

SINGAPORE MALAYALEE HINDU SAMAJAM

Society Registration No.: S65SS0001K
(Registered under the Singapore Societies Act 1966)

FINANCIAL STATEMENTS – 31ST DECEMBER 2024

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ADVISOR

Rajesh Sreenivasan

LEGAL ADVISOR

Chandra Mohan Nair

EXECUTIVE COMMITTEE

Jayakumar Narayanan	President / Chairman
Chandran Nair	Vice President
Syam Prabhakaran	Vice President
Sunitha Premnath	Secretary
Sindhu Prasad	Assistant Secretary
Rekha Dinesh	Assistant Secretary
Suresh Kumar Balakrishnan	Treasurer
Krishnan Kutty	Assistant Treasurer
Sujith Sivaram (resigned on 17 May 2023)	Committee Member
Devi Krishnakumar	Committee Member
Sreenivasa Kurup	Committee Member
Anil Kumar Sankara	Committee Member
Suchithra Bhaskaran	Committee Member
Pradeep R (deceased on 31 July 2023)	Committee Member

CO-OPTED COMMITTEE MEMBERS

Anand Rajan
Ratheesh V Kurup

AUDITORS

BP Yap & Co.
Chartered Accountants of Singapore
20 Kramat Lane
#02-05 United House
Singapore 228773

INTERNAL AUDITORS

Rajesh Subramaniam
Dipu Bhaskar

REGISTERED OFFICE

10 Jalan Besar
#10-12 Sim Lim Tower
Singapore 208787

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SINGAPORE MALAYALEE HINDU SAMAJAM

STATEMENT BY THE EXECUTIVE COMMITTEE FOR THE PERIOD ENDED 31ST DECEMBER 2024

In our opinion, the accompanying financial statements, together with notes thereto, are properly drawn up in accordance with the provisions of the Societies Act 1966 and the constitution of the **Singapore Malayalee Hindu Samajam** (the "Society") and the Financial Reporting Standards in Singapore, so as to give a true and fair view of the financial position of the Society as at 31 December 2024 and of the statement of comprehensive income, changes in funds and the cash flows of the Society for the period ended on that date.

On behalf of The Executive Committee



Jayakumar Narayanan
President



Sunitha Premnath
Secretary



S2693123A

Suresh Kumar Balakrishnan
Treasurer

Singapore, 11 June 2025

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SINGAPORE MALAYALEE HINDU SAMAJAM
FOR THE PERIOD ENDED 31ST DECEMBER 2024

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Singapore Malayalee Hindu Samajam (the "Society"), which comprise the statement of financial position as at 31st December 2024, and the statement of comprehensive income, statement of changes in funds and statement of cash flows for the period then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Societies Act 1966 (the "Act") and Financial Reporting Standards in Singapore (FRS) so as to present fairly, in all material aspects, the financial position of the Society as at 31 December 2024 and of the financial performance, changes in funds and cash flows of the Society for the period ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSA). 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 Society 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 comprise statement by the executive committee.

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

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of financial statements in accordance with the provisions of the Act and FRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Society's financial reporting process.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SINGAPORE MALAYALEE HINDU SAMAJAM
FOR THE PERIOD ENDED 31ST DECEMBER 2024

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

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 assurance, but is not a guarantee that an audit conducted in accordance with SSA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society'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 Society'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 auditors' report. However, future events or conditions may cause the Society to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Societies Regulations enacted under the Act to be kept by the Society have been properly kept in accordance with those Regulations.



BP YAP & CO.
Public Accountants and
Chartered Accountants
Singapore

11 June 2025

SINGAPORE MALAYALEE HINDU SAMAJAM

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

	Notes	31 Dec 2024 S\$	31 Dec 2023 S\$
ASSETS			
Current assets			
Other receivables	3	19,898	10,588
Cash and cash equivalents	4	350,640	441,494
		<u>370,538</u>	<u>452,082</u>
Total assets		<u>370,538</u>	<u>452,082</u>
FUND AND LIABILITIES			
Fund			
<i>Unrestricted funds</i>			
General fund		<u>182,676</u>	<u>177,999</u>
<i>Restricted funds</i>			
Reserve fund		<u>182,004</u>	<u>177,326</u>
Total funds		<u>364,680</u>	<u>355,325</u>
Current liabilities			
Other payables and accruals	5	5,443	95,589
Income tax payable		<u>415</u>	<u>1,168</u>
		<u>5,858</u>	<u>96,757</u>
Total liabilities		<u>5,858</u>	<u>96,757</u>
Total fund and liabilities		<u>370,538</u>	<u>452,082</u>

