A GOOD SPACE CO-OPERATIVE LIMITED

(Incorporated in Singapore)

UEN. No. **T20CS0002H**

Audited Financial Statements

For the financial year ended 30 June 2024

Lau Lee Hua & Co

Chartered Accountants

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Statement by the Committee of Management

In the opinion of the Committee of Management,

(a) The financial statements of the Co-operative as set out on pages 5 to 21 are drawn up so as to give a true and fair view of the financial position of the Co-operative as at 30 June 2024 and the financial performance, changes in equity and cash flows of the Co-operative for the financial year ended 30 June 2024 in accordance with the provisions of the Co-operative Societies Act, 1979 ("the Act") and Financial Reporting Standards in Singapore ("FRSs");

(b) at the date of this statement, there are reasonable grounds to believe that the Co-operative will be able to pay its debts as and when they fall due; and

(c) the receipt, expenditure, investment of moneys and the acquisition and disposal of assets by the Co-operative during the year have been made in accordance with the By-laws of the Co-operative, the provisions of the Act and the Rules (made under section 95 of the Act); and

(d) proper accounting and other records have been kept by the Co-operative.

Signed at Singapore this 27 January 2025

On behalf of the Committee of Management

Ashokan Ramakrishnan

Toh Kian Beng

刘丽娃特许会计师

Lau Lee Hua & Co.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF A GOOD SPACE CO-OPERATIVE LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of A GOOD SPACE CO-OPERATIVE LIMITED. (the "Co-operative"), which comprise the statement of financial position of the Co-operative as at 30 June 2024, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows of the Co-operative for the period then ended, and notes to the financial statements, including a summary of Material accounting policy information.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Co-operative Societies Act 1979 ('the Act') and Financial Reporting Standards in Singapore (FRSs) so as to give a true and fair view of the financial position of the Co-operative as at 30 June 2024 and of the financial performance, changes in equity and cash flows of the Co-operative for the period 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 Co-operative 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 the Committee of Management.

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

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

Responsibilities of Management and Committee of Management 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 Co-operative'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 Co-operative or to cease operations, or has no realistic alternative but to do so.

The Committee of Management's responsibilities include overseeing the Co-operative's financial reporting process.

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

As part of an audit in accordance with SSAs, we exercise professional 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 Co-operative'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 Co-operative'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 Co-operative to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Committee of Management 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,

a) the receipt, expenditure, investment of moneys and the acquisition and disposal of assets by the Co-operative during the year are, in all material respects, in accordance with the By-laws of the Co-operative, the provisions of the Act and the Rules (made under section 95 of the Act); and

b) proper accounting and other records have been kept by the Co-operative.

Basis for Opinion

We conducted our audit in accordance with SSAs. Our responsibilities under those standards are further described in the 'Auditors' responsibilities for the compliance audit' section of our report. We are independent of the Co-operative in accordance with the 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 on management's compliance.

Responsibilities of management for compliance with legal and regulatory requirements

Management is responsible for ensuring that the receipt, expenditure, investment of moneys and the acquisition and disposal of assets, are in accordance with the By-laws of the Co-operative, the provisions of the Act and the Rules (made under section 95 of the Act). This responsibility includes monitoring related compliance requirements relevant to the Co-operative and implementing internal controls as management determines are necessary to enable compliance with the By-laws of the Co-operative, the provisions of the Act and the Rules (made under section 95 of the Act).

Auditors' responsibilities for the compliance audit

Our responsibility is to express an opinion on management's compliance based on our audit of the financial statements. We planned and performed the compliance audit to obtain reasonable assurance about whether the receipt, expenditure, investment of moneys and the acquisition and disposal of assets, are in accordance with the By-laws of the Co-operative, the provisions of the Act and the Rules (made under section 95 of the Act).

Our compliance audit includes obtaining an understanding of the internal controls relevant to the receipt, expenditure, investment of moneys and the acquisition and disposal of assets; and assessing the risks of material misstatement of the financial statements from non-compliance, if any, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. Because of the inherent limitations in any accounting and internal control system, non-compliances may nevertheless occur and not be detected.

