Directors’ Statement and
Audited Financial Statements

BILBY COMMUNITY DEVELOPMENT LTD.

Company Registration No.: 201942228D

31 MARCH 2022

BILBY COMMUNITY DEVELOPMENT LTD.
(Company Registration No.: 201942228D)

GENERAL INFORMATION

DIRECTORS

Chan Wen Jie	
Mah Chin Siang	
Lai Mun Loon	(Appointed on 30 April 2021)
Tan Jian Rong Lawrenz Isaak	(Appointed on 20 December 2021)
Samantha Tan Hui Xian	
Toh Wei Qiang Alvin	(Appointed on 30 April 2021)
Rahul Mehndiratta	(Appointed on 30 April 2021)
Guo Wanling	(Appointed on 30 April 2021)
Ong Kek Seng Roger	

SECRETARIES

Bu Wenliang
Lau Yee Fun

REGISTERED OFFICE

267 Pasir Ris Street 21
#08-418
Singapore 510267

AUDITORS

ZE Assurance PAC
Public Accountants and
Chartered Accountants
Singapore

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BILBY COMMUNITY DEVELOPMENT LTD.
(Company Registration No.: 201942228D)

DIRECTORS' STATEMENT

The directors are pleased to present their statement to the members together with the audited financial statements of Bilby Community Development Ltd. (the "Company") for the financial year ended 31 March 2022.

1. OPINION OF THE DIRECTORS

In the opinion of the directors,

(i) The financial statements of the Company are drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2022 and the financial performance, changes in funds and cash flows of the Company for the year then ended; and

(ii) 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.

2. DIRECTORS

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

Chan Wen Jie	
Mah Chin Siang	
Lai Mun Loon	(Appointed on 30 April 2021)
Tan Jian Rong Lawrenz Isaak	(Appointed on 20 December 2021)
Samantha Tan Hui Xian	
Toh Wei Qiang Alvin	(Appointed on 30 April 2021)
Rahul Mehndiratta	(Appointed on 30 April 2021)
Guo Wanling	(Appointed on 30 April 2021)
Ong Kek Seng Roger	

3. OTHER MATTERS

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

4. AUDITORS

The auditors, **ZE Assurance PAC**, Public Accountants and Chartered Accountants of Singapore, have expressed their willingness to accept re-appointment as auditors.

The Board of Directors,

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Mah Chin Siang Director

Chan Wen Jie Director

Date:

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BILBY COMMUNITY DEVELOPMENT LTD.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Bilby Community Development Ltd. (the Company), which comprise the statement of financial position as at 31 March 2022, and the statement of profit or loss and other 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, Chapter 50 ("the Act") 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 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 directors' statement set out on pages 1.

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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BILBY COMMUNITY DEVELOPMENT LTD.

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 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.

The directors' responsibilities include overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BILBY COMMUNITY DEVELOPMENT LTD.

Auditors' 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: (Cont'd)

- 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 by the Company have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditors' report is Kam Teck Chuan.

ZE Assurance PAC
Public Accountants and
Chartered Accountants
Singapore

Date:

BILBY COMMUNITY DEVELOPMENT LTD.
(Company Registration No.: 201942228D)

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2022

	Note	2022 S$	2021 S$
ASSETS			
Current assets			
Trade receivables	4	17,987	12,206
Contract cost		-	640
Prepayments		1,000	1,217
Cash and cash equivalents	5	31,004	9,005
		49,991	23,068
Total assets		49,991	23,068
LIABILITIES AND FUNDS			
Current liabilities			
Other payables	6	16,126	12,246
Income tax payable		927	-
		17,053	12,246
Funds			
Accumulated funds		32,938	10,822
Total liabilities and funds		49,991	23,068

See accompanying notes to the financial statements

BILBY COMMUNITY DEVELOPMENT LTD.
(Company Registration No.: 201942228D)

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

	Note	2022 S$	2021 S$
Revenue income	7	133,174	39,751
Direct costs	8	(88,453)	(30,277)
Gross profit		44,721	9,474
Other income	9	24,498	2,523
Total income		66,219	11,997
Expenses			
Administrative and other expenses	10	(46,129)	(2,298)
Profit before tax		23,090	9,699
Income tax expense	11	(974)	-
Profit for the year, representing total comprehensive income for the year		22,116	9,699