SINGAPORE MALAYALEE HINDU SAMAJAM

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2024

2024	Note	<i>Unrestricted funds</i>	<i>Restricted funds</i>	Total
		General Fund	Reserve Fund	
		S\$	S\$	S\$
Revenue				
Function income		107,335	-	107,335
Membership fees		343	-	343
		<u>107,678</u>	<u>-</u>	<u>107,678</u>
Other income				
Interest on fixed deposits		1,132	-	1,132
Miscellaneous income		361	-	361
		<u>1,493</u>	<u>-</u>	<u>1,493</u>
Operating expenses				
Accounting & Consultation fees		(1,200)	-	(1,200)
Bank charges		(160)	-	(160)
Function expenses		(38,663)	-	(38,663)
Travel expenses		(5,021)	-	(5,021)
Pongala expenses		(50,600)	-	(50,600)
Printing and stationery		(3,757)	-	(3,757)
		<u>(99,401)</u>	<u>-</u>	<u>(99,401)</u>
Surplus for the year before tax		9,770	-	9,770
Income tax expense:	6			
- Current year		(415)	-	(415)
Transfer to Restricted Reserve Fund		(4,678)	4,678	-
Surplus for the year after tax representing total comprehensive income for the period		<u>4,677</u>	<u>4,678</u>	<u>9,355</u>

SINGAPORE MALAYALEE HINDU SAMAJAM

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2023

2023	Note	<i>Unrestricted funds</i>	<i>Restricted funds</i>	Total
		General Fund	Reserve Fund	
		S\$	S\$	S\$
Revenue				
Function income		139,438	-	139,438
Membership fees		1,641	-	1,641
		141,079	-	141,079
Other income				
Interest on fixed deposits		706	-	706
Miscellaneous income		2,858	-	2,858
		3,564	-	3,564
Operating expenses				
Accounting & Consultation fees		(3,240)	-	(3,240)
Bank charges		(182)	-	(182)
Function expenses		(47,425)	-	(47,425)
General expenses		(3,358)	-	(3,358)
Pongala expenses		(55,968)	-	(55,968)
Printing and stationery		(195)	-	(195)
		(110,368)	-	(110,368)
Surplus for the period before tax		34,275	-	34,275
Income tax expense:	6			
- Current period		(233)	-	(233)
Transfer to Restricted Reserve Fund		(17,021)	17,021	-
Surplus for the period after tax representing total comprehensive income for the period		17,021	17,021	34,042

SINGAPORE MALAYALEE HINDU SAMAJAM

STATEMENT OF CHANGES IN FUNDS FOR THE YEAR ENDED 31 DECEMBER 2024

	<i>Unrestricted funds</i>	<i>Restricted funds</i>	
	General Fund	Reserve Fund	Total
	S\$	S\$	S\$
Balance as at 30th September 2022	160,978	160,305	321,283
Total comprehensive income for the period	17,021	17,021	34,042
Balance as at 31st December 2023	177,999	177,326	355,325
Total comprehensive income for the year	4,677	4,678	9,355
Balance as at 31 st December 2024	182,676	182,004	364,680

SINGAPORE MALAYALEE HINDU SAMAJAM

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	2024 S\$	2023 S\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Surplus for the year/period before tax		9,770	34,275
Adjustments for:			
Interest income		(1,132)	(706)
Operating surplus before working capital changes		8,638	33,569
Other receivables		(9,310)	(4,114)
Other payable and accruals		(90,146)	(15,849)
Net cash generated from operations		(90,818)	13,605
Interest received		1,132	706
Income tax paid		(1,168)	-
Next cash from operating activities		(90,854)	14,313
Cash and cash equivalent brought forward		406,201	391,888
Cash and cash equivalent carry forward		315,347	406,201
Cash and cash equivalents comprise:			
Cash at banks		314,576	402,695
Cash on hand		772	3,506
		315,347	406,201

SINGAPORE MALAYALEE HINDU SAMAJAM

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

1 GENERAL

The Singapore Malayalee Hindu Samajam (“Society”) is registered under the Societies Act 1966, to

- (i) Promote social, cultural, charitable and educational activities as well as conduct cremation of dead bodies of destitute Malayalee Hindus.
- (ii) Promote, preserve and enrich Malayalam language.
- (iii) Provide Hindu religious knowledge, hold celebration for Malayalee people in Singapore.
- (iv) Bridge cultural relationship, maintain and enhance inter-racial harmony and to promote national consciousness and undivided loyalty throughout Singapore.

The registered office of the Singapore Malayalee Hindu Samajam is at 10 Jalan Besar, #10-12 Sim Lim Tower, Singapore 208787.