Lau Lee Hua & Co
Public Accountants and
Chartered Accountants
Singapore

27 January 2025

A GOOD SPACE CO-OPERATIVE LIMITED
(Incorporated in Singapore)

Statement of financial position
For the financial year ended 30 June 2024

	Note	2024	2023
		$	$
Current assets			
Trade & other receivables	4	10,465	25,863
Cash and cash equivalents	5	48,533	41,019
		58,998	66,882
Total assets		58,998	66,882
EQUITY AND LIABILITIES			
Current liabilities			
Share capital	6	55,000	55,000
Trade & other payables	7	15,318	28,548
Contract liabilities	8	21,280	-
		91,598	83,548
Total liabilities		91,598	83,548
Equity			
Accumulated deficit		(32,600)	(16,666)
Total equity		(32,600)	(16,666)
Total equity and liabilities		58,998	66,882

A GOOD SPACE CO-OPERATIVE LIMITED
(Incorporated in Singapore)

Statement of comprehensive income
For the financial year ended 30 June 2024

	Note	2024 $	2023 $
Revenue	9	31,752	90,561
Cost of sales		(26,900)	(2,338)
Gross profit		4,852	88,223
Other income	10	639	26,010
Less Operating Expenses			
Administrative expenses		(21,425)	(110,993)
Other expenses		-	(250)
Total comprehensive (loss)/ income for the year		(15,934)	2,990

A GOOD SPACE CO-OPERATIVE LIMITED
(Incorporated in Singapore)

Statement of changes in equity
For the financial year ended 30 June 2024

	Common Good Fund	
	Accumulated deficit	Total
	$	$
Balance at 01 July 2022	(19,656)	(19,656)
Net surplus for the financial perod	2,990	2,990
Balance at 30 June 2023	(16,666)	(16,666)
Net deficit for the financial year	(15,934)	(15,934)
Balance at 30 June 2024	(32,600)	(32,600)

A GOOD SPACE CO-OPERATIVE LIMITED
(Incorporated in Singapore)

Statement of cash flows
For the financial year ended 30 June 2024

	2024 $	2023 $
Cash flows from operating activities		
Net (deficit)/surplus for the year	(15,934)	2,990
Adjustments for:		
Bad debts written off	-	250
Operating cash flow before working capital changes	(15,934)	3,240
Changes in working capital:		
Trade and other receivables	15,398	(25,863)
Trade and other payables	(13,230)	6,203
Contract liabilities	21,280	-
Net cash generated from/ (used in) operating activities	7,514	(16,420)
Cash flows from financing activities		
Proceeds from issuance of shares	-	16,000
Net cash generated from financing activities	-	16,000
Net increase/ (decrease) in cash & cash equivalents	7,514	(420)
Cash and cash equivalents at the beginning of financial period	41,019	41,439
Cash and cash equivalents at the end of financial period	48,533	41,019

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

1. General

The Co-operative is domiciled in Singapore and constituted under the Co-operative Societies Act 1979 (“the Act”). The address of the Co-operative's registered office is 30A Yishun Central 1 #01-04, Singapore 768796. The principal place of business is located at 30A Yishun Central 1, #01-04, S768796.

The principal activities of the Co-operative are those of building a sense of community and mutual aid amongst its members, fostering greater collaboration amongst diverse changemakers and nurturing changemakers in workplaces and schools through curated programs.

2. Material accounting policy information

a. Basis of preparation of financial statements

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (FRS). The financial statements have been prepared on a historical cost basis modified where applicable and as disclose in these notes.

In the current financial period, the Co-operative has adopted all the new and revised FRSs and Interpretations of FRS (“INT FRS”) that are relevant to its operations and effective for annual periods beginning on or after 1st July 2023. The adoption of these standards did not have any material effect on the financial performance or position of the Co-operative.

b. Functional currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Co-operative operates. The functional currency of the Co-operative is Singapore Dollar.

c. Standards issued but not yet effective

At the date of authorization of these financial statements, the following newly/revised FRSs, INT FRSs and amendments to FRS that are relevant to the Co-operative were issued but not effective:

Description	Effective for annual periods beginning on or after
Amendments to FRS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current	1 January 2024

The Committee of Management expect that the adoption of the standards above will have no material impact on the financial statements in the year of initial application.

