

DAS ACADEMY LTD.
(Registration No: 201003689Z)

FINANCIAL STATEMENTS

FOR THE REPORTING YEAR ENDED 31 MARCH 2023

DAS Academy Ltd.
(Incorporated in Singapore)

Financial Statements
For the reporting year ended 31 March 2023

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DAS ACADEMY LTD.

**STATEMENT BY DIRECTORS
FOR THE REPORTING YEAR ENDED 31 MARCH 2023**

The directors are pleased to present their statement to the member together with the audited financial statements of the Company for the reporting year ended 31 March 2023.

1. OPINION OF THE DIRECTORS

In the opinion of the directors,

- (a) 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 2023 and the financial performance and cash flows of the Company for the reporting year then ended; and
- (b) 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:

Lee Siew Pin Eric
Lee Siang
Kaka Singh s/o Dalip Singh
Kwek Yiu Wing Kevin
Tan Guan Hiang
Wong May-Lyn (appointed on 24 September 2022)

3. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

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

4. DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

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

5. SHARE OPTIONS

The Company is limited by guarantee and has no issued share capital.

DAS ACADEMY LTD.

**STATEMENT BY DIRECTORS
FOR THE REPORTING YEAR ENDED 31 MARCH 2023**

6. AUDITOR

RT LLP has expressed its willingness to accept re-appointment as auditor.

On behalf of the Board of Directors



Lee Siew Pin Eric
Director



Lee Siang
Director

Singapore,

31 August 2023



**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBER OF DAS ACADEMY LTD.
FOR THE REPORTING YEAR ENDED 31 MARCH 2023**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of DAS Academy Ltd. (the "Company"), which comprise the statement of financial position as at 31 March 2023, and the statement of financial activities and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Companies Act"), the Charities Act 1994 and other relevant regulations (the "Charities Act and Regulations") and Financial Reporting Standards ("FRS") so as to give a true and fair view of the financial position of the Company as at 31 March 2023 and of the financial performance 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 but does not include the financial statements and our auditor's report thereon.

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

RT LLP
Chartered Accountants
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**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBER OF DAS ACADEMY LTD.
FOR THE REPORTING YEAR ENDED 31 MARCH 2023**

Other Information (Cont'd)

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

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act, the Charities Act and Regulations and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that 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.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- (a) 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.
- (b) 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.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBER OF DAS ACADEMY LTD.
FOR THE REPORTING YEAR ENDED 31 MARCH 2023**

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

- (d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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.
- (e) 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 to be kept by the Company have been properly kept in accordance with the provisions of the Companies Act, and the Charities Act and Regulations.

DocuSigned by:

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RT LLP
Public Accountants and
Chartered Accountants

Singapore,
31 August 2023

DAS ACADEMY LTD.**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE REPORTING YEAR ENDED 31 MARCH 2023**

	Note	<u>2023</u>	<u>2022</u>
		\$	\$
INCOME			
Income from generated funds			
Voluntary income	4	-	1,333
Activity for generating funds		3,006	7,127
Income from charitable activities	5	764,770	952,444
Total Income		<u>767,776</u>	<u>960,904</u>
EXPENDITURES			
Cost of generating funds			
Cost of resource books sold		399	640
Charitable activities	6	826,116	841,856
Governance costs		5,996	5,780
Total expenditures		<u>832,511</u>	<u>848,276</u>
Net (loss)/income before income from Jobs Support Scheme and return of grant		(64,735)	112,628
Other income from Jobs Support Scheme	7	-	11,659
Return of grant to parent	16	-	(290,000)
Net loss		<u>(64,735)</u>	<u>(165,713)</u>
Reconciliation of funds			
Total funds brought forward		<u>239,253</u>	<u>404,966</u>
Total funds carried forward		<u>174,518</u>	<u>239,253</u>

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

DAS ACADEMY LTD.**STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2023**

	Note	<u>2023</u>	<u>2022</u>
		\$	\$
ASSETS			
Current assets			
Cash and bank balances	8	395,357	444,158
Trade and other receivables	9	116,537	115,037
Inventories	10	3,527	6,026
		<u>515,421</u>	<u>565,221</u>
Non-current asset			
Plant and equipment	11	10,405	5,101
		<u>525,826</u>	<u>570,322</u>
LIABILITIES			
Current liabilities			
Trade and other payables	12	221,118	217,875
Other liabilities	13	130,190	113,194
		<u>351,308</u>	<u>331,069</u>
NET ASSETS			
		<u>174,518</u>	<u>239,253</u>
FUND			
General Fund	14	174,518	239,253
		<u>174,518</u>	<u>239,253</u>
TOTAL FUND			
		<u>174,518</u>	<u>239,253</u>