The affairs of the Society are administered by the Executive Committee in accordance with the provisions of the constitution of the Society and the provisions of the Societies Act.

2 MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Basis of preparation

The financial statements have been prepared in accordance with Financial Reporting Standards in Singapore (“FRS”). The financial statements are expressed in Singapore Dollar (S\$), and are prepared under the historical cost convention except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Society’s accounting policies. It also requires the use of accounting estimates and assumptions that affect the reported amounts if assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the financial period. These estimates and assumptions are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances (refer **Note 2(b)** to the financial statements).

SINGAPORE MALAYALEE HINDU SAMAJAM

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.2 Adoption of new and amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial period, the Society has adopted all the new and amended standards which are relevant to the Society and are effective for financial period beginning on 1 January 2024. The adoption of these standards did not have any material effect on the financial statements of the Society.

2.3 Standards issued but not yet effective

A number of new standards and amendments to standard that have been issued are not yet effective and have not been applied in preparing these financial statements.

The management expect that the adoption of these new and amended standards will have no material impact on the financial statements in the year of initial application.

Description	Effective for annual periods beginning on or after
Amendments to FRS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability	1 January 2025
Amendments to FRS 109 Financial Instruments and FRS 107 Financial Instruments: Disclosures: Amendments to the Classification and Measurement of Financial Instruments	1 January 2025
Annual Improvement to FRSs Volume 11	1 January 2026
FRS 118 Presentation and Disclosure in Financial Statements	1 January 2027
FRS 119 Subsidiaries without Public Accountability: Disclosures	1 January 2027

2.4 Critical judgements in applying the entity's accounting policies

In the process of applying the entity's accounting policies, management is of opinion that there are no critical judgements that have significant effect on the amounts recognised in the financial statements.

2.5 Functional currency

The functional currency of the Society is Singapore Dollar, being the currency of the primary economic environment in which the Society operates.

SINGAPORE MALAYALEE HINDU SAMAJAM

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.6 Impairment of non-financial assets

At each statement of financial position date, the Society reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Society estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the greater of net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time values of money and the risks specific to the asset.

If the recoverable amount of an asset (cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of impairment loss is recognised immediately in profit or loss unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

2.7 Funds

Unrestricted Fund

The unrestricted fund represents income net of meeting all administrative expenses after allocating 50% of the surplus to the Reserve Fund for each reporting period. This fund may be used for any activities of the Society at the discretion of the Executive Committee.

Restricted Fund

The Reserve Fund is a restricted fund accumulated over reporting periods from the transfer of 50% of the surplus from the unrestricted fund after meeting all the expenses incurred for the reporting period. The Reserve Fund can only be used for special projects, capital expenditure and donation to temples in Singapore at the discretion of the Executive Committee.

2.8 Financial instruments

Financial instruments comprise financial assets and financial liabilities. A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

SINGAPORE MALAYALEE HINDU SAMAJAM

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.8 Financial instruments (continued)

a) Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss (FVPL).

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Society's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Society has applied the practical expedient, the Society initially 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 asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Trade receivables do not contain a significant financing component or for which the Society has applied the practical expedient are measured at the transaction price determined per the Society's revenue recognition policy.

Financial assets that are classified and measured at amortised cost or fair value through OCI, are financial assets that give rise to cash flows that are "solely payments of principal and interest (SPPI)" on the principal amount outstanding. The assessment is referred to as the SPPI test and is performed at an instrument level.

The Society's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows result from collecting contractual cash flows, selling the financial assets, or both.

Subsequent measurement

For the purposes of subsequent measurement, financial assets are classified in four categories:-

- Financial assets at amortised cost
- Financial assets at fair value through OCI with recycling of cumulative gains and losses
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments) ("FVOCI")
- Financial assets at fair value through profit or loss ("FVPL")

The Society's relevant financial assets category is financial assets at amortised cost.

SINGAPORE MALAYALEE HINDU SAMAJAM

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.8 Financial instruments (continued)

a) Financial assets (continued)

Subsequent measurement (continued)

Financial assets at amortised cost

The Society measures financial assets at amortised cost if both of the following conditions are met:-

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise specified dates cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. For short-term receivables the nominal cost approximates the fair value.

The Society's financial assets at amortised cost includes other receivables and cash and bank balances.