2. Material accounting policy information (cont'd)

d. Financial instruments

(i) Financial Assets

Initial recognition and measurement

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

At initial recognition, the Co-operative measures a financial asset at its fair value plus, in the case of a financial asset not at 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 Co-operative expects to be entitled in exchange for transferring promised goods or services to a customers, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

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 for debt instruments is recognised in profit or loss.

(ii) Financial Liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Co-operative becomes a party to the contractual provisions of the financial instrument. The Co-operative 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.

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.

e. Cash and cash equivalents

Cash and cash equivalents comprise cash balances and short-term deposits with maturities of three months or less with financial institutions. Bank overdrafts are shown in current liabilities on the balance sheet.

For the purpose of Cash Flow Statement, cash and cash equivalents includes bank overdrafts.

2. Material accounting policy information (cont'd)

f. Impairment of financial assets

The Co-operative recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at FVPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Co-operative 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 Co-operative applies a simplified approach in calculating ECLs. Therefore, the Co-operative does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Co-operative 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 Co-operative considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Co-operative may also consider a financial asset to be in default when internal or external information indicates that the Co-operative is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Co-operative. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

g. Fair value estimation

The carrying amounts of current financial assets and liabilities, carried at amortised cost are assumed to approximate their fair values.

The fair values of financial liabilities carried at amortised cost are estimated by discounting the future contractual cash flows at the current market interest rate that are available to the Co-operative for similar financial liabilities.

h. Share capital

Ordinary shares are classified as liabilities. Incremental costs directly attributable to the issuance of new shares are deducted against the share capital costs.

2. Material accounting policy information (cont'd)

i. Revenue

Revenue is measured based on the consideration to which the Group 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 Co-operative 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.

<u>Service revenue</u>

Service revenue is recognised when services are rendered accepted by the customers.

j. Employee benefit

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

(ii)Short-term benefits
All short-term employee benefits including accumulating compensated absences are recognized in the income statement in the period in which the employees rendered their services to the Co-operative.

k. Related party & related party transactions

A related party is defined as follows:
(i) A person or close member of that person's family is related to the Co-operative if that person:

- Has control or joint control over the Co-operative;
- Has significant influence over the Co-operative; or
- Is a member of the key management personnel of the Co-operative or of a parent of the Co-operative.

(ii) An entity is related to the Co-operative if any of the following conditions applies:

- The entity and the Co-operative are members of the same group.
- One entity is an associate or joint venture of the other entity.
- Both entities are joint ventures of the same third party.
- One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- The entity is a post-employment benefit plan for the benefit of employees of either the Co-operative or an entity related to the Co-operative. If the Co-operative is itself such a plan, the sponsoring employers are also related to the Co-operative.
- The entity is controlled or jointly controlled by a person identified in Note 2k(i).
- A person who has control or joint control over the Co-operative, has significant influence over the entity or is a member of the key management personnel of the entity.

3. Critical accounting estimates, assumptions and judgment

Estimates, assumptions concerning the future and judgments are made in the preparation of the financial statements. They affect the application of the Co-operative's accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosures made. They are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. The Co-operative does not make any critical accounting estimates, assumptions and judgments.

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet 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.

(a) **Provision for expected credit losses of trade receivables**

The Co-operative 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 Co-operative's historical observed default rates. The Co-operative 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 Co-operative'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 ECLs on the Co-operative's trade receivables is disclosed in Note 13.

The carrying amount of trade receivables is disclosed in Note 4 to the financial statements.

4. Trade and other receivables

	2024	**2023**
	$	$
Trade receivables:		
Service fee receivable	8,027	21,185
Other receivables:		
Grant receivable	1,871	4,678
	10,465	25,863

Trade receivables are non-interest bearing and are generally on 30 days terms.

Trade and other receivables are denominated in Singapore dollar.