See accompanying notes to the financial statements

STATEMENT OF CHANGES IN FUNDS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

	Accumulated funds
	S$
At 1 April 2020	1,123
Profit for the year, representing total comprehensive income for the year	9,699
At 31 March 2021	10,822
At 1 April 2021	10,822
Profit for the year, representing total comprehensive income for the year	22,116
At 31 March 2022	32,938

See accompanying notes to the financial statements

BILBY COMMUNITY DEVELOPMENT LTD.
(Company Registration No.: 201942228D)

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

	Note	2022 S$	2021 S$
Cash flows from operating activities			
Profit before tax		23,090	9,699
Changes in working capital:			
Increase in trade receivables		(5,781)	(11,126)
Decrease/(increase) in contract cost		640	(640)
Decrease/(increase) in prepayments		217	(1,217)
Increase in other payables		3,880	10,382
Cash generated from operations		22,046	7,098
Income tax paid		(47)	-
Net cash generated from operating activities		21,999	7,098
Net increase in cash and cash equivalents		21,999	7,098
Cash and cash equivalents at the beginning of financial year		9,005	1,907
Cash and cash equivalents at the end of financial year	5	31,004	9,005

See accompanying notes to the financial statements

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

1. CORPORATE INFORMATION

Bilby Community Development Ltd. (the "Company") is a public limited liability company which is domiciled, and incorporated in Singapore. The Company is limited by guarantee, and not exceeding two Singapore dollar per member.

The registered office and principal place of business of the Company is located at 267 Pasir Ris Street 21, #08-418, Singapore 510267.

The principal activities of the Company are those of supporting youth in the development of their social emotional learning by conducting workshops for youth and individual. There had been no significant changes in the nature of these activities during the financial year.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1) BASIS OF PREPARATION

The financial statements have been prepared in accordance with the provisions of the Singapore Companies Act, Chapter 50 and Singapore Financial Reporting Standards ("FRS").

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore dollars ("S$"), which is also the functional currency of the Company.

The preparation of financial statements in conformity with FRS 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. Areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3 to the financial statements.

2.2) ADOPTION OF NEW AND REVISED STANDARDS

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Company has adopted all the new and revised standards which are effective for annual financial periods beginning on or after 1 January 2021. The adoption of these new/revised standards and interpretations did not have any material effect on the financial performance or position of the Company.

2.3) STANDARDS ISSUED BUT NOT YET EFFECTIVE

Certain new standards, amendments to standards and interpretations are issued but effective for annual financial period beginning on or after 1 January 2022, and which the Company has not been early adopted in preparing these financial statements. None of these are expected to have a significant impact on the Company's financial statements in the year of initial application.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4) FINANCIAL ASSETS

Initial recognition and measurement

Financial assets are recognised when, and only when the Company becomes a party to the contractual provisions of the instruments.

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 ("FVPL"), 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 are measured at the amount of 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 party, if the trade receivables do not contain a significant financing component at initial recognition.

Subsequent measurement

Investments in debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are amortised cost, fair value through other comprehensive income ("FVOCI") and FVPL. The Company only has debt instruments at amortised cost.

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through the amortisation process.

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. 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 is recognised in profit or loss.

2.5) FINANCIAL LIABILITIES

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provision of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at FVPL, directly attributable transaction costs.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5) FINANCIAL LIABILITIES (CONT'D)

Subsequent measurement

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, and through the amortisation process.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

2.6) IMPAIRMENT OF FINANCIAL ASSETS

The Company 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 flow due in accordance with the contract and all the cash flows that the Company 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 receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company 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 Company considers a financial asset in default when contractual payments are 60 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.7) REVENUE RECOGNITION

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 recognised 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 recognised is the amount allocated to the satisfied performance obligation.

Rendering of services

Revenue from rendering of services is recognised as a performance obligation satisfied over time and are recognised based on the passage of time.

2.8) INCOME TAX

Current income tax

Current income tax assets and liabilities for the current year are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the end of the reporting period.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period 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 deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the reporting date and based on the tax consequence which will follow from the manner in which the Company expects, at financial period end, to recover or settle the carrying amounts of its assets and liabilities.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.8) INCOME TAX (CONT'D)

Deferred tax (Cont'd)

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same tax jurisdiction.

