive income during the financial year in which it is incurred.

2.9.4 Disposal

On disposal of a property, plant and equipment, the difference between the net disposals proceeds and its carrying amount is taken to statement of comprehensive income.

2.10 Intangible assets

Intangible assets acquired separately are measured initially at cost. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition. Following initial acquisition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding development costs, are not capitalised expenditure is reflected in profit or loss in the year in which the expenditure is incurred.

The Company do not have other intangible asset with indefinite useful life.

Intangible assets with finite useful life are amortised over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefit embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. Computer software development costs.

2. Significant accounting policies (Cont'd)

2.10 Intangible assets (Cont'd)

Computer software development costs and software licenses

Computer software development costs are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Direct expenditure, which enhances or extends the performance of computer software beyond its original specifications and which can be reliably measured, is recognised as a capital improvement and added to the original cost of the software. Costs associated with maintaining computer software are recognised as an expense as incurred.

Computer software development costs and acquired computer software licences are stated at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised using the straight-line method over their estimated useful lives of 5 years.

The amortisation period and amortisation method of intangible assets are reviewed at least at each reporting date. The effects of any revision are recognised in statement of comprehensive income when the changes arise.

2.11 Impairment of non-financial assets

Non-financial assets are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

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

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in the statement of comprehensive income.

An impairment loss for an asset is reversed only if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of this 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 any accumulated 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 comprehensive income.

2.12 Financial liabilities

Financial liabilities are recognised when the Company 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 statement of comprehensive income. Financial liabilities include "Trade and other payables" and "Lease liabilities" in 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.

2. Significant accounting policies (Cont'd)

2.12 Financial liabilities (Cont'd)

Financial liabilities are derecognised when the obligations under the liability are discharged, cancelled or expired. 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 amount is recognised in statement of comprehensive income.

2.13 Trade and other payables

Trade payables represent liabilities for goods and services provided to the Company prior to the end of financial year, which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities.

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 comprehensive income as incurred. Accruals are recognised at the best estimate of the amount payable.

2.14 Borrowings

Borrowings are initially recognised at their fair values (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and their redemption values is recognised in the income statement over the period of borrowings using the effective interest method.

Borrowings, which are due to be settled within twelve months after the reporting date, are included in current borrowings in the statement of financial position.

2.15 Provisions for other liabilities and charges

Provisions are recognised when the Company has a legal or constructive obligation as a result of past events, and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made. Where the Company expects a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

2.16 Borrowing costs

All borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in statement of comprehensive income in the period in which they are incurred.

2.17 Funds

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

2. Significant accounting policies (Cont'd)

2.18 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.

2.19 Events after the reporting date

Events after the reporting period that provide additional information about the Company's position at the reporting period (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 Company 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.

3.1.1 Useful lives of plant and equipment and intangible assets

Management determines the estimated useful lives and the related depreciation/amortisation for its plant and equipment and intangible assets based on the period over which the plant and equipment and intangible assets are expected to provide economic benefits. Management's estimation of the useful lives of plant and equipment and intangible assets is based on collective assessment of industry practice, internal technical evaluation and experience with similar assets.

The estimation of the useful lives of the plant and equipment and intangible assets could change significantly due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of plant and equipment and intangible assets. The depreciation and amortisation charge is increased where useful lives are less than previously estimated lives.

The carrying amounts of the Company's plant and equipment and intangible assets are disclosed in Notes 15 and Note 16 respectively, to the financial statements.

Based on Management's assessment, no change in the estimated useful lives of plant and equipment and intangible assets are required as of 31 March 2023 and 31 March 2022.

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

3.2 Critical accounting estimates and assumptions (Cont'd)

3.1.2 Impairment of plant and equipment and intangible assets

Plant and equipment and intangible assets are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired. This requires an estimation of the value in use of the cash-generating units. Estimating the value in use requires the Company to make an estimate of the expected future cash flows from the cash-generating units and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

3.3 Critical judgements in applying the entity's accounting policies

The key critical judgement in applying the entity's accounting policies concerning the future 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.

3.2.1 Government grants

Government grants to meet operating expenses are recognised as income in statement of financial activities on the accrual basis in the year these operating expenses were incurred and there is reasonable assurance that the Company 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 Company if the conditions are not met.

4. Revenue from contracts with customers

(a) Disaggregation of revenue from contracts with customers:

	2023 S\$	2022 S\$
Revenue from:		
CLAS Co-payment collection	44,556	55,184
CLAS Training programme fee	24,857	10,840
Contributions		
- CLAS Fellowship	0	75,510
	69,413	141,534
Timing of transfer of services		
At a point in time	0	75,510
Over time	69,413	66,024
	69,413	141,534

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

(b) Contracts assets and contract liabilities

	2023 S\$	2022 S\$
Contract assets	<u>240,741</u>	<u>64,007</u>

Contract assets relate to the Company's rights to consideration for services performed for CLAS cases not billed at the reporting date. Contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Ministry of Law acknowledges the claims.

There is no contract liabilities for the year ended 31 March 2023 and 31 March 2022.

Significant changes in the contract assets balances are explained as follows:

	2023 S\$	2022 S\$
Contract assets reclassified to trade receivables	64,007	223,720
Serviced performed but not billed	<u>240,741</u>	<u>64,007</u>

5. Donations

The Company issued tax deductible receipts totalling S\$1,328,289 (2022: S\$596,675) pursuant to its Institutions of a Public Character ("IPC") status.

	2023 S\$	2022 S\$
Tax Deductible Receipts	1,328,289	596,675
Non-Tax Deductible Receipts	<u>206,473</u>	<u>287,818</u>
Total Donations	<u>1,534,762</u>	<u>884,493</u>

6. Fund-raising activities

	2023 S\$	2022 S\$
Income		
Event	761,619	147,468
Campaigns	<u>685,438</u>	<u>326,761</u>
	<u>1,447,057</u>	<u>474,229</u>
Expenditure	<u>116,398</u>	<u>63,508</u>
Percentage of fund-raising expenses over income from fund-raising events	<u>8%</u>	<u>13%</u>

7. Grants

	2023 S\$	2022 S\$
Grants and contribution from Ministry of Law	1,506,582	1,141,772
NCSS grants	1,035,051	482,470
Other grants	625,807	793,513
	3,167,440	2,417,705

8. Other income

	2023 S\$	2022 S\$
Interest income	13,471	13,019
Honoraria and disbursements for CLAS lawyers written back	0	232,305
Other grants and subsidies	95,072	77,758
Training Academy and Programmes	37,971	10,840
	146,514	333,922

