

CHARACTER & LEADERSHIP ACADEMY LIMITED

(Registration no.: 201412408N)

FINANCIAL STATEMENTS

31 MARCH 2020

**SYA PAC
PUBLIC ACCOUNTANTS AND
CHARTERED ACCOUNTANTS
SINGAPORE**

CHARACTER & LEADERSHIP ACADEMY LIMITED

Statement by directors

For the financial year ended 31 March 2020

The directors present their statement to the members together with the audited financial statements of the company for the year ended 31 March 2020.

Opinion of the directors

In the opinion of the directors, 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 2020 and the financial performance, changes in equity and cash flows of the Company for the year then ended and at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorized these financial statements for issue.

Directors of the Company

The directors in office at the date of this report are:

Chong Zhe Wei
Chua Seng Lee
Lee Kim San
Lim Chee Han
Lim Zi Xuan Delane
Loh Ngiap Tai
Wong Liang Fu

Arrangements to enable directors to acquire debentures

Neither at the end of nor at any time during the financial year was the company a party to any arrangement whose object is to enable the directors to acquire benefits through the acquisition of debentures of the company or any other body corporate.

Other matters

As the Company is limited by guarantee and does not have a share capital, matters relating to the issue of shares or share options are not applicable.

CHARACTER & LEADERSHIP ACADEMY LIMITED

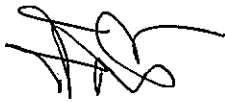
Statement by directors

For the financial year ended 31 March 2020

Auditors

The auditors, SYA PAC has expressed its willingness to accept re-appointment.

On behalf of the Board of Directors



Lim Zi Xuan Delane



Chua Seng Lee

Date: 23 DEC 2020



SYA PAC

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INDEPENDENT AUDITORS' REPORT

To the members of Character & Leadership Academy Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Character & Leadership Academy Limited (the "Company") which comprise the statement of financial position as at 31 March 2020, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and notes to the financial statements, including summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provision of the Companies Act, Chapter 50 (the Act) and Financial Reporting Standards in Singapore (FRSs) for small entities so as to give a true and fair view of the financial position of Company as at 31 March 2020, and of the financial performance, changes in equity 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 Company in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Management is responsible for the other information. The other information comprises the statement by directors.

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 Directors for the Financial Statements*

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorized use or disposition; and transactions are properly authorized 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 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.

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

As part of an audit in accordance with SSAs, we exercise professional judgment and maintain professional skepticism 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 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 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 Company to cease to continue as a going concern.



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- 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 the directors 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 Act to be kept have been properly kept in accordance with the provisions of the Act.



SYA PAC
Public Accountants and
Chartered Accountants
Singapore

23 December 2020

CHARACTER & LEADERSHIP ACADEMY LIMITED

Statement of financial position

as at 31 March 2020

		Restated
	2020	2019
Note	S\$	S\$
Assets		
Current assets		
Grant receivables	6,000	99,713
Cash and short-term deposits	28,165	14,105
Total assets	34,165	113,818
Liabilities and reserve		
Current liabilities		
Other payables	4 10,335	18,531
Reserve		
Fund reserve	23,830	95,287
Total liabilities and reserve	34,165	113,818

CHARACTER & LEADERSHIP ACADEMY LIMITED***Statement of profit or loss and other comprehensive income***

for the year ended 31 March 2020

		Restated
	2020	2019
Note	S\$	S\$
Income		
Donation received	72,257	169,083
Grant received	91,265	15,000
Payments received	23,043	10,601
	186,565	194,684
Less expenditure		
Employee benefits expense	5 (45,941)	(157,312)
Other expenses	(212,081)	(156,287)
	(258,022)	(313,599)
Net deficit, representing total comprehensive income for the year	6 (71,457)	(118,915)

CHARACTER & LEADERSHIP ACADEMEY LIMITED

Statement of changes in equity

for the year ended 31 March 2020

	Note	Fund reserves S\$
Balance at 1 April 2018		214,202
Net surplus and total comprehensive income, originally stated		3,172
Prior year adjustment	7	(122,087)
Net deficit and total comprehensive income, restated		(118,915)
Balance at 31 March 2019, restated		95,287
Balance at 1 April 2019		95,287
Net deficit and total comprehensive income		(71,457)
Balance at 31 March 2020		23,830

CHARACTER & LEADERSHIP ACADEMY LIMITED

Statement of cash flows

for the year ended 31 March 2020

	2020	Restated 2019
	S\$	S\$
<i>Operating activities</i>		
Net deficit for the year	(71,457)	(118,915)
Adjustment for:		
Grant receivables written off	5,664	-
Operating cashflows before working capital changes	(65,793)	(118,915)
Other receivables	88,049	122,087
Other payables	(8,196)	(6,289)
Net cash from (used in) operating activities	14,060	(3,117)
Net increase (decrease) in cash and cash equivalents	14,060	(3,117)
Cash and equivalent at beginning of the year	14,105	17,222
Cash and equivalent at end of the year	28,165	14,105

CHARACTER & LEADERSHIP ACADEMY LIMITED

Notes to the financial statements

For the financial year ended 31 March 2020

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

1. GENERAL INFORMATION

The Company is a company incorporated in Singapore with its principal place of business and registered office address at 1 Yishun Industrial Street 1, #06-11 A' Posh Bizhub, Singapore 768160.