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

DAS ACADEMY LTD.**STATEMENT OF CASH FLOWS
FOR THE REPORTING YEAR ENDED 31 MARCH 2023**

	<u>Note</u>	<u>2023</u> \$	<u>2022</u> \$
Operating activities			
Net (loss)/income before income from Jobs Support Scheme and return of grant		(64,735)	112,628
Adjustments for:			
Jobs support scheme	7	-	11,659
Interest income	5	(57)	(101)
Depreciation of plant and equipment	11	6,379	4,617
Plant and equipment written off		15	-
(Decrease)/Increase in operating cash flows before changes in working capital		(58,398)	128,803
Decrease/(Increase) in inventories		2,499	(3,718)
(Increase)/Decrease in trade and other receivables		(1,541)	96,633
Increase/(Decrease) in trade and other payables		3,243	(43,123)
Increase/(Decrease) in other liabilities		16,996	(18,216)
Net cash flows (used in)/generated from operating activities		(37,201)	160,379
Investing activities			
Purchase of plant and equipment	11	(11,698)	(2,360)
Net cash flows used in investing activities		(11,698)	(2,360)
Financing activities			
Return of grant to Parent	16	-	(290,000)
Net cash flows used in financing activities		-	(290,000)
Net decrease in cash and cash equivalents		(48,899)	(131,981)
Cash and cash equivalents at the beginning of the reporting year		397,927	529,908
Cash and cash equivalents at end of the reporting year	8	349,028	397,927

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

DAS ACADEMY LTD.**NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING YEAR ENDED 31 MARCH 2023**

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

1. GENERAL

The Company is a public company limited by guarantee, and is domiciled and incorporated in Singapore. The Company is registered as a charity under the Charities Act 1994 with effect from 14 November 2012. The Company is exempt from income tax. The Company is not an institution of public character and it did not conduct any fund-raising activity during the reporting year.

The principal activities of the Company are those of the provision of professional training programmes on specific learning difference to benefit education bodies, professionals and individuals, with the focus on providing tertiary level professional and educational pathways.

The Company's registered office and its principal place of business is at 73 Bukit Timah Road, #05-01 Rex House, Singapore 229832.

Each member of the Company has undertaken to contribute such amounts not exceeding \$100 to the assets of the Company in the event the Company is wound up and the monies are required for payment of the liabilities of the Company. The Company had one member at the end of the reporting year.

The financial statements of the Company for the reporting year ended 31 March 2023 were authorised for issue in accordance with a resolution of the directors dated on the date of the Statement by Directors.

The parent company name has been changed from Dyslexia Association of Singapore Limited ("DAS Ltd") to Dyslexia Association of Singapore ("DAS") with effective from 30 March 2023.

2. SIGNIFICANT ACCOUNTING POLICIES**(I) Basis of preparation**

The financial statements, which are expressed in Singapore Dollar ('\$'), have been prepared in accordance with the provisions of the Singapore Companies Act 1967 (the "Act"), Charities Act 1994 and other relevant regulations (the "Charities Act and Regulations") and Financial Reporting Standards in Singapore (FRSs). The financial statements have been prepared on the historical cost basis except where a FRS requires an alternative treatment (such as fair values) as disclosed and where appropriate in these financial statements.

DAS ACADEMY LTD.**NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING YEAR ENDED 31 MARCH 2023**

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**(I) Basis of preparation (Cont'd)**

The financial statements, which are expressed in Singapore Dollar ('\$'), have been prepared in accordance with the provisions of the Singapore Companies Act 1967 (the "Act"), Charities Act 1994 and other relevant regulations (the "Charities Act and Regulations") and Financial Reporting Standards ("FRSs"). The financial statements have been prepared on the historical cost basis except where a FRSs requires an alternative treatment (such as fair values) as disclosed and where appropriate in these financial statements.

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 year, the Company has adopted all the new and amended standards which are relevant to the Company and are effective for annual financial period beginning on 1 April 2022. The adoption of these standards did not have any material effect on the financial statements of the Company.

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 directors 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.