9. Committee activities and projects

	2023 S\$	2022 S\$
Ad Hoc Pro Bono referral scheme	29,235	22,635
Bar Memorial Scholarship	0	24,500
Community Legal Clinics and meeting expenses	5,760	3,367
Disbursement charged by assigned lawyers	64,414	6,383
Disbursement specialist report and translation fee	180,435	89,962
Enhanced CLAS (Honorarium)	398,915	104,092
FJSS Honorarium	19,600	47,500
Fund raising expenses	116,398	63,508
Law Awareness Projects	5,759	5,591
Migrant Workers' Group	59,757	2,879
Training Academy and Programme Expenses	7,546	227
Volunteer engagement/ recognition/ training	14,594	565
	902,413	371,209

10. Administrative expenses

	Note	2023 S\$	2022 S\$
Amortisation of intangible assets	16	23,118	32,737
Audit fee – external and internal		21,215	20,120
Bank charges		577	708
Business continuity		10,477	2,301
Consultancy services		28,355	42,051
Corporate secretariat expenses		8,414	9,047
Depreciation of property, plant and equipment	15	148,432	146,024
IT expenses		176,664	159,422
Marketing communications		202,293	17,815
Office insurance		13,884	8,255
Office supplies, printing and resource library		14,724	13,321
Publications		10,366	0
Repair and maintenance		13,800	12,361
Telephone, internet charges and utilities		41,071	14,108
		<u>713,390</u>	<u>478,270</u>

11. Personnel costs

	2023 S\$	2022 S\$
Staff salaries and bonuses	2,632,371	2,468,890
Secondment fee	244,291	221,419
Post-employment benefits (Defined Contribution Plans)	323,192	296,023
Other staff costs	129,300	122,631
	<u>3,329,154</u>	<u>3,108,963</u>

12. Cash and cash equivalents

	General Fund	CLAS Fund	CLC Fund	FJSS Fund	Law Awareness Fund	BMSF Fund	Total
	\$	\$	\$	\$	\$	\$	\$
2023							
Cash at bank	972,252	1,261,433	132,513	132,448	19,996	78,039	2,596,681
Fixed deposits	1,208,034	0	0	0	0	0	1,208,034
	<u>2,180,286</u>	<u>1,261,433</u>	<u>132,513</u>	<u>132,448</u>	<u>19,996</u>	<u>78,039</u>	<u>3,804,715</u>
2022							
Cash at bank	805,585	1,152,082	0	215,048	20,615	78,086	2,271,416
Fixed deposits	1,892,827	0	0	0	0	0	1,892,827
	<u>2,698,412</u>	<u>1,152,082</u>	<u>0</u>	<u>215,048</u>	<u>20,615</u>	<u>78,086</u>	<u>4,164,243</u>

The fixed deposits mature within 1 to 12 months (2022: 1 to 4 months) from the financial year-end and earn interest at rate of 2.4% to 3.8% (2022: 0.4375% to 0.5%) per annum.

Fixed deposits are included as cash and cash equivalents as these can be readily converted into cash without incurring significant penalty.

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

13. Other receivables

	General Fund \$	CLAS Fund \$	CLC Fund \$	FJSS Fund \$	Law Awareness Fund \$	Total \$
2023						
Other receivables						
Grant receivables	320,125	0	0	127,857	0	447,982
Donations and other receivables	9,900	0	100,000	0	7,201	117,101
Deposit	796	0	0	0	0	796
Interest receivables	7,667	0	0	0	0	7,667
Prepayments	28,749	7,133	0	0	0	35,882
	<u>367,237</u>	<u>7,133</u>	<u>100,000</u>	<u>127,857</u>	<u>7,201</u>	<u>609,428</u>
2022						
Other receivables						
Grant receivables	371,184	0	0	36,957	0	408,141
Interest receivables	5,213	0	0	0	0	5,213
Prepayments	37,407	6,292	0	0	0	43,699
	<u>413,804</u>	<u>6,292</u>	<u>0</u>	<u>36,957</u>	<u>0</u>	<u>457,053</u>

Grants receivables related to grants support for the Family Justice Support Scheme, Enhanced Fund-Raising Programme, Volunteer Management Programme, Human Capital, and Transformation Support Scheme.

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

14. Deferred expenditure and deferred grants

Note	2023 S\$	2022 S\$
Deferred expenditure		
Balance at 1 April	2,250	48,424
Amortisation	<u>(2,250)</u>	<u>(46,174)</u>
Balance at 31 March	<u>0</u>	<u>2,250</u>
Fund raising event	<u>0</u>	<u>2,250</u>
Deferred expenditure for projects to be completed:		
- Within 12 months – Current	<u>0</u>	<u>2,250</u>
Deferred grants		
Balance at 1 April	396,500	149,736
Deferred grants received	348,000	372,331
Amortisation of deferred grants	(100,000)	(83,043)
Deferred grants recognised	<u>(634,127)</u>	<u>(42,524)</u>
Balance at 31 March	<u>10,373</u>	<u>396,500</u>
Grants for projects to be completed:		
- Within 12 months – Current	<u>10,373</u>	<u>396,500</u>

14. Deferred expenditure and deferred grants (Cont'd)

Deferred grants are grants received from various statutory bodies for the implementation of the various projects undertaken by the Company. Such grants which have been received are not recognised in statement of comprehensive income as the projects have not been completed and the terms and conditions relating to the grants have not been met. Similarly, expenses incurred for such uncompleted projects are deferred and not recognised in statement of comprehensive income.

When the projects are completed and the terms and conditions have been satisfied, the deferred grants received and deferred expenditure will be recognised in statement of comprehensive income.

15. Property, plant and equipment

	Balance b/f S\$	Additions S\$	(Disposals) S\$	Balance c/f S\$
2023				
At cost				
Computer	118,415	21,737	0	140,152
Office equipment	38,915	22,324	0	61,239
Renovation	96,440	14,341	0	110,781
Right-of-use assets	528,733	5,702	0	534,435
	782,503	64,104	0	846,607
	Balance b/f S\$	Depreciation charge S\$	(Write-off) S\$	Balance c/f S\$
Accumulated depreciation				
Computer	72,630	16,768	0	89,398
Office equipment	22,354	6,666	0	29,020
Renovation	49,029	18,395	0	67,424
Right-of-use assets	242,952	106,603	0	349,555
	386,965	148,432	0	535,397
	Balance b/f S\$			Balance c/f S\$
Carrying amount				
Computer	45,785			50,754
Office equipment	16,561			32,219
Renovation	47,411			43,357
Right-of-use assets	285,781			184,880
	395,538			311,210