2.9) RELATED PARTIES

A related party is a person or entity that is related to the Company and includes:

(a) A person or a close member of that person's family related to the Company if that person:
- (i) has control or joint control over the Company;
- (ii) has significant influence over the Company; or
- (iii) is a member of the key management personnel of the Company or of a parent of the Company.

(b) An entity is related to the Company if any of the following conditions applies:
- (i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of the group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third party and the other entity is an associate of the third party.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Company or any entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company.
- (vi) The entity is controlled by a person identified in (a).
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key personnel of the entity (or of a parent of the entity).
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Company or the parent of the Company.

The following are not necessarily related parties:

(a) two entities simply because they have a director or other member of key management personnel in common.

(b) two venturers simply because they share joint control over a joint venture.

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Company.

2.10) GOVERNMENT GRANTS

Government grants are recognised as a receivable when there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.11) GOVERNMENT GRANTS (CONT'D)

When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, the fair value is recognised as deferred income on the statement of financial position and is recognised as income in equal amounts over the expected useful life of the related asset.

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

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3.1) Judgements made in applying accounting policies

The management is of the opinion that there are no significant judgements (other than those involving estimates) that have a significant effect on the amounts recognised in the financial statements.

3.2) Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, 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.

<u>Provision for expected credit losses of trade receivables</u>

The Company uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Company's historical observed default rates. The Company will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECL's on the Company's trade receivables is disclosed in Note 13 to the financial statements.

The carrying amount of the Company's trade receivables at the end of the reporting date is disclosed in Note 4 to the financial statements.

4. TRADE RECEIVABLES

	2022 S$	2021 S$
Non-related parties	4,165	-
Unbilled receivables	13,822	12,206
	17,987	12,206

Trade receivables are non-interest bearing and are generally on 30 (2021: 30) days' terms.

Unbilled receivables are the Company's right to consideration that are unconditional. A right to consideration is unconditional if only the passage of time is required before payment of that consideration is due.

Trade receivables are denominated in Singapore dollar.

5. CASH AND CASH EQUIVALENTS

	2022 S$	2021 S$
Cash at bank	31,004	9,005

Cash and cash equivalents are denominated in Singapore dollar.

6. OTHER PAYABLES

	2022 S$	2021 S$
Other creditors	1,200	640
Accrued operating expenses	14,926	9,106
Loans from directors	-	2,500
	16,126	12,246

Loans from directors are non-trade in nature, unsecured, interest-free and repayable on demand.

Other payables are denominated in Singapore dollar.

7. REVENUE INCOME

	2022 S$	2021 S$
Service income	133,174	39,751

Timing of transfer of services

	2022 S$	2021 S$
Over time	133,174	39,751

8. DIRECT COSTS

	2022 S$	2021 S$
Contractor fees	73,549	28,679
Programme expenses	14,904	1,598
	88,453	30,277

9. OTHER INCOME

	2022 S$	2021 S$
Donations	2,158	20
Grants	21,855	2,500
Others	485	3
	24,498	2,523

10. ADMINISTRATIVE AND OTHER EXPENSES

Included in this item are the following:

	2022 S$	2021 S$
Director's remuneration	25,440	-
Director's CPF contributions	5,227	-
Salaries and wages	6,908	-
Staff CPF contributions	1,173	-

11. INCOME TAX EXPENSE

The major components of income tax expense recognised in profit or loss for the financial years ended 31 March 2022 and 2021 are:

	2022 S$	2021 S$
Current income tax		
- Current year	927	-
- Under provision in respect of prior year	47	-
	974	-

11. INCOME TAX EXPENSE (CONT'D)

Relationship between tax expense and accounting profit

A reconciliation between tax expense and the product of accounting profit multiplied by the applicable corporate tax rates for the financial years ended 31 March 2021 and 2020 are as follows:

	2022 S$	2021 S$
Profit before tax	23,090	9,699
Income tax calculated at statutory tax rate of 17% (2021: 17%)	3,925	1,649
Adjustments:		
- Expenses not deductible for tax purpose	34	-
- Non-taxable income	(251)	-
- Statutory tax exemption and rebates	(2,781)	(1,649)
- Under provision in respect of prior year	47	-
Income tax expense recognised in profit or loss	974	-

12. SIGNIFICANT RELATED PARTY TRANSACTIONS

(a) In addition to the related party information disclosed elsewhere in the financial statements, the following significant related party transactions between the related parties took place at terms agreed between the parties during the financial years:

	2022 S$	2021 S$
Loan from director	-	1,500

(b) Compensation of key management personnel:

	2022 S$	2021 S$
Director's remuneration	25,440	-
Director's CPF contributions	5,227	-
Contractor fees	50,556	26,371

13. FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks from its operation. The key financial risks include credit risk and liquidity risk.