(II) Significant accounting policies**Foreign currency transactions**

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operate (the "functional currency"). The financial statements are presented in Singapore Dollars ("\$"), which is the Company's functional and presentation currency, as it best reflects the economic substance of the underlying events and circumstances relevant to the Company.

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency translation differences from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies at the closing rates at the end of the financial period are recognised in the statements of financial activities.

DAS ACADEMY LTD.**NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING YEAR ENDED 31 MARCH 2023**

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**(II) Significant accounting policies (Cont'd)****Revenue and income recognition**

Revenue from customers 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.

- (i) Tuition fee and workshop fees are recognised over time by reference to the progress towards complete satisfaction of relevant performance obligations, as the customer simultaneously receives and consumes benefits provided by the Company.
- (ii) Donations and other fund raising activities are recognised where there is (a) entitlement (b) certainty and (c) sufficient reliability of measurement. These are voluntary donations. Because of the nature of these donations, it is impractical to recognise them until the receipts are received.
- (iii) Revenue from sale of resource books is recognised at a point in time when the control of the asset is transferred to the customer, generally upon delivery of the resource books.
- (iv) Interest income is recognised on a time proportion basis using the effective interest method.

DAS ACADEMY LTD.**NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING YEAR ENDED 31 MARCH 2023**

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**(II) Significant accounting policies (Cont'd)****Expenditures**

All expenditures are classified under headings that aggregate all cost related to that activity.

Charitable Activities

Expenditure on charitable activities comprises all costs incurred in the pursuit of the charitable objects of the Company. Those costs, where not wholly attributable, are apportioned between the categories of charitable expenditure. The total costs of each category of charitable expenditure therefore include an apportionment of support costs, where possible.

Governance Costs

Governance costs include the costs of governance arrangements, which relate to the general running of the Company as opposed to the direct management functions inherent in generating funds, service delivery and programme or project work.

Expenditure on the governance of the Company will normally include both direct and related support costs which include internal and external audit, apportioned manpower costs and general costs in supporting the governance activities, legal advice for governing board members, and costs associated with constitutional and statutory requirements.

Plant and equipment

Plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation.

The cost of an item of plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

DAS ACADEMY LTD.**NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING YEAR ENDED 31 MARCH 2023**

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**(II) Significant accounting policies (Cont'd)****Plant and equipment (Cont'd)**

Depreciation on plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

	<u>Useful lives</u>
Renovation	5 years
Equipment and furniture	3 years
Software	5 years

The residual values, estimated useful lives and depreciation method of plant and equipment are reviewed and adjusted as appropriate, at the end of each reporting year.

Fully depreciated assets still in use are retained in the financial statements.

The gain and loss on disposal of an item of plant and equipment are determined by comparing the net proceeds from disposal from the carrying amount of plant and equipment, and are recognised within other income in profit or loss.

Fund Accounting

Income and expenditure relating to the main activities of the Company are accounted for through the General Fund in the statement of financial activities. Income and expenditure relating to funds set up for contributions received and expenditure incurred for specific purposes are accounted for through the Restricted Funds in the statement of financial activities.

Financial instruments

A financial asset or a financial liability is recognised when, and only when, the entity becomes party to the contractual provisions of the instrument. All other financial instruments (including regular-way purchases and sales of financial assets) are recognised and derecognised, as applicable, using trade date accounting or settlement date accounting. A financial asset is derecognised when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the entity neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. A financial liability is removed from the statement of financial position when, and only when, it is extinguished, that is, when the obligation specified in the contract is discharged or cancelled or expires.

At initial recognition the financial asset or financial liability is measured at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

DAS ACADEMY LTD.**NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING YEAR ENDED 31 MARCH 2023**

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**(II) Significant accounting policies (Cont'd)****Financial instruments (Cont'd)***Classification and measurement of financial assets:*