15. Property, plant and equipment

	Balance b/f S\$	Additions S\$	(Disposals) S\$	Balance c/f S\$
2022				
At cost				
Computer	105,247	13,618	(450)	118,415
Office equipment	29,477	9,438	0	38,915
Renovation	98,394	0	(1,954)	96,440
Right-of-use assets	528,733	0	0	528,733
	<u>761,851</u>	<u>23,056</u>	<u>(2,40204)</u>	<u>782,503</u>
Accumulated depreciation				
	Balance b/f S\$	Depreciation charge S\$	(Write-off) S\$	Balance c/f S\$
Computer	58,469	14,611	(450)	72,630
Office equipment	16,852	5,502	0	22,354
Renovation	31,348	19,635	(1,954)	49,029
Right-of-use assets	136,676	106,276	0	242,952
	<u>243,345</u>	<u>146,024</u>	<u>(2,404)</u>	<u>386,965</u>
Carrying amount				
	Balance b/f S\$			Balance c/f S\$
Computer	46,778			45,785
Office equipment	12,625			16,561
Renovation	67,046			47,411
Right-of-use assets	392,057			285,781
	<u>518,506</u>			<u>395,538</u>

The composition of property plant and equipment per fund is as follows:

	General Fund S\$	CLAS Fund S\$	CLC Fund S\$	FJSS Fund S\$	Invictus Fund S\$	Total S\$
2023						
Computer	42,679	1,318	0	2,236	4,521	50,754
Office equipment	24,798	159	4,849	0	2,413	32,219
Renovation	34,185	0	9,172	0	0	43,357
Right-of-use assets	19,823	165,057	0	0	0	184,880
	<u>121,485</u>	<u>166,534</u>	<u>14,021</u>	<u>2,236</u>	<u>6,934</u>	<u>311,210</u>
2022						
Computer	34,728	1,678	0	3,050	6,329	45,785
Office equipment	11,666	1,459	0	0	3,436	16,561
Renovation	47,411	0	0	0	0	47,411
Right-of-use assets	26,391	259,390	0	0	0	285,781
	<u>120,196</u>	<u>262,527</u>	<u>0</u>	<u>3,050</u>	<u>9,765</u>	<u>395,538</u>

Assets acquired under leasing arrangements

Right-of-use assets acquired under leasing arrangements are premises under the category of "Right-of-use assets". Details of such leased assets are disclosed in Note 18. The additions of right-of-use assets during the current financial year relates to prepaid rental on leases, therefore no lease liabilities was accounted for in Note 18.

The cash outflow on acquisition of property, plant and equipment amounted to S\$64,104 (2022: S\$23,056).

16. Intangible assets

	Balance b/f S\$	Additions S\$	Balance c/f S\$
2023			
At cost			
Computer software development cost	801,342	0	801,342
Computer software	48,094	0	48,094
Development-in-progress	0	257,414	257,414
	849,436	257,414	1,106,850
	Balance b/f S\$	Amortisation charge S\$	Balance c/f S\$
Accumulated amortisation			
Computer software development cost	733,913	23,118	757,031
Computer software	48,094	0	48,094
Development-in-progress	0	0	0
	782,007	23,120	805,125
	Balance b/f S\$		Balance c/f S\$
Carrying amount			
Computer software development cost	67,429		44,309
Computer software	0		0
Development-in-progress	0		257,414
	67,429		301,725
2022			
At cost			
Computer software development cost	801,342	0	801,342
Computer software	48,094	0	48,094
	849,436	0	849,436
	Balance b/f S\$	Amortisation charge S\$	Balance c/f S\$
Accumulated amortisation			
Computer software development cost	710,794	23,119	733,913
Computer software	38,476	9,618	48,094
	749,270	32,737	782,007
	Balance b/f S\$		Balance c/f S\$
Carrying amount			
Computer software development cost	90,548		67,429
Computer software	9,618		0
	100,166		67,429

The computer software development costs of the Company were acquired using the CLAS Fund and the balances using the General Fund.

The computer software development costs were mainly incurred for computerisation of General Pro Bono Services Office's workflows for implementation of a customer relationship management system. Computer software are those relates to off-the-shelf software for operating use.

Development-in-progress were mainly incurred for progressive web application implementation of a customer relationship management system for General Pro Bono Services Office's and marketing automation.

17. Trade and other payables

	General Fund S\$	CLAS Fund S\$	CLC Fund S\$	FJSS Fund S\$	Law Awareness Fund S\$	Total S\$
2023						
Trade payables						
Third parties	76,954	24,934	518	1,306	0	103,712
Other payables						
Accrued operating expenses	531,544	370,410	0	94,745	27,197	1,023,896
	<u>608,498</u>	<u>395,344</u>	<u>518</u>	<u>96,051</u>	<u>27,197</u>	<u>1,127,608</u>
2022						
Trade payables						
Third parties	77,169	11,718	0	1,417	0	90,304
Other payables						
Accrued operating expenses	350,754	77,194	0	85,555	31,545	545,048
	<u>427,923</u>	<u>88,912</u>	<u>0</u>	<u>86,972</u>	<u>31,545</u>	<u>635,352</u>

Trade payables are unsecured, non-interest bearing and are normally settled in 14 days (2022: 14 days) term.

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

18. Lease liabilities

	2023 S\$	2022 S\$
Current	111,643	106,210
Non-current	70,927	200,704
	<u>182,570</u>	<u>306,914</u>

The carrying amount of right-of-use assets classified within property, plant and equipment in the statement of financial position are as follows:

	General Fund S\$	CLAS Fund S\$	Total S\$
2023			
Lease of premises	0	165,057	165,057
Lease of equipment	19,823	0	19,823
	<u>19,823</u>	<u>165,057</u>	<u>184,880</u>
2022			
Lease of premises	0	259,390	259,390
Lease of equipment	26,391	0	26,391
	<u>26,391</u>	<u>259,390</u>	<u>285,781</u>

18. Lease liabilities (Cont'd)

Reconciliation of movements of lease liabilities to cash flows arising from financing activities:

	Balance b/f S\$	Cash flows S\$	Non-cash changes				Balance c/f S\$	
			Accretion of interests S\$	Adjustments S\$	Rental subsidy S\$	Rent concession S\$		Other S\$
2023								
Current	106,210	(137,279)	12,935	0	0	0	129,777	111,643
Non-current	200,704	0	0	0	0	0	(129,777)	70,927
	<u>306,914</u>	<u>(137,279)</u>	<u>12,935</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>182,570</u>
2022								
Current	101,040	(119,145)	18,105	0	0	0	106,210	106,210
Non-current	306,914	0	0	0	0	0	(106,210)	200,704
	<u>407,954</u>	<u>(119,145)</u>	<u>18,105</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>306,914</u>

The Company leases office premises, copier equipment and office equipment from non-related parties. The leases have an average tenure of between two to five years (2022: two to five years).

The amount recognised in statement of comprehensive income are as follows:

	2023 S\$	2022 S\$
Depreciation of right-of-use assets	106,603	106,276
Interest expense on lease liabilities	12,935	18,105
	<u>119,538</u>	<u>124,381</u>

As at 31 March 2023 and 31 March 2022, the Company does not have any commitments for short-term lease.