The Board of Directors reviews and agrees policies and procedures for the management of these risks, which are executed by the management team. It is, and has been throughout the current and previous financial years, the Company's policy that no trading in derivatives for speculative purposes shall be undertaken.

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

13. FINANCIAL RISK MANAGEMENT (CONT'D)

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

Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Company. The Company's exposure to credit risk arises primarily from trade receivables. For other financial assets (including cash and cash equivalents), the Company minimises credit risk by dealing exclusively with high credit rating counterparties.

The Company has adopted a policy of only dealing with creditworthy counterparties. The Company performs ongoing credit evaluation of its counterparties' financial condition and generally do not require a collateral.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The Company has determined the default event on a financial asset to be when internal and/or external information indicates that the financial asset is unlikely to be received, which could include default of contractual payments due for more than 60 days, default of interest due for more than 30 days or there is significant difficulty of the counterparty

To minimise credit risk, the Company has developed and maintained the Company's credit risk gradings to categorise exposures according to their degree of risk of default. The credit rating information is supplied by publicly available financial information and the Company's own trading records to rate its major customers and other debtors. The Company considers available reasonable and supportive forward-looking information which includes the following indicators:

- Internal credit rating
- External credit rating
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations
- Actual or expected significant changes in the operating results of the debtor
- Significant increases in credit risk on other financial instruments of the same debtor
- Significant changes in the expected performance and behaviour of the debtor, including changes in the payment status of debtors in the group and changes in the operating results of the debtor

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making contractual payment.

The Company determined that its financial assets are credit-impaired when:

- There is significant difficulty of the debtor
- A breach of contract, such as a default or past due event
- It is becoming probable that the debtor will enter bankruptcy or other financial reorganisation
- There is a disappearance of an active market for that financial asset because of financial difficulty

The Company categorises a receivable for potential write-off when a debtor fails to make contractual payments more than 120 days past due. Financial assets are written off when there is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery.

13. FINANCIAL RISK MANAGEMENT (CONT'D)

The Company's current credit risk grading framework comprises the following categories:

Category	Definition of category	Basis for recognising expected credit loss (ECL)
I	Counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
II	Amount is >30 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL – not credit-impaired
III	Amount is >60 days past due or there is evidence indicating the asset is credit-impaired (in default).	Lifetime ECL – credit impaired
IV	There is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery.	Amount is written of

The table below details the credit quality of the Company's financial assets, as well as maximum exposure to credit risk by credit risk rating categories:

	Note	Category	12-month or lifetime ECL	Gross carrying amount S$	Loss allowance S$	Net carrying amount S$
31 March 2022						
Trade receivables	4	Note 1	Lifetime ECL (simplified)	17,987	-	17,987

	Note	Category	12-month or lifetime ECL	Gross carrying amount S$	Loss allowance S$	Net carrying amount S$
31 March 2021						
Trade receivables	4	Note 1	Lifetime ECL (simplified)	12,206	-	12,206

Trade receivables (Note 1)

For trade receivables, the Company has applied the simplified approach in FRS 109 to measure the loss allowance at lifetime ECL. The Company determines the ECL by using a provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Accordingly, the credit risk profile of trade receivables is presented based on their past due status in terms of the provision matrix. The Company concluded that there has been no significant change in the credit quality of the trade receivables as the amounts are still considered recoverable and determined that the ECL is insignificant.

Exposure to credit risk

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.

13. FINANCIAL RISK MANAGEMENT (CONT'D)

Liquidity risk

Liquidity risk refers to the risk that the Company will encounter difficulties in meeting its short term obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. It is managed by matching the payment and receipt cycles. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities. The Company finances its working capital requirements through a combination of funds generated from operations and loans from directors. The directors are satisfied that funds are available to finance the operations of the Company.