5. Cash and cash equivalents

	2024 $	2023 $
Cash and cash equivalents	48,533	41,019

Cash and cash equivalents are denominated in Singapore dollar.

6. Share capital

	2024		2023	
	Number of shares	$	Number of shares	$
Issued and fully paid up common shares				
At beginning of year	5,500	55,000	3,900	39,000
Issued during the period	-	-	1,600	16,000
At end of year	5,500	55,000	5,500	55,000

In 2023, the Co-operative issued 1,600 ordinary shares for a cash consideration of SGD16,000 to provide working capital for the Co-operative.

The holders of ordinary shares are entitled to receive dividends as and when declared by the Co-operative. Each individual Ordinary member shall have only one vote, irrespective of the number of shares he holds and that vote shall be exercised in person and not by proxy.

An Ordinary Member who holds only Common Shares and does not hold any Permanent Shares may withdraw his Common Shares, on giving three months' notice in writing. The Board may at its discretion and on such conditions as it deems fit, waive or vary the notice period and allow the withdrawal of the Common Shares at an earlier date.

The Ordinary Member withdrawing shall be entitled on the expiry of his notice to receive as the value of his Common Shares the lesser of the nominal value of the Common Shares; and what they are worth as disclosed by the last audited statement of financial position prepared by the Co-operative.

In the event of the winding up of the Co-operative, the assets, including the reserve fund, shall be applied first to the cost of liquidation, then to the discharge of the liabilities of the Co-operative, then to the payment of the share capital or subscription capital, and then, provided that the By-Laws of the Co-operative permit, to the payment of a dividend or patronage refund at a rate not exceeding that laid down in the Co-operative Societies Rules 2009 ("Rules") or in the By-Laws for any period during which no dividend or patronage refund was in fact paid.

Any monies remaining after the application of the funds to the purposes specified in the above paragraph (Section 88 of the Act) and any sums unclaimed after two years under Section 89(2) (which relates to claims of creditors), shall not be divided among the Members but shall be carried to the Co-operative Societies Liquidation Account kept by the Registrar.

7. Trade and other payables

	2024	2023
	$	$
Trade payables		
Third parties	10,205	5,005
Other payables		
Accruals	5,113	23,543
	15,318	28,548

Trade payables are non-interest bearing and are generally on 30 days terms.

Trade and other payables are denominated in Singapore dollar.

8. Contract liabilities

Contract liabilities relates to service revenue that are for periods after the year. These arise when service fees are received in advance.

9. Revenue

	2024	2023
	$	$
Service revenue	31,752	90,561

10. Other income

	2024	2023
	$	$
Grants received	39	26,010
Rental income	600	-
	639	26,010

11. Expenses by nature

	2024	2023
	$	$
Employee benefits expense	10,596	79,464
IT expenses	1,503	4,135
Meals and refreshments	(33)	3,443
Office expenses	284	5,747
Professional fees	7,060	12,110
Rental	1,269	4,447
Others	746	1,897
	21,425	111,243

12. Employee benefits expenses

	2024	2023
	$	$
Staff salaries and bonuses	9,820	70,152
Staff CPF	776	9,312
	10,596	79,464

13. Financial risk management policies

The Co-operative does not hold or issue derivative financial instruments for trading purposes in hedge against fluctuations. The Co-operative reviews and agrees policies for managing this risk. The main risks arising from the Co-operative financial instruments are:

(i) **Credit risk**

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

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

The Co-operative 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 Co-operative 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

13. Financial risk management policies (cont'd)

(i) **Credit risk (cont'd)**

To minimise credit risk, the Co-operative has developed and maintained the Co-operative'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 Co-operative's own trading records to rate its major customers and other debtors. The Co-operative 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 Co-operative 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 Co-operative 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.