During the financial year, the Company had total cash outflows for leases of S\$137,279 (2022: S\$119,145).

19. Accumulated funds

19.1 Unrestricted funds

Accumulated general fund is expendable at the direction of the Board of Directors in furtherance of the Company's objectives.

The Company absorbed the expenditure of certain restricted funds by transferring funds from general fund to restricted funds amounting to S\$2,212,601 and S\$1,545,644 as of 31 March 2023 and 2022, respectively.

19.2 Restricted funds

Restricted funds are funds subject to specific trusts, which may be declared by the donor(s) or with their authority or created through legal process, but still within wider objectives of the Company.

Restricted funds comprise of:

19.2.1 Criminal Legal Aid Scheme

The Criminal Legal Aid Scheme fund is established to aid impecunious accused persons. This programme offers pro bono criminal defense representation for needy accused persons facing non-capital charges, regardless of nationality.

19.2.2 Family Justice Support Scheme

The Family Justice Support Scheme is established for the purpose of offering legal representation to litigants facing family law issues.

19.2.3 Law Awareness fund

The Law awareness fund is a fund established for the purpose of reaching out members of the public to increase understanding of how the law applies in their daily lives. This is implemented through free public legal education talks, webinars, seminars, exhibitions and information booklets.

19.2.4 Bar Memorial Scholarship fund

The scholarship fund is established for an annual award given to Singaporean candidates who have obtained admission to, or who are currently taking a course in subjects of study relating to law. Other than the financial needs of the students, the Company also considers their academic results and track record, testimonials and volunteering experience when awarding the scholarship.

19.2.5 Invictus fund

Invictus fund is received from National Council of Social Service to support the Company in maintaining service delivery and serving clients safely and effectively during the pandemic.

19.2.6 Community Law Centre fund

The community law centre fund is to support the establishment and operations of law centres with resident lawyers in the neighbourhood communities to provide the last mile access to legal help for the most vulnerable, working in concert with community partners such as social services and charitable organisations.

19. Accumulated funds (Cont'd)

19.3 The respective funds are represented by the following assets and liabilities:

	Note	Unrestricted fund	Restricted funds					Total S\$	
		General Fund S\$	CLAS Fund S\$	CLC Fund S\$	FJSS Fund S\$	Law Awareness Fund S\$	BMSF Fund S\$		Invictus Fund S\$
2023 ASSETS									
Current assets									
Cash and cash equivalents	12	2,180,286	1,261,433	132,513	132,448	19,996	78,039	0	3,804,715
Other receivables	13	467,237	7,133	0	127,857	7,201	0	0	609,428
Contract assets	4	0	240,741	0	0	0	0	0	240,741
Deferred expenditure	14	0	0	0	0	0	0	0	0
		<u>2,647,523</u>	<u>1,509,307</u>	<u>132,513</u>	<u>260,305</u>	<u>27,197</u>	<u>78,039</u>	<u>0</u>	<u>4,654,884</u>
Non-current assets									
Property, plant and equipment	15	121,486	166,534	14,020	2,236	0	0	6,934	311,210
Intangible assets	16	257,414	44,311	0	0	0	0	0	301,725
		<u>378,900</u>	<u>210,845</u>	<u>14,020</u>	<u>2,236</u>	<u>0</u>	<u>0</u>	<u>6,934</u>	<u>612,935</u>
Total assets		<u>3,026,423</u>	<u>1,720,152</u>	<u>146,533</u>	<u>262,541</u>	<u>27,197</u>	<u>78,039</u>	<u>6,934</u>	<u>5,267,819</u>
LIABILITIES									
Current liabilities									
Trade and other payables	17	608,498	395,344	518	96,051	27,197	0	0	1,127,608
Lease liabilities	18	8,894	102,749	0	0	0	0	0	111,643
Deferred income		100,000	0	0	0	0	0	0	100,000
Deferred grants	14	0	10,373	0	0	0	0	0	10,373
		<u>717,392</u>	<u>508,466</u>	<u>518</u>	<u>96,051</u>	<u>27,197</u>	<u>0</u>	<u>0</u>	<u>1,349,624</u>
Non-current liabilities									
Lease liabilities	18	8,535	62,392	0	0	0	0	0	70,927
Total liabilities		<u>726,857</u>	<u>570,858</u>	<u>518</u>	<u>96,051</u>	<u>27,197</u>	<u>0</u>	<u>0</u>	<u>1,420,551</u>
NET ASSETS		<u>2,299,566</u>	<u>1,149,294</u>	<u>146,015</u>	<u>166,490</u>	<u>0</u>	<u>78,039</u>	<u>6,934</u>	<u>3,847,268</u>

19. Accumulated funds (Cont'd)

19.3 The respective funds are represented by the following assets and liabilities: (cont'd)

	Note	Unrestricted fund	Restricted funds				Total S\$	
		General Fund S\$	CLAS Fund S\$	FJSS Fund S\$	Law Awareness Fund S\$	BMSF Fund S\$		Invictus Fund S\$
2022 ASSETS								
Current assets								
Cash and cash equivalents	12	2,698,412	1,152,082	215,048	20,615	78,086	0	4,164,243
Other receivables	13	413,804	6,292	36,957	0	0	0	457,053
Contract assets	4	0	64,007	0	0	0	0	64,007
Deferred expenditure	14	2,250	0	0	0	0	0	2,250
		<u>3,114,466</u>	<u>1,222,381</u>	<u>252,005</u>	<u>20,615</u>	<u>78,086</u>	<u>0</u>	<u>4,687,553</u>
Non-current assets								
Property, plant and equipment	15	120,195	262,526	3,050	0	0	9,765	395,536
Intangible assets	16	0	67,429	0	0	0	0	67,429
		<u>120,195</u>	<u>329,955</u>	<u>3,050</u>	<u>0</u>	<u>0</u>	<u>9,765</u>	<u>462,965</u>
Total assets		<u>3,234,661</u>	<u>1,552,336</u>	<u>255,055</u>	<u>20,615</u>	<u>78,086</u>	<u>9,765</u>	<u>5,150,518</u>
LIABILITIES								
Current liabilities								
Trade and other payables	17	427,923	88,912	86,972	31,545	0	0	635,352
Contract liabilities	4							
Lease liabilities	18	8,462	97,748	0	0	0	0	106,210
Deferred grants	14	164,500	232,000	0	0	0	0	396,500
		<u>600,885</u>	<u>418,660</u>	<u>86,972</u>	<u>31,545</u>	<u>0</u>	<u>0</u>	<u>1,138,062</u>
Non-current liabilities								
Lease liabilities	18	17,451	183,253	0	0	0	0	200,704
Total liabilities		<u>618,336</u>	<u>601,913</u>	<u>86,972</u>	<u>31,545</u>	<u>0</u>	<u>0</u>	<u>1,338,766</u>
NET ASSETS/(LIABILITIES)		<u>2,616,325</u>	<u>950,423</u>	<u>168,083</u>	<u>(10,930)</u>	<u>78,086</u>	<u>9,765</u>	<u>3,811,752</u>