Derecognition

A financial asset is derecognised when the rights to receive cash flows from the asset have expired or the Society has transferred its rights to receive cash flows from the asset or has entered into a "pass-through" arrangement; and either (a) the Society has transferred substantially all the risks and rewards of the asset, or (b) the Society has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the Society has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, not transferred control of the asset, the Society continues to recognise an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Society has retained.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

SINGAPORE MALAYALEE HINDU SAMAJAM

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.8 Financial instruments (continued)

a) Financial assets (continued)

Impairment of financial assets

The Society recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at FVPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Society expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For trade and other receivables, the Society applies a simplified approach in calculating ECLs. Therefore, the Society does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Society has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment which could affect debtors' ability to pay.

The Society makes judgemental assessment for financial asset in default when contractual payments are past due. The Society considers a financial asset to be in default when internal or external information indicates that the Society is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Society. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

b) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. For short term payables the nominal costs approximate the fair value.

The Society's financial liabilities include other payables and accruals.

SINGAPORE MALAYALEE HINDU SAMAJAM

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.8 Financial instruments (continued)

b) Financial liabilities (continued)

Subsequent measurement

The measurement of financial liabilities depends on their classification.

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

Derecognition

A financial liability is derecognised when the obligation under the liability discharged or cancelled or expires when an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

2.9 Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents consist of unpledged fixed deposits and cash at banks.

2.10 Revenue recognition

Revenue is measured based on the consideration to which the Society expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties and based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers, if any.

Revenue is recognised when the Society satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer contains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

SINGAPORE MALAYALEE HINDU SAMAJAM

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.10 Revenue recognition (continued)

The Society's main revenue is from donations, function income and membership fees are recognised upon receipt from the donors.

The amount of revenue recognised is based on the transaction price, which comprises the contractual price. The Society does not provide any volume discount or has any other forms of variable consideration.

2.11 Other income

Other income is recognised on the following basis:

Interest income

Interest income is recognised on a time proportion basis taking into account the principal outstanding and the effective interest rate applicable.

2.12 Income tax

Income tax expense represents the sum of tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the period. Taxable profit differs from profit as reported in the profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The Society's liability for current tax is calculated using statutory tax rate at the statement of financial position date.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases in the computation of taxable profit, and is accounted for using the statement of balance sheet liability method. Deferred tax liabilities are generally recognised for all temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary difference can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences except where it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

SINGAPORE MALAYALEE HINDU SAMAJAM

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.12 Income tax (continued)

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset, realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt, within equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Society intends to settle its current tax assets and liabilities on net basis.

3 OTHER RECEIVABLES

	2024 S\$	2023 S\$
Sundry receivables	19,898	10,588

4 CASH AND BANK BALANCES

	2024 S\$	2023 S\$
Fixed deposits	35,292	35,293
Cash at banks	314,576	402,695
Cash on hand	772	3,506
	350,640	441,494

Fixed deposits have an original tenure of 12 months (2023: 12 months) and are of a tenure of approximately 8 months from year end.

The effective interest rate on the fixed deposits is 2.5% (2023: 2%) per annum.

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5 OTHER PAYABLES AND ACCRUALS

	2024 S\$	2023 S\$
Sundry payables	2,278	2,694
Related party – Trust A/C (*)	1,031	91,865
Accrued expenses	2,134	1,030
	<u>5,443</u>	<u>95,589</u>

(*) In the committee meeting the members discussed about the temple to be established at Yishun for Sri Ayyappan Guruvayurappan Temple & the inaugural meeting of all the well-wishers was held on the 29th of January 2023. One of the members also explained about the non-profit organisation/company limited by guarantee in the name of Samajam Company Limited was formed to own/lease the land and to carry out the construction of the temple later on. One of the life members has made a donation of SGD100,000 towards the temple and shall be kept in our Society's books to be transferred at a later date.

6 INCOME TAX EXPENSE

	2024 S\$	2023 S\$
Current income tax		
- Current period/year	415	1,168
- Under/(over)provision in respect of prior years	-	(935)
	<u>415</u>	<u>233</u>

The income tax expense determined by applying the Singapore income tax rate of 17% to surplus before tax as a result of the following differences:

	2024 S\$	2023 S\$
Surplus before tax	<u>9,770</u>	<u>33,833</u>
Tax expense at statutory rate of 17% (2023:17%)	1,661	5,752
Statutory stepped income exemption	<u>(1,246)</u>	<u>(4,584)</u>
	<u>415</u>	<u>1,168</u>

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7 FINANCIAL INSTRUMENTS, FINANCIAL AND CAPITAL RISK MANAGEMENT

a) Categories of financial instruments

The following table sets out the financial instruments as at the financial position date:

	2024 S\$	2023 S\$
<u>Financial assets</u>		
Amortised cost:		
- Other receivables	19,898	10,588
- Cash and bank balances	350,640	441,494
Total financial assets	370,538	452,082
<u>Financial liabilities</u>		
Amortised cost:		
- Other payables and accruals	5,443	95,589
Total financial liabilities	5,443	95,589

b) Fair value measurements

Fair value hierarchy

The assets and liabilities measured at fair value are classified by the following level of fair value measurement hierarchy:

- i) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- ii) inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and
- iii) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

There are no financial assets measured at fair value.