- (i) Financial asset classified as measured at amortised cost: A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss (FVTPL), that is (a) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Typically trade and other receivables, bank and cash balances are classified in this category.
- (ii) Financial asset that is a debt asset instrument classified as measured at fair value through other comprehensive income (FVTOCI): A debt asset instrument is measured at fair value through other comprehensive income (FVTOCI) only if it meets both of the following conditions and is not designated as at FVTPL, that is (a): the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets are not reclassified subsequent to their initial recognition, except when, and only when, the reporting entity changes its business model for managing financial assets (expected to be rare and infrequent events). The previously recognised gains, losses, or interest cannot be restated. When these financial assets are derecognised, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss.
- (iii) Financial asset that is an equity investment measured at fair value through other comprehensive income (FVTOCI): On initial recognition of an equity investment that is not held for trading, an irrevocable election may be made to present subsequent changes in fair value in OCI. This election is made on an investment-by-investment basis. Fair value changes are recognised in OCI but dividends are recognised in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. The gain or loss that is presented in OCI includes any related foreign exchange component arising on non-monetary investments (eg, equity instruments). On disposal, the cumulative fair value changes are not recycled to profit or loss but remain in reserves within equity. The weighted average or specific identification method is used when determining the cost basis of equities being disposed of.
- (iv) Financial asset classified as measured at fair value through profit or loss (FVTPL): All other financial assets are classified as measured at FVTPL. In addition, on initial recognition, management may irrevocably designate a financial asset as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

DAS ACADEMY LTD.**NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING YEAR ENDED 31 MARCH 2023**

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**(II) Significant accounting policies (Cont'd)****Financial instruments (Cont'd)***Classification and measurement of financial liabilities:*

Financial liabilities are classified as at fair value through profit or loss (FVTPL) in either of the following circumstances: (1) the liabilities are managed, evaluated and reported internally on a fair value basis; or (2) the designation eliminates or significantly reduces an accounting mismatch that would otherwise arise. All other financial liabilities are carried at amortised cost using the effective interest method. Reclassification of any financial liability is not permitted.

Measurement of Expected Credit Loss ("ECL")

ECLs are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a first-in, first-out basis.

Employee benefits

Contributions to defined contribution retirement benefit plans are recorded as an expense as they fall due. The entity's legal or constructive obligation is limited to the amount that it agrees to contribute to an independently administered fund such as the Central Provident Fund in Singapore. For employee leave entitlement the expected cost of short-term employee benefits in the form of compensated absences is recognised in the case of accumulating compensated absences, when the employees render service that increases their entitlement to future compensated absences; and in the case of non-accumulating compensated absences, when the absences occur. A liability for bonuses is recognised where the entity is contractually obliged or where there is constructive obligation based on past practice.

DAS ACADEMY LTD.**NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING YEAR ENDED 31 MARCH 2023**

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**(II) Significant accounting policies (Cont'd)****Leases**

The Company applies the short-term lease recognition exemption to its short-term leases of machinery (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

Income Tax

The Company and its subsidiaries are approved charities under the Charities Act 1994 and under the Income Tax Act 1947. Accordingly, the entities are exempt from income tax.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and other short-term highly liquid assets that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Impairment of Non-financial Assets

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

At the end of each reporting period, the Company reviews the carrying amounts of its non-financial 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), on an individual asset.

Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

DAS ACADEMY LTD.**NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING YEAR ENDED 31 MARCH 2023****2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****(II) Significant accounting policies (Cont'd)****Impairment of Non-financial Assets (Cont'd)**

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or 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 (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

3. Significant accounting judgements and estimates

The preparation of the Company's financial statements in conformity with FRS requires management to make judgements, estimates and assumptions that affect the reported amounts of incomes, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Management is of the opinion that there are no significant judgements made in applying accounting estimates and policies that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4. INCOME FROM GENERATED FUNDS – VOLUNTARY INCOME

	<u>2023</u>	<u>2022</u>
	\$	\$
Wage credit	-	1,333

DAS ACADEMY LTD.**NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING YEAR ENDED 31 MARCH 2023****5. INCOME FROM CHARITABLE ACTIVITIES**

	<u>2023</u>	<u>2022</u>
	\$	\$
Course fees	758,836	938,068
Interest income	57	101
Sundry income	5,877	9,775
Provision for impairment loss written back (Note 9)	-	4,500
	<u>764,770</u>	<u>952,444</u>

6. EXPENDITURES – CHARITABLE ACTIVITIES

	<u>2023</u>	<u>2022</u>
	\$	\$
Administrative expenses (Note 16)	7,571	9,381
Plant and equipment written off	15	-
Cleaning services	4,890	7,212
Course expenditures	59,927	81,520
Depreciation of plant and equipment (Note 11)	6,379	4,617
Insurance	6,031	4,227
Learning resources	541	53
Printing and supplies	703	462
Publications and publicity	3,134	3,512
Intercompany rental recharge and service charges	162,980	164,264
Repairs and maintenance	4,101	5,022
Staff salaries and related staff costs (Note 15)	552,392	544,302
Telecommunications and Networks	2,510	2,435
Transport and travelling	-	2,112
Utilities	5,304	2,326
Other expenses	9,638	10,411
	<u>826,116</u>	<u>841,856</u>