19. Accumulated funds (Cont'd)

19.4 The income and expenditure of the respective funds are as follows:

	Unrestricted fund	Restricted funds						Total S\$
	General Fund S\$	CLAS Fund S\$	CLC Fund S\$	FJSS Fund S\$	Law Awareness Fund S\$	BMSF Fund S\$	Invictus Fund S\$	
2023								
Income								
Amortisation of deferred grants	100,000	0	0	0	0	0	0	100,000
Contribution from the Ministry of Law								
- Operating costs	0	750,000	0	0	0	0	0	750,000
- CLAS cases	0	432,698	0	0	0	0	0	432,698
- CLAS advocates	0	251,562	0	0	0	0	0	251,562
- Grant for rental at State Courts	0	72,322	0	0	0	0	0	72,322
NCSS - Partnership Development Fund	569,626	0	0	0	0	0	0	569,626
Contributions/donations received from others	2,408,251	12,948	73,888	130,907	0	0	0	2,625,994
CLAS Co-payment collection	0	44,692	0	0	0	0	0	44,556
CLAS Training Programme	0	24,857	0	0	0	0	0	24,857
Interest income on fixed deposits	13,471	0	0	0	0	0	0	13,471
Training Academy	13,114	0	0	0	0	0	0	13,114
Other income	95,072	0	0	0	0	0	0	95,072
	<u>3,199,534</u>	<u>1,589,079</u>	<u>73,888</u>	<u>130,907</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>4,993,408</u>
Less: Expenditure								
Ad Hoc Pro Bono Referral Scheme	29,235	0	0	0	0	0	0	29,235
Amortisation of intangible assets	0	23,118	0	0	0	0	0	23,118
Amortisation of ROU assets	12,270	94,332	0	0	0	0	0	106,602
Auditor's remuneration	11,050	0	0	1,605	0	0	0	12,655
Accounting expenses	933	0	0	0	0	0	0	933
Bank charges	448	125	0	4	0	0	0	577
Business Continuity	10,477	0	0	0	0	0	0	10,477
Central Provident Fund and Skills Development Levy	193,602	82,781	0	24,328	22,481	0	0	323,192
Balance carried forward	<u>258,015</u>	<u>200,356</u>	<u>0</u>	<u>25,937</u>	<u>22,481</u>	<u>0</u>	<u>0</u>	<u>506,789</u>

19. Accumulated funds (Cont'd)

19.4 The income and expenditure of the respective funds are as follows: (cont'd)

	Unrestricted fund	Restricted funds						Total S\$
	General Fund S\$	CLAS Fund S\$	CLC Fund S\$	FJSS Fund S\$	Law Awareness Fund S\$	BMSF Fund S\$	Invictus Fund S\$	
2023 (Cont'd)								
Less: Expenditure (Cont'd)								
Balance brought forward	258,015	200,356	0	25,937	22,481	0	0	506,789
CLAS Advocates and Fellows Expenses	0	17,298	0	0	0	0	0	17,298
CLAS Advocates and Fellows Salaries with CPF	0	358,853	0	0	0	0	0	358,853
CLAS Training	0	0	0	0	0	0	0	0
Community legal clinics	2,709	0	0	0	0	0	0	2,709
Conference/study trips	8,322	0	0	428	0	0	0	8,750
Consultancy Services	28,355	0	0	0	0	0	0	28,355
Corporate Admin Allocation Charge	(350,417)	275,342	0	15,000	60,075	0	0	0
Corporate Personnel Allocation Charge	(1,072,966)	856,166	0	30,000	186,800	0	0	0
Corporate secretariat expenses	8,414	0	0	0	0	0	0	8,414
Depreciation of property, plant and equipment	35,897	1,659	630	813	0	0	0	41,830
Disbursement charged by assigned lawyers	0	54,105	0	10,309	0	0	0	64,414
Disbursement specialist report	0	177,319	0	0	0	0	0	177,319
Enhanced CLAS (Honorarium)	0	398,915	0	0	0	0	0	398,915
Finance charge	1,104	11,831	0	0	0	0	0	12,935
FJSS Honorarium	0	0	0	19,600	0	0	0	19,600
Fund raising expenses	116,398	0	0	0	0	0	0	116,398
HR services	11,012	224	0	0	0	0	0	11,236
Internal audit	8,560	0	0	0	0	0	0	8,560
Interpretations/translation fee	0	1,548	0	1,568	0	0	0	3,116
IT services	90,265	84,762	704	0	0	0	0	175,731
Law Awareness projects	0	0	0	0	3,751	0	0	3,751
Marketing communications	201,775	0	518	10,366	0	0	0	212,660
Meeting expenses	2,800	0	251	0	0	0	0	3,051
Balance carried forward	(649,757)	2,438,378	2,103	114,021	273,107	0	0	2,180,684

19. Accumulated funds (Cont'd)

19.4 The income and expenditure of the respective funds are as follows: (cont'd)

	Unrestricted fund	Restricted funds						Total S\$
	General Fund S\$	CLAS Fund S\$	CLC Fund S\$	FJSS Fund S\$	Law Awareness Fund S\$	BMSF Fund S\$	Invictus Fund S\$	
2023 (Cont'd)								
Less: Expenditure (Cont'd)								
Balance brought forward	(649,757)	2,438,378	2,103	114,021	273,107	0	0	2,180,684
Migrant's Worker Group	59,757	0	0	0	0	0	0	59,757
Miscellaneous	760	0	2,353	0	0	0	0	3,113
Online Legal Awareness Project	2,008	0	0	0	0	0	0	2,008
Office insurance	13,884	0	0	0	0	0	0	13,884
Pantry supplies	590	0	0	0	0	0	0	590
Photocopier metered charges and paper costs	1,614	0	0	0	0	0	0	1,614
Postages	372	0	0	40	31	0	0	443
Printing and stationery	1,732	0	251	0	0	0	0	1,983
Repair and maintenance	12,716	0	1,084	0	0	0	0	13,800
Resource library	1,715	1,952	0	328	0	0	0	3,995
Salaries and bonuses	1,476,711	508,736	0	140,692	147,379	0	0	2,273,518
Secondment fee	244,291	0	0	0	0	0	0	244,291
Staff allowance and transport	1,053	862	64	76	0	0	0	2,055
Staff medical fees and group hospital insurance	30,131	11,689	0	1,008	900	0	0	43,728
Staff training and teambuilding	27,016	3,696	54	1,310	263	0	0	32,339
Staff welfare	13,768	63	0	63	0	0	0	13,894
Stamp duty	728	0	0	0	0	0	0	728
Storage	2,258	0	0	0	0	0	0	2,258
Telephone and internet charges	35,964	1,046	71	365	0	0	0	37,447
Temp staff	0	0	0	0	0	0	0	0
Balance carried forward	1,277,311	2,966,422	5,980	257,903	421,680	0	0	4,932,129