Assets and liabilities not measured at fair value

Other receivables, cash and bank balances and other payables

The carrying amounts of these balances approximate their fair values due to the short-term nature of these balances.

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7 FINANCIAL INSTRUMENTS, FINANCIAL AND CAPITAL RISK MANAGEMENT (CONTINUED)

c) Financial risk management

The Society's activities expose it to a variety of financial risks from its operations. The key financial risks include liquidity risk, credit risk and market risk (including interest rate risk, foreign currency risk and price risk).

The executive committee review and agree policies and procedures for the management of these risks, which are executed by the management team. It is, and has been throughout the current period and previous financial year, the Society's policy that no trading in derivatives for speculative purposes shall be undertaken.

The following sections provide details regarding the Society's exposure to the abovementioned financial risks and the objectives, policies and processes for the management of these risks.

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

Liquidity risk

Liquidity risk is the risk that the Society will encounter difficulty in meeting financial obligations due to shortage of funds. The Society's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Society has no significant liquidity risk as it maintains a level of bank balances that is sufficient for working capital purpose.

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

	Cash flows			
	Carrying amount S\$	Contractual cash flow S\$	Less than 1 year S\$	Within 2 to 5 years S\$
<u>2024</u>				
<u>Financial assets</u>				
Other receivables	19,898	19,898	19,898	-
Cash and cash equivalents	350,640	350,640	350,640	-
Total undiscounted financial assets	370,538	370,538	370,538	-
<u>Financial liabilities</u>				
Other payables and accruals	(5,443)	(5,443)	(5,443)	-
Total undiscounted financial liabilities	(5,443)	(5,443)	(5,443)	-
Total net undiscounted financial assets	365,095	365,095	365,095	-

SINGAPORE MALAYALEE HINDU SAMAJAM

7 FINANCIAL INSTRUMENTS, FINANCIAL AND CAPITAL RISK MANAGEMENT (CONTINUED)

c) Financial risk management (continued)

Liquidity risk (continued)

		Cash flows		
	Carrying amount S\$	Contractual cash flow S\$	Less than 1 year S\$	Within 2 to 5 years S\$
2023				
<u>Financial assets</u>				
Other receivables	10,588	10,588	10,588	-
Cash and cash equivalents	441,494	441,494	441,494	-
Total undiscounted financial assets	452,082	452,082	452,082	-
<u>Financial liabilities</u>				
Other payables and accruals	(95,589)	(95,589)	(95,589)	-
Total undiscounted financial liabilities	(95,589)	(95,589)	(95,589)	-
Total net undiscounted financial assets	356,493	356,493	356,493	-

Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a financial loss to the Society. The Society has no significant exposure to credit risk as its transactions are mainly on cash basis.

Other receivables

The Society assessed the 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 Society measured the probable impairment loss allowance using 12-month ECL ("Expected Credit Loss") and determined that the ECL is insignificant.

The Society places its cash in banks and bank deposits with credit worthy institutions.

The carrying amount of the Society's other receivables and cash and bank balances recorded in the financial statements represents the Society's maximum exposure to credit risk. No other financial assets carry a significant exposure to credit risk.

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7 FINANCIAL INSTRUMENTS, FINANCIAL AND CAPITAL RISK MANAGEMENT (CONTINUED)

c) Financial risk management (continued)

Interest rate risk

The Society has no significant exposure to market risk for changes in interest rates because it has no interest-bearing borrowings from any external sources.

The Society has interest bearing fixed deposit. The interest-bearing fixed deposit is short term in nature and with the current interest rate level, any variation in the interest rates will not have a material impact on the net income of the Society.

Foreign currency risk

The Society has no significant exposure to foreign currency risk.

Price risk

The Society has no significant exposure to price risk.

d) Capital risk management

The management considers the capital of the society to mainly consist of its fund.

The management manages the fund to ensure the Society maximises the return to enable it to meet the operational expenses of the Society as much as possible.

The management's overall strategy remains unchanged from 2024.

8 AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements of the Society for the financial year ended 31 December 2024 were authorised for issue in accordance with a resolution of the Executive Committee on 11 June 2025.