Analysis of financial instruments by remaining contractual maturities

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

		Contractual cash flows (including interest payments)			
	Carrying amount	Total	Within 1 year	Within 1 to 5 years	More than 5 years
	S$	S$	S$	S$	S$
2022					
Financial assets					
Trade receivables	17,987	17,987	17,987	-	-
Cash and cash equivalents	31,004	31,004	31,004	-	-
Total undiscounted financial assets	48,991	48,991	48,991	-	-
Financial liabilities					
Other payables	16,126	16,126	16,126	-	-
Total undiscounted financial liabilities	(16,126)	(16,126)	(16,126)	-	-
Total net undiscounted financial assets	32,865	32,865	32,865	-	-

		Contractual cash flows (including interest payments)			
	Carrying amount	Total	Within 1 year	Within 1 to 5 years	More than 5 years
	S$	S$	S$	S$	S$
2021					
Financial assets					
Trade receivables	12,206	12,206	12,206	-	-
Cash and cash equivalents	9,005	9,005	9,005	-	-
Total undiscounted financial assets	21,211	21,211	21,211	-	-
Financial liabilities					
Other payables	12,246	12,246	12,246	-	-
Total undiscounted financial liabilities	(12,246)	(12,246)	(12,246)	-	-
Total net undiscounted financial assets	8,965	8,965	8,965	-	-

14. FAIR VALUE OF FINANCIAL INSTRUMENTS

(a) Fair value hierarchy

The Company categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- Level 1 – Quoted prices (unadjusted) in active market for identical assets or liabilities that the Company can access at the measurement date,

- Level 2 – Inputs other that quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and

- Level 3 – Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

(b) Assets and liabilities not measured at fair value

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

Trade receivables
The carrying amounts of the trade receivables approximates their fair values as they are subject to normal credit terms

15. FINANCIAL INSTRUMENTS BY CATEGORY

At the reporting date, the aggregate carrying amounts of financial assets at amortised cost and financial liabilities at amortised cost were as follows:

Financial assets measured at amortised cost

	2022 S$	2021 S$
Trade receivables	17,987	12,206
Cash and cash equivalents	31,004	9,005
Total financial assets measured at amortised cost	48,991	21,211

Financial liabilities measured at amortised cost

	2022 S$	2021 S$
Other payables	16,126	12,246
Total financial liabilities measured at amortised cost	16,126	12,246

16. MANAGEMENT OF COMPANY'S FUNDS

The objectives when managing the Company's funds are to safeguard the Company's ability to continue as a going concern and to provide funds to support its activities.

The funds of the Company consist of accumulated funds.

There were no changes in the Company's approval to fund management during the financial years ended 31 March 2022 and 2021.

17. AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements of the Company for the financial year ended 31 March 2022 were authorised for issue in accordance with a resolution of the directors as at the date of the Directors' statement.

18. COMPARATIVE FIGURES

Certain comparative figures have been reclassified for better comparability with the current year's presentation. The reclassification as set out below does not have any impact on the Company's results and financial position.

Statement of Profit or Loss and Other Comprehensive Income
For the financial year ended 31 March 2021

	As previously reported S$	As reclassified S$
Direct costs	-	(30,277)
Expenses		
Administrative and other expenses	(32,575)	(2,298)

THE FOLLOWING SCHEDULES DO NOT FORM PART OF THE STATUTORY FINANCIAL STATEMENTS

BILBY COMMUNITY DEVELOPMENT LTD.
(Company Registration No.: 201942228D)

DETAILED STATEMENT OF PROFIT OR LOSS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

	2022 S$	2021 S$
Revenue income	133,174	39,751
Direct costs		
Contractor fees	73,549	28,679
Programme expenses	14,904	1,598
	(88,453)	(30,277)
Gross profit	44,721	9,474
Other income		
Donations	2,158	20
Grants	21,855	2,500
Others	485	3
	24,498	2,523
Total income	69,219	11,997
Expenses		
Administrative and other expenses		
Accounting	-	300
Audit fees	2,600	1,000
Bank charges	148	-
Data protection	1,200	200
Director's remuneration	25,440	-
Director's CPF contributions	5,227	-
Human resource	670	-
Insurance	857	-
Late fees	200	-
Marketing	375	-
Membership fee	400	300
Rental	120	-
Salaries and wages	6,908	-
SDL	91	-
Secretarial fee	360	-
Staff CPF contributions	1,173	-
Utilities	352	30
Webhosting and domains	-	218
Others	8	250
	(46,129)	(2,298)
Profit before tax	23,090	9,699

This statement is for management information only and does not form part of the financial statements of the Company.