19. Accumulated funds (Cont'd)

19.4 The income and expenditure of the respective funds are as follows: (cont'd)

	Unrestricted fund	Restricted funds						Total S\$
	General Fund S\$	CLAS Fund S\$	CLC Fund S\$	FJSS Fund S\$	Law Awareness Fund S\$	BMSF Fund S\$	Invictus Fund S\$	
2023 (Cont'd)								
Less: Expenditure (Cont'd)								
Balance brought forward	1,277,311	2,966,422	5,980	257,903	421,680	0	0	4,932,129
Training Academy Expenses	7,546	0	0	0	0	0	0	7,546
Utilities	3,625	0	0	0	0	0	0	3,625
Volunteer engagement/ recognition/ training	14,280	0	0	314	0	0	0	14,594
	<u>1,302,762</u>	<u>2,966,422</u>	<u>5,980</u>	<u>258,217</u>	<u>421,680</u>	<u>0</u>	<u>2,831</u>	<u>4,957,895</u>
Net surplus/(deficit) for the financial year	1,896,772	(1,377,343)	67,908	(127,310)	(421,680)	0	(2,831)	35,516
Balance at 1 April 2022	2,616,325	950,423	0	168,083	(10,930)	78,086	9,765	3,811,752
Transfer of funds	<u>(2,212,601)</u>	<u>1,576,214</u>	<u>78,107</u>	<u>125,717</u>	<u>432,610</u>	<u>(47)</u>	<u>0</u>	<u>0</u>
Balance at 31 March 2023	<u>2,300,496</u>	<u>1,149,294</u>	<u>146,015</u>	<u>166,490</u>	<u>0</u>	<u>78,039</u>	<u>6,934</u>	<u>3,847,268</u>

19. Accumulated funds (Cont'd)

19.4 The income and expenditure of the respective funds are as follows: (cont'd)

	Unrestricted fund	Restricted funds					Total S\$
	General Fund S\$	CLAS Fund S\$	FJSS Fund S\$	Law Awareness Fund S\$	BMSF Fund S\$	Invictus Fund S\$	
2022 Income							
Amortisation of deferred grants	40,993	0	42,050	0	0	0	83,043
Contribution from the Ministry of Law							
- Operating costs	0	750,000	0	0	0	0	750,000
- CLAS cases	0	27,377	0	0	0	0	27,377
- CLAS advocates	0	249,499	0	0	0	0	249,499
- Grant for rental at State Courts	0	72,322	0	0	0	0	72,322
Contributions/donations received from others	1,718,813	253,300	139,240	16,137	0	0	2,127,490
CLAS Fellowship	0	75,510	0	0	0	0	75,510
CLAS Co-payment collection	0	55,184	0	0	0	0	55,184
CLAS Training Programme	0	10,840	0	0	0	0	10,840
Interest income on fixed deposits	13,019	0	0	0	0	0	13,019
Other income	75,759	234,304	0	0	0	0	310,063
	<u>1,848,584</u>	<u>1,728,336</u>	<u>181,290</u>	<u>16,137</u>	<u>0</u>	<u>0</u>	<u>3,774,347</u>
Less: Expenditure							
Ad Hoc Pro Bono Referral Scheme	22,635	0	0	0	0	0	22,635
Amortisation of intangible assets	0	32,737	0	0	0	0	32,737
Auditor's remuneration	13,227	0	3,210	0	0	0	16,437
Accounting expenses	552	0	0	0	0	0	552
Bank charges	409	156	2	140	1	0	708
Bar Memorial Scholarship	0	0	0	0	24,500	0	24,500
Business Continuity	2,301	0	0	0	0	0	2,301
Central Provident Fund and Skills Development Levy	168,325	81,371	24,130	22,197	0	0	296,023
Balance carried forward	<u>207,449</u>	<u>114,264</u>	<u>27,342</u>	<u>22,337</u>	<u>24,501</u>	<u>0</u>	<u>395,893</u>

19. Accumulated funds (Cont'd)

19.4 The income and expenditure of the respective funds are as follows: (cont'd)

	Unrestricted fund	Restricted funds					Total S\$
	General Fund S\$	CLAS Fund S\$	FJSS Fund S\$	Law Awareness Fund S\$	BMSF Fund S\$	Invictus Fund S\$	
2022 (Cont'd)							
Less: Expenditure (Cont'd)							
Balance brought forward	207,449	114,264	27,342	22,337	24,501	0	395,893
CLAS Advocates and Fellows Expenses	0	15,850	0	0	0	0	15,850
CLAS Advocates and Fellows Salaries with CPF	0	412,772	0	0	0	0	412,772
CLAS Training	0	227	0	0	0	0	227
Community legal clinics	2,045	0	0	0	0	0	2,045
Conference/study trips	696	0	0	0	0	0	696
Consultancy Services	42,051	0	0	0	0	0	42,051
Corporate Admin Allocation Charge	(186,289)	142,252	13,000	31,037	0	0	0
Corporate Personnel Allocation Charge	(912,645)	724,559	30,000	158,086	0	0	0
Corporate secretariat expenses	9,047	0	0	0	0	0	9,047
Depreciation of property, plant and equipment	46,340	96,042	813	0	0	2,831	146,026
Disbursement charged by assigned lawyers	0	(3,613)	9,996	0	0	0	6,383
Disbursement specialist report	0	87,762	0	0	0	0	87,762
Enhanced CLAS (Honorarium)	0	104,092	0	0	0	0	104,092
Finance charge	1,517	16,588	0	0	0	0	18,105
FJSS Honorarium	0	0	47,500	0	0	0	47,500
Fund raising expenses	63,508	0	0	0	0	0	63,508
HR services	9,818	107	0	0	0	0	9,925
Internal audit	3,683	0	0	0	0	0	3,683
Interpretations/translation fee	0	2,200	0	0	0	0	2,200
IT services	83,723	75,147	0	0	0	0	158,870
Law Awareness projects	0	0	0	1,781	0	0	1,781
Marketing communications	17,815	0	0	0	0	0	17,815
Meeting expenses	1,322	0	0	0	0	0	1,322
Balance carried forward	(609,920)	1,788,249	128,651	213,241	24,501	2,831	1,547,553