DAS ACADEMY LTD.**NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING YEAR ENDED 31 MARCH 2023****7. OTHER INCOME FROM JOBS SUPPORT SCHEME**

	<u>2023</u>	<u>2022</u>
	\$	\$
Jobs Support Scheme	-	11,659

The JSS was a temporary scheme introduced in the Singapore Budget 2020 to help enterprises retain local employees.

8. CASH AND BANK BALANCES

	<u>2023</u>	<u>2022</u>
	\$	\$
Cash on hand and at bank	395,357	444,158

For the purpose of presenting the statement of cash flows, cash and cash equivalents comprise the following:

	<u>2023</u>	<u>2022</u>
	\$	\$
Cash and bank balances (as above)	395,357	444,158
Less: Short-term deposit - restricted	(46,329)	(46,231)
	<u>349,028</u>	<u>397,927</u>

The maturity period of short-term deposit of the Company is 12 months and it has - interest rate of 0.10% (2022: 0.21%).

The short-term deposit - restricted is a collateral to secure an Instalment Payment Plan for a credit card terminal with a financial institution which was unutilised at the end of the reporting year.

DAS ACADEMY LTD.**NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING YEAR ENDED 31 MARCH 2023****9. TRADE AND OTHER RECEIVABLES**

	<u>2023</u>	<u>2022</u>
	\$	\$
<u>Trade receivables</u>		
Outside parties	105,292	91,167
	<hr/>	<hr/>
<u>Other receivables</u>		
Amount due from parent	-	9,906
Prepayments	10,455	13,887
Other receivables	790	77
	<hr/>	<hr/>
	10,491	23,870
	<hr/>	<hr/>
Trade and other receivables	116,537	115,037
	<hr/> <hr/>	<hr/> <hr/>

Trade receivables are non-interest bearing and are generally on 30 days' terms. The receivables are not past due and not impaired.

The movement in the allowance for expected credit losses of trade receivables computed based on lifetime ECL are as follows:

	<u>2023</u>	<u>2022</u>
	\$	\$
Balance at beginning of year	-	4,500
Reversal of allowance (Note 5)	-	(4,500)
	<hr/>	<hr/>
Balance at end of year	-	-
	<hr/> <hr/>	<hr/> <hr/>

DAS ACADEMY LTD.**NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING YEAR ENDED 31 MARCH 2023****10. INVENTORIES**

	<u>2023</u>	<u>2022</u>
	\$	\$
Inventories, at cost	3,527	6,026

The cost of inventories recognised as an expense amount to \$2,499 (2022: \$3,818).

11. PLANT AND EQUIPMENT

	<u>Renovation</u>	<u>Equipment and furniture</u>	<u>Software</u>	<u>Total</u>
	\$	\$	\$	\$
Cost:				
As at 1 April 2021	172,448	71,044	18,997	262,489
Additions	-	2,360	-	2,360
As at 31 March 2022	172,448	73,404	18,997	264,849
Additions	-	2,698	9,000	11,698
Disposal/Written off	-	(15,580)	-	(15,580)
As at 31 March 2023	172,448	60,522	27,997	260,967
Accumulated depreciation:				
As at 1 April 2021	169,908	66,239	18,984	255,131
Depreciation charge for the year (Note 6)	985	3,632	-	4,617
As at 31 March 2022	170,893	69,871	18,984	259,748
Depreciation charge for the year (Note 6)	984	3,595	1,800	6,379
Disposal/Written off	-	(15,565)	-	(15,565)
As at 31 March 2023	171,877	57,901	20,784	250,562
Net carrying amount:				
As at 31 March 2023	571	2,621	7,213	10,405
As at 31 March 2022	1,555	3,533	13	5,101

DAS ACADEMY LTD.**NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING YEAR ENDED 31 MARCH 2023****12. TRADE AND OTHER PAYABLES**

	<u>2023</u>	<u>2022</u>
	\$	\$
<u>Trade payables</u>		
Outside parties	100,088	107,632
Accruals	15,979	14,309
	<u>116,067</u>	<u>121,941</u>
 <u>Other payables</u>		
Amount due to parent	6,089	-
Accruals for unconsumed leave	21,235	14,547
Other accruals	77,727	81,387
	<u>105,051</u>	<u>95,934</u>
 Trade and other payables	<u><u>221,118</u></u>	<u><u>217,875</u></u>

13. OTHER LIABILITIES

	<u>2023</u>	<u>2022</u>
	\$	\$
 Advance billings	<u>130,190</u>	<u>113,194</u>

The advance billings will be recognised as income within one year.