The Company is primarily involved in the social enterprise, leadership development, youth outreach, training courses and certifications and education.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared on a going concern basis in accordance with Singapore Financial Reporting Standards for Small Entities (FRS) issued by the Accounting Standards Council. They are presented in Singapore dollars.

Functional and presentation currency

Items included in the financial statements are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to the Company. The financial statements of the Company are presented in Singapore dollars, which is the functional currency of the Company.

Foreign currency transactions and balances

Transactions in foreign currencies are translated to the respective functional currencies of Company entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortized cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortized cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on translation are generally recognized in profit or loss. However, foreign currency differences arising from the translation of the following items are recognized in Other Comprehensive Income (OCI):

- an investment in equity securities designated as at Fair Value through Other Comprehensive Income (FVOCI);
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; and
- qualifying cash flow hedges to the extent that the hedge is effective.

Revenue

Revenue 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.

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

The Company assesses its role as an agent or principal for each transaction and in an agency arrangement the amounts collected on behalf of the principal are excluded from revenue. The Company recognizes revenue when the amount of revenue and related cost can be reliably measured, it is probable that the collectability of the related receivables is reasonably assured and when the specific criteria for each of the activities are met as follows:

Government grants

Government grants are recognised as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis.

Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognized as an employee benefit expense in profit or loss in the periods during which related services are rendered by employees.

Short-term employee benefit obligation

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid under short-term cash bonus or profit-sharing plans 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.

Taxation

The Company has been registered as a Charity under the Singapore Charities Act and is exempted from income tax under the provisions of the Income Tax Act Cap. 134.

Trade and other receivables

Where credit is extended beyond normal credit terms, receivables are measured at amortized cost using the effective interest method. At the end of each reporting period, the carrying amounts of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognized immediately in profit or loss.

Provision

Provisions are recognized when the Company have a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. Provisions are not recognized for future operating losses.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost. Changes in the estimated timing or amount of the expenditure or discount rate are recognized in profit or loss when the changes arise.

Cash and cash equivalents

Cash and cash equivalents in the statement of cash flows comprise cash on hand and cash at bank that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Significant accounting estimates and judgments

Estimates and assumptions concerning the future and judgments are made in the preparation of the financial statements. They affect the application of the Company's accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosures made. They 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.

3. TRANSACTIONS WITH RELATED PARTIES AND RELATED COMPANIES

Compensation of key management personnel

Key management personnel refer to directors of the company. However, there is no such compensation paid during the year.

CHARACTER & LEADERSHIP ACADEMY LIMITED*Notes to the financial statements*

For the financial year ended 31 March 2020

4. OTHER PAYABLES

	2020	2019
	S\$	S\$
Accruals	3,200	18,531
Third party	7,135	-
	<u>10,335</u>	<u>18,531</u>

5. EMPLOYEE BENEFITS EXPENSE

	2020	2019
	S\$	S\$
CPF contribution	9,541	48,826
Salaries	36,400	108,486
	<u>45,941</u>	<u>157,312</u>

6. NET DEFICIT

Net deficit is derived after deducting the following expenses:

	2020	2019
	S\$	S\$
<i>Expense:</i>		
Conference fees	<u>201,912</u>	<u>148,547</u>

CHARACTER & LEADERSHIP ACADEMY LIMITED***Notes to the financial statements***

For the financial year ended 31 March 2020

7. PRIOR YEAR ADJUSTMENT

	Restated 2019 \$	Previously reported 2019 \$
Statement of financial position:		
Revenue reserve:		
Fund reserves	95,287	217,374
Assets		
Grant receivables	99,713	221,800
Profit or loss:		
Grant received	15,000	137,087

Restatement of comparatives is grant received amounting to S\$122,087 recorded as income instead of grant receivables, which has been accounted for as an income in previous year. This led to an overstatement of income in prior year by the said amount. The adjustment to correct prior year's omission has been accounted for retrospectively.

8. COMPANY LIMITED BY GUARANTEE

The Company is a public company limited by guarantee and has no share capital. In the event of a winding-up of the Company, the liability of the member of the Company is limited to S\$1.

9. FINANCIAL RISK MANAGEMENT

The main risks arising from the Company's financial instruments are as follows:

a) Foreign exchange risk

Foreign currency risk arises from change in foreign exchange rates that may have an adverse effect on the Company in the current reporting period and in future years.

The Company is not significantly exposed to foreign exchange risk.

b) Credit risk

Credit risk refers to the risk that counter parties may default on their contractual obligations resulting in a financial loss to the Company.

The carrying amount of grant receivables represent the Company's maximum exposure to credit risk in relation to financial assets. No other financial assets carry a significant exposure to credit risk.

c) Liquidity risk

Liquidity risk refers to the risk that the Company is unable to meet its obligations when fall due.

The Company monitors and maintains a level of bank balances deemed adequate by the directors to finance the operation and mitigate the effects of fluctuation in cash flow.

d) Interest rate risk

Interest rate risk arises from potential adverse effect that changes in interest rates may have on the Company's results in the current reporting period and in the future years.

The Company is not significantly exposed to interest rate risk.

e) Fair values

The carrying amounts of cash and cash equivalents, other receivables and other payables approximate their fair values due to their short-term nature.

10. FUND MANAGEMENT

The Company's objectives when managing its funds are to safeguard and maintain adequate working capital to continue as a going concern. The directors consider the fund reserve as the capital of the Company and no changes were made to the Company's fund management objectives during the financial years ended 31 March 2020 and 31 March 2019.