19. Accumulated funds (Cont'd)

19.4 The income and expenditure of the respective funds are as follows: (cont'd)

	Unrestricted fund	Restricted funds					Total S\$
	General Fund S\$	CLAS Fund S\$	FJSS Fund S\$	Law Awareness Fund S\$	BMSF Fund S\$	Invictus Fund S\$	
2022 (Cont'd)							
Less: Expenditure (Cont'd)							
Balance brought forward	(609,920)	1,788,249	128,651	213,241	24,501	2,831	1,547,553
Migrant's Worker Group	2,879						2,879
Miscellaneous	58	0	0	0	0	0	58
Online Legal Awareness Project	3,810	0	0	0	0	0	3,810
Office insurance	8,201	54	0	0	0	0	8,255
Pantry supplies	1,080	0	0	0	0	0	1,080
Photocopier metered charges and paper costs	727	308	0	0	0	0	1,035
Postages	1,139	0	38	0	0	0	1,177
Printing and stationery	1,515	0	0	0	0	0	1,515
Repair and maintenance	12,361	0	0	0	0	0	12,361
Resource library	1,372	4,089	528	0	0	0	5,989
Salaries and bonuses	1,277,491	494,832	139,438	144,357	0	0	2,056,118
Secondment fee	221,419	0	0	0	0	0	221,419
Staff allowance and transport	485	319	156	0	0	0	960
Staff medical fees and group hospital insurance	22,822	13,455	2,729	2,281	0	0	41,287
Staff training and teambuilding	15,619	1,251	530	0	0	0	17,400
Staff welfare	11,995	523	0	0	0	0	12,518
Stamp duty	503	0	0	0	0	0	503
Storage	1,962	0	0	0	0	0	1,962
Telephone and internet charges	9,516	2,154	535	0	0	0	12,205
Temp staff	1,591	22,404	0	0	0	0	23,995
Balance carried forward	986,625	2,327,638	272,605	359,879	24,501	2,831	3,974,079

19. Accumulated funds (Cont'd)

19.4 The income and expenditure of the respective funds are as follows: (cont'd)

	Unrestricted fund	Restricted funds					Total S\$
	General Fund S\$	CLAS Fund S\$	FJSS Fund S\$	Law Awareness Fund S\$	BMSF Fund S\$	Invictus Fund S\$	
2022 (Cont'd)							
Less: Expenditure (Cont'd)							
Balance brought forward	986,625	2,327,638	272,605	359,879	24,501	2,831	3,974,079
Utilities	1,903	0	0	0	0	0	1,903
Volunteer engagement/ recognition/ training	565	0	0	0	0	0	565
	<u>989,093</u>	<u>2,327,638</u>	<u>272,605</u>	<u>359,879</u>	<u>24,501</u>	<u>2,813</u>	<u>3,976,547</u>
Net surplus/(deficit) for the financial year	859,491	(599,302)	(91,315)	(343,742)	(24,501)	(2,831)	(202,200)
Balance at 1 April 2021	3,302,478	536,378	70,356	(3,193)	95,337	12,596	4,013,952
Transfer of funds	(1,545,644)	1,013,347	189,042	336,005	7,250	0	0
Balance at 31 March 2022	<u>2,616,325</u>	<u>950,423</u>	<u>168,083</u>	<u>(10,930)</u>	<u>78,086</u>	<u>9,765</u>	<u>3,811,752</u>

20. Income tax

The Company is a registered charity under the Charities Act since 31 March 2017. Consequently, the income of the Company is exempted from income tax under the provisions of Section 13 of the Income Tax Act Chapter 134.

21. Related party transactions

21.1 Related party transactions and balances

In addition to related parties transactions disclosed elsewhere in the financial statements, the following significant transactions between the Company and related parties took place during the financial year on terms mutually agreed between the parties concerned:

	2023 S\$	2022 S\$
The Law Society of Singapore		
- Purchases	<u>1,828</u>	<u>3,831</u>
Directors		
- Professional fees, honoraria and disbursements paid to firms in which certain directors are members	15,803	16,827
- Professional fees, honoraria and disbursements paid to directors	1,450	400
- Donations received from firms in which certain directors are members	(31,250)	(53,100)
- Donations received from directors	<u>(12,546)</u>	<u>(20,010)</u>

21.2 Compensation of key management personnel

	2023 S\$	2022 S\$
Key management personnel ("KMP") remuneration		
- Salaries and other short-term employee benefits	778,795	729,510
- Post-employment benefits – contributions to CPF	73,006	69,851
	<u>851,801</u>	<u>799,361</u>

During the financial year, the Company employed an average of 40 (2022: 34) staffs.

Remuneration bands for 3 highest paid staff who are also KMP

The 3 highest paid staff whose remuneration exceeded S\$100,000 in the period were follows:

	2023	2022
Number of staff in bands:		
S\$100,000 to S\$199,999	3	2
S\$200,000 to S\$299,999	<u>1</u>	<u>1</u>

No directors have received remuneration for their services as board members and no directors are staff of the Company.

22. Financial instruments

The financial assets and liabilities of the Company as at the end of financial year are as follows:

	2023 S\$	2022 S\$
Financial assets		
Cash and cash equivalents	3,804,715	4,164,243
Contract assets	240,741	64,007
Other receivables (excluding prepayments)	566,345	413,354
	<u>4,611,801</u>	<u>4,641,604</u>
Financial liabilities		
Trade and other payables	1,120,407	635,352
Lease liabilities	182,570	306,914
	<u>1,302,977</u>	<u>942,266</u>

23. Financial risk management

The Company's activities do not expose it to any significant financial risks. Risk management is carried out under policies approved by the Directors. The Directors approves guidelines for overall risk management, as well as policies covering these specific areas.

23.1 Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Company.

i) Risk management

The Company has adopted the following policy to mitigate the credit risk.

For cash and cash equivalents, the Company mitigates its credit risks by transacting only with counterparties who are rated "A" and above independent rating agencies.

The Company 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 Company 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 obligation 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.

23. Financial risk management (Cont'd)

23.1 Credit risk (Cont'd)

ii) Impairment of financial assets

As at the reporting date, there are no amounts arising from expected credit losses for each class of financial assets.

The Company had applied the simplified approach by using the provision matrix to measure the lifetime expected credit losses for other receivables.

To measure the expected credit losses, these receivables have been grouped based on shared credit risk characteristic and days past due. In calculating the expected credit loss rates, the Company considers historical loss rates for each category of customers, and adjust for forward-looking macroeconomic data.

Receivables are written off when there is no reasonable expectation of recovery, such as debtor failing to engage in a repayment plan with the Company. The Company categories a receivable for write off when a debtor fails to make contractual payment greater than 3 years past due based on historical collection trend. Where receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognised in profit and loss.

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

As at 31 March 2023 and 2022, the carrying amount of Company's other receivables were disclosed in Note 13.