The Co-operative'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 >90 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 off

13. Financial risk management policies (cont'd)

(i) **Credit risk (cont'd)**

The table below details the credit quality of the Co-operative'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	Loss allowance	Net carrying amount
				$	$	$
30 June 2024						
Trade receivables	4	Note 1	Lifetime ECL (simplified)		8,027	8,027
					8,027	
30 June 2023						
Trade receivables	4	Note 1	Lifetime ECL (simplified)		21,185	21,185
					21,185	

For trade receivables, the Co-operative has applied the simplified approach in FRS 109 to measure the loss allowance at lifetime ECL. The Co-operative 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.

	Trade receivables					
	Days past due					
	Not past due	≤30 days	31-60 days	61-90 days	>90 days	Total
	$	$	$	$	$	$
30 June 2024						
ECL rate	0%	0%	0%	0%	0%	
Estimated total gross carrying amount at default	6,500	-	-	-	1,527	8,027
ECL	-	-	-	-	-	-
						8,027
30 June 2023						
ECL rate	0%	0%	0%	0%	0%	
Estimated total gross carrying amount at default	21,185	-	-	-	-	21,185
ECL	-	-	-	-	-	-
						21,185

<u>Risk concentration</u>

Although the Co-operative's credit exposure is concentrated mainly in Singapore, it has no significant concentration of credit risk with any single customer or group of customers. The Co-operative has credit policies and procedures in place to minimise and mitigate its credit risk exposure.

13. Financial risk management policies (cont'd)

(ii) **Liquidity risk**
The Co-operative financing activities are managed by maintaining an adequate level of cash and cash equivalents to finance the Co-operative's operations and mitigate the effects of fluctuation in cash flows. The Co-operative's operations are financed mainly through equity and accumulated profits.

The Co-operative maintains a sufficient level of cash and cash equivalents to meet the Co-operative's working capital requirements. All financial liabilities are repayable on demand or due within 1 year from the end of the reporting period.

(iii) **Capital management**
The Co-operative reviews its capital structure at least annually to ensure that the Co-operative will be able to continue as a going concern. The capital structure of the Co-operative comprises of issued capital.

The Co-operative is not subject to any externally imposed capital requirements.

(iv) **Fair value of financial instruments**
The carrying amount of the financial assets and financial liabilities of the Co-operative approximate their fair values.

14. Financial instruments

Classification of financial instruments
Financial assets and financial liabilities are measured on an ongoing basis either at fair value or at amortised costs. The principal accounting policies in Note 2 describe how classes of financial instruments are measured, and how income and expenses, including fair value gains and losses, are recognised. The following table analyses the financial assets and liabilities in the balance sheet by the class of financial instrument to which they are assigned, and therefore by the measurement basis:

	2022	**2021**
	$	$
Assets		
Financial assets		
Loans and receivables	58,998	66,882
Total financial assets	58,998	66,882
Non financial assets	-	-
Total assets	58,998	66,882
Liabilities		
Financial liabilities		
Financial liabilities at amortised cost	91,598	83,548
Total financial liabilities	91,598	83,548
Non financial liabilities	-	-
Total liabilities	91,598	83,548

15. Authorisation for issue

The financial statements of the Co-operative for the financial year ended 30 June 2024 was authorised for issue in accordance with resolution of the Committee of Management on the date of statement by Committee of Management.

A GOOD SPACE CO-OPERATIVE LIMITED
(Incorporated in Singapore)

Detailed income statement
For the financial year ended 30 June 2024

	2024 $	2023 $
Revenue		
Service revenue	31,752	90,561
Cost of sales		
Cost of sales	(26,900)	(2,338)
Gross profit	4,852	88,223
Other income		
Grants received	39	26,010
Rental income	600	-
	639	26,010
Less Operating Expenses		
Administrative expenses		
Advertisement	-	756
Bank charges	284	348
Employee benefits expense	10,596	79,464
IT expenses	1,503	4,135
Meals and refreshments	(33)	3,443
Office expenses	284	5,746
Professional fees	7,060	12,110
Rental	1,269	4,447
Subscription fees	313	500
Levy expenses	149	-
Travelling	-	44
	(21,425)	(110,993)
Other expenses		
Bad debts written off	-	(250)
Net (deficit)/surplus for the year	(15,934)	2,990

This statement does not form part of the financial statement of the company.