14. GENERAL FUND

The general fund is mainly made up of funds from tuition fees and is used for the general purposes of the Company.

DAS ACADEMY LTD.**NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING YEAR ENDED 31 MARCH 2023****15. EMPLOYEE BENEFITS EXPENSE**

	<u>2023</u>	<u>2022</u>
	\$	\$
Short term employee benefits expense	468,726	465,885
Contributions to defined contribution plan	67,519	68,302
Foreign worker levy and skill development fund	549	446
Other benefits	15,598	9,669
	<u>552,392</u>	<u>544,302</u>

The above employee benefits include the key management personnel compensation.

16. RELATED PARTY TRANSACTIONS

Dyslexia Association of Singapore (“DAS”) (F.K.A. Dyslexia Association of Singapore Limited) is the parent company of the Company (see Note 1).

All trustees/office bearers (except for the full time employees), or people connected with them, do not receive remuneration, or other benefits, from the Company for which they are responsible, or from institutions connected with the Company.

Key management personnel of the Company are those persons having the authority and responsibility for planning, directing and controlling activities of the Company. The directors and executive officers of the Company are considered as key management personnel of the Company. The above amounts under Note 15 employee benefits expense include compensation of certain key management personnel. The directors of the Company do not receive remuneration for their Board services.

Related company in these financial statements refer only to the subsidiary of the Parent.

The related company balances are unsecured, interest-free, unless stated otherwise, and subject to the normal credit terms of the respective parties and are repayable on demand.

There are transactions and arrangements between the Company and members of the group and the effects of these on the basis determined between the parties are reflected in these financial statements.

In addition to the related party information disclosed elsewhere in the financial statements, the Company had the following significant related party transactions:

DAS ACADEMY LTD.**NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING YEAR ENDED 31 MARCH 2023****16. RELATED PARTY TRANSACTIONS (CONT'D)**

(a) Significant transactions with the Parent

	<u>2023</u>	<u>2022</u>
	\$	\$
Course fees charged to Parent	377,425	434,024
Administrative expenses charged by the Parent	7,571	9,381
Salaries paid by the Parent on behalf of the Company	142,829	204,245
Rental, utilities and other expenses charged out by the Parent to the Company	188,139	201,171
Training materials charged to Parent	-	4,493
Return of grant received in prior years to Parent *	-	290,000
Amounts paid out and settlement of liabilities on behalf of the Company	86,878	38,050
Amounts paid in and settlement of liabilities on behalf of the Parent	<u>196,201</u>	<u>216,337</u>

* Return of grant to Parent is in relation to the grant given by the former Parent to the Company in 2012 and 2013 to enable the Company to undertake programmes of work identified by the Parent as necessary to meet the Group's objectives. For information only, the balance of grants to be returned after the total return of \$500,000 to parent as at reporting date amounts to \$700,000.

(b) Compensation of key management personnel

	<u>2023</u>	<u>2022</u>
Number of staff in the following remuneration band of: \$100,001 to \$150,000	<u>1</u>	<u>-</u>
	<u>2023</u>	<u>2022</u>
	\$	\$
Short term employee benefits expense	124,117	39,269
Contributions to defined contribution plan	<u>10,537</u>	<u>3,572</u>
	<u>134,654</u>	<u>42,841</u>

DAS ACADEMY LTD.**NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING YEAR ENDED 31 MARCH 2023****16. RELATED PARTY TRANSACTIONS (CONT'D)**

(b) Compensation of key management personnel (Cont'd)

The total annual remuneration for the Company's highest paid staff, who is also key management personnel, is as follows. They do not serve as Board member of the Company.

Annual remuneration	<u>2023</u>	<u>2022</u>
\$100,001 to \$200,000	1	-

The above includes basic salary, bonuses and the employer's contributions to Central Provident Fund. None of the Company's staff are close members of the family of the Chief Executive Officer or Board members of the Parent.