The Company considered that there was evidence if any of the following indicators were present:

- There is significant difficulty of the debtor; or
- Breach of contract, such as default or past due event; or
- It is becoming probable that the debtor will enter bankruptcy or other financial reorganisation.

Receivables from third parties

The Company assessed the latest performance and financial position of the counterparties and concluded that there has been no significant increase in the credit risk since the initial recognition of the financial assets. Accordingly, the Company measured the impairment loss allowance using 12-month ECL and determined that the ECL is insignificant.

Financial assets at amortised cost

Financial assets at amortised cost include receivables and cash and cash equivalents. Credit risk exposure in relation to financial assets at amortised costs as at 31 March 2023 and 31 March 2022 is insignificant, and accordingly no credit loss allowance is recognised as at 31 March 2023 and 31 March 2022.

The Company has no financial assets that are either past due and/or impaired at 31 March 2023 and 31 March 2022.

23. Financial risk management (Cont'd)

23.2 Interest rate risk

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

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

Sensitivity analysis for interest rate risk

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

	2023 S\$	2022 S\$
Fixed rate instruments		
<u>Financial assets</u>		
Fixed deposits	<u>1,208,034</u>	<u>1,892,827</u>
<u>Financial liabilities</u>		
Lease liabilities	<u>182,570</u>	<u>306,914</u>

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 Company do not have significant exposure to market risk for changes in interest rate.

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

23.3 Liquidity risk

The Directors exercises prudent liquidity and cash flow risk management policies and aims at maintaining an adequate level of liquidity and cash flow at all times.

The financial liabilities of the Company as presented in the statement of financial position are due within twelve months from the reporting date and approximate the contractual undiscounted repayments obligations.

23. Financial risk management (Cont'd)

23.3 Liquidity risk (Cont'd)

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

	Within one year S\$	Later than one year but not later than five years S\$	Total S\$
2023			
Financial assets, at amortised cost			
Cash and cash equivalents	3,804,715	0	3,804,715
Contract assets	240,741	0	240,741
Other receivables (excluding prepayments)	566,345	0	566,345
	<u>4,611,801</u>	<u>0</u>	<u>4,611,801</u>
Financial liabilities, at amortised cost			
Trade and other payables	1,120,407	0	1,120,407
Lease liabilities	149,325	113,603	262,928
At amortised cost	<u>1,269,732</u>	<u>113,603</u>	<u>1,383,335</u>
Net financial assets/ (liabilities)	<u>3,342,069</u>	<u>(113,603)</u>	<u>3,228,466</u>
	Within one year S\$	Later than one year but not later than five years S\$	Total S\$
2022			
Financial assets, at amortised cost			
Cash and cash equivalents	4,164,243	0	4,164,243
Contract assets	64,007	0	64,007
Other receivables (excluding prepayments)	413,354	0	413,354
	<u>4,641,604</u>	<u>0</u>	<u>4,641,604</u>
Financial liabilities, at amortised cost			
Trade and other payables	(635,352)	0	(635,352)
Lease liabilities	(119,145)	(210,097)	(329,242)
At amortised cost	<u>(754,497)</u>	<u>(210,097)</u>	<u>(964,594)</u>
Net financial assets/ (liabilities)	<u>3,887,107</u>	<u>(210,097)</u>	<u>3,677,010</u>

24. Fair values

The carrying amounts of the financial assets and liabilities recorded in the financial statements of the Company approximate their fair values due to the 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.

25. Fund management

The Company's objectives when managing its funds are to safeguard and maintain adequate working capital to continue as a going concern and to develop its principal activities over the longer term through donations and government grants.

It is the objective of the Company to achieve a reserve that would be able to sustain operations for a three years period in the event of a decline in donations.

The objectives, policies or processes of the Company during the financial year ended 31 March 2023 remain the same as those for the financial year ended 31 March 2022.

26. Reserve position and policy

The Company's reserve position for financial year ended 31 March 2023 is as follows:

		2023	2022	Increase
		\$	\$	%
A	Unrestricted fund			
	Accumulated general fund	2,300,496	2,616,325	(12.07)
B	Restricted and designated funds			
	Designated funds	N/A	N/A	
	Restricted funds	1,546,772	1,195,427	29.39
C	Expendable endowment fund	N/A	N/A	
D	Total funds	3,847,268	3,811,752	0.93
E	Total annual operating expenditure	4,957,892	3,976,547	24.68
F	Ratio of unrestricted fund to annual operating expenditure (A/E)	0.47	0.66	

Reference:

- C. An expendable endowment fund consists of assets, funds or properties, which are held in perpetuity, which produce annual income flow for a company to expend as grants.
- D. Total funds include unrestricted, restricted/designated and endowment funds.
- E. Total annual operating expenditure includes expenses related committee activities and projects, administrative expenses, personnel costs and interest on lease liabilities.

The Company's reserve policy is as follows:

The reserves that the management have set aside provide financial stability and the means for the development of the Company's principal activity. For long-term stability of the operations, it is the objective of LSPBS to achieve reserves that would be able to sustain operations for a three-year period in the event of a decline in donations. Pursuant to LSPBS' investment policy, reserves are placed in fixed deposits.

27. Capital commitments

During the current financial year, a project to develop the customer relationship management portal and marketing automation, and a project to develop LawGoWhere.sg was contracted at \$587,000, of which, \$257,414 was incurred under development-in-progress in intangible assets.

The balances of \$329,586 will be committed in the next 12 months. These commitments do not form part of the financial statements from page 7 to page 10. The projects are fully funded by grants.

28. Impact of COVID-19 (Coronavirus Disease 2019)

As the COVID-19 situation has improved and moved from pandemic to endemic, restrictions have been gradually released. Unless there is any new COVID-19 variant causing the government to restart the safe management measures, the Company can reasonably ascertain the COVID-19 disruptions on its operating and financial performance for the financial year ending 31 March 2024 would be marginal.

The Company has assessed that the going concern basis of preparation for this set of financial statements remains appropriate. The Board of Directors are continuously monitoring the COVID-19 situation and will take further action as necessary in response to the service disruption.

29. Comparative figures

Certain reclassifications have been made to the comparative information to enhance comparability with current year's financial statements.

The following reclassifications were made:

	As previously reported S\$	Reclassification S\$	As reclassified S\$
31 March 2022			
Statement of financial activities			
<u>Income</u>			
Contributions	(895,333)	895,333	0
Donations	0	(884,493)	(884,493)
Other income	<u>(323,082)</u>	<u>(10,840)</u>	<u>(333,922)</u>

30. Authorisation of financial statements

The financial statements of the Company for the financial year ended 31 March 2023 were authorised for issue in accordance with a resolution of the Board of Directors on 13 June 2023.