There is no paid staff, being a close member of the family belonging to the Senior Management or the Board of Directors, who has received remuneration exceeding \$50,000 during the financial year.

(c) Significant transactions with a related party

Professional fees paid to a firm of which a director is a member amounted to \$1,647 (2022: \$2,200).

17. LEASES

	<u>2023</u>	<u>2022</u>
	\$	\$
Lease expense not capitalised in lease liabilities:		
Expense relating to leases of low-value assets (included in other expenses – Note 6)	1,776	1,776

18. FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks from its operations. There are exposures to the financial risks on the financial instruments such as credit risk, liquidity risk and market risk comprising interest rate and foreign currency risk exposures. Management has certain practices for the management of financial risks. However these are not documented in formal written documents. The following guidelines are followed: (i) All financial risk management activities are carried out and monitored by senior management staff; and (ii) All financial risk management activities are carried out following acceptable market practices.

There have been no changes to the exposures to risk; the objectives, policies and processes for managing the risk and the methods used to measure the risk.

DAS ACADEMY LTD.**NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING YEAR ENDED 31 MARCH 2023**

18. FINANCIAL RISK MANAGEMENT (CONT'D)**(a) Credit risk**

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the reporting entity. 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 reporting entity 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.

Financial assets that are potentially subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner. These arise principally from cash balances with banks, cash equivalents and receivables. The maximum exposure to credit risk is the total of the fair value of the financial assets at the end of the reporting year. Credit risk on cash balances with banks is limited because the counter-parties are entities with acceptable credit ratings. For expected credit losses ("ECL") on financial assets, the simplified approach applied by the entity (that is, to measure the loss allowance at an amount equal to lifetime ECL at initial recognition and throughout its life) is permitted by the financial reporting standard on financial instruments for financial assets that do not have a significant financing component, such as the trade receivables and other current financial assets. For credit risk on the current financial assets an ongoing credit evaluation is performed on the financial condition of the debtors and an impairment loss is recognised in profit or loss. Reviews and assessments of credit exposures in excess of designated limits are made. Renewals and reviews of credits limits are subject to the same review process.

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. The Company considers available reasonable and supportive forward-looking information when there are indicators of credit risk.

There is no concentration of credit risk.

DAS ACADEMY LTD.**NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING YEAR ENDED 31 MARCH 2023****18. FINANCIAL RISK MANAGEMENT (CONT'D)****(b) Liquidity risk**

Liquidity refers to the difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. It is expected that all the liabilities will be settled at their contractual maturity. The average credit period taken to settle trade payables is about 30 days (2022: 30 days). The other payables are with short-term durations. The classification of financial assets is shown in the statement of financial position as they may be available to meet liquidity needs and no further analysis is necessary.

The reporting entity monitors its liquidity risk maintains a level of cash and cash equivalents deemed adequate by Management to finance the reporting entity's operations and to mitigate the effects of fluctuations in cash flows.

The following table analyses the non-derivative financial liabilities by remaining contractual maturity (contractual undiscounted cash flows):

	1 year \$	2 – 3 years \$	Total \$
<u>Non-derivative financial liabilities:</u>			
<u>2023:</u>			
Trade and other payables	201,616	-	201,616
Other liabilities	130,190	-	130,190
At end of the year	331,806	-	331,806
<u>2022:</u>			
Trade and other payables	204,791	-	204,791
Other liabilities	113,194	-	113,194
At end of the year	317,985	-	317,985

The above amounts disclosed in the maturity analysis are the contractual undiscounted cash flows and such undiscounted cash flows differ from the amount included in the statement of financial position. When the counter-party has a choice of when an amount is paid, the liability is included on the basis of the earliest date on which it can be required to pay.

(c) Interest rate risk

The interest from financial assets including cash balances is not significant.

(d) Foreign currency risk

The effect on income or loss is not significant.

DAS ACADEMY LTD.**NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING YEAR ENDED 31 MARCH 2023****19. FINANCIAL INSTRUMENT 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:

	<u>2023</u>	<u>2022</u>
	\$	\$
Financial assets measured at amortised cost		
Trade and other receivables*	106,082	101,150
Cash and bank balances	395,357	444,158
Total financial assets measured at amortised cost	<u>501,439</u>	<u>545,308</u>
Financial liabilities measured at amortised cost		
Trade and other payables*	<u>201,616</u>	<u>204,791</u>

**Exclude prepayments and GST*