

RESILIENCE THRIVING AMID ADVERSITY

**SINGAPORE POLYTECHNIC
GRADUATES' GUILD**

**ANNUAL REPORT
2019/2020**



CONTENT

Notice of the 41 st Annual General Meeting	3
Minutes of 40 th Annual General Meeting 2019	4
President's Message	15
31 st Executive Committee Members 2019/2021	19
Executive Report	20
Treasurer's Report	35

FINANCIAL STATEMENTS

Audited Financial Statements	37
Statement by Executive Committee	38
Independent Auditor's Report	39
Statement of Comprehensive Income	42
Statement of Financial Position	44
Statement of Changes in Accumulated Fund	45
Statement of Cash Flows	46
Notes to the Financial Statements	47
Provisional Budget Statement of Income and Expenditure	65
Provisional Budget Statement of Capital Expenditure	67
Actual vs Budget Statement of Income and Expenditure	68

NOTICE OF 41st ANNUAL GENERAL MEETING

Date: 11 September 2020

Dear Members

NOTICE IS HEREBY GIVEN by the 31st Executive Committee that the 41st Annual General Meeting (AGM) of the Singapore Polytechnic Graduates' Guild (SPGG) will be held by way of electronic means via Zoom on **Saturday, 31 October 2020, 1.30pm**.

In light of the COVID-19 situation and pursuant to the relevant order under the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Registered Societies) Order 2020, the Guild will be adopting alternative arrangements for our AGM.

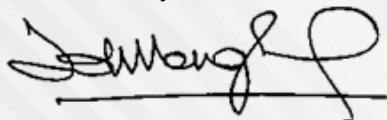
The agenda for the 41st Annual General Meeting of SPGG is as follows:

AGENDA

1. President's Address
2. To confirm the Minutes of the 40th Annual General Meeting held on Saturday, 26 October 2019
3. To receive, and if so approved, to adopt the Annual Report of the 31st Executive Committee for the financial year ending 31 July 2020
4. To receive, and if so approved, to adopt the Statement of Accounts for the financial year ending 31 July 2020
5. To receive, and if so approved, to adopt the Provisional Budget for the financial year ending 31 July 2021
6. To consider, where SPGG's Constitution does not provide, a motion by the 31st Executive Committee to appoint two (2) Honorary Auditors for the term 2020/2021
7. To appoint Bob Low & Co to be the External Auditor for the financial year ending 31 July 2021
8. To discuss any other business

In accordance with Article 36(7) of the Constitution of SPGG, any member desirous of proposing any resolution at the AGM shall give notice thereof in writing to the Honorary General Secretary, which notice must be received by the Honorary General Secretary within 7 days of the date of this notice. Resolution is to be submitted either via email agm2020@spgg.org.sg or by hand during office hours (between 9am to 6pm), to reach the Reception Counter by Friday, 18 September 2020, 6pm.

Yours sincerely,



Mr Loh Meng Seng
Honorary General Secretary
31st Executive Committee
Singapore Polytechnic Graduates' Guild

41

MINUTES OF 40th ANNUAL GENERAL MEETING 2019

HELD ON SATURDAY, 26 OCTOBER 2019, 1330 HOURS,
AT THE SINGAPORE POLYTECHNIC GRADUATES' Guild, GRAND BALLROOM,
1010 DOVER ROAD, SINGAPORE 139658

PRESENT:

President

Chairman - SPGG Endowment/ Education Fund;
Chairman - Food & Beverage

Mr Lim Hock Seng Jimmy

2nd Vice President

Mr Tay Choon Mong

Honorary General Secretary;

Chairman - Lifestyle, Wellness & Youth

Mr Tay Teck Chye Raymond

Honorary Assistant General Secretary

Chairman - Communications & Marketing

Mr Cheong Mun Tien Adrian

Honorary Treasurer;

Chairman - Facilities Management

Mr Tham Choon Kin

Honorary Assistant Treasurer

Mr Chua Wee Lin Jasmond

Chairman, Membership Development & Services

Mr Chou Wei Long Wellon

Chairman, Outreach

Chairman, Special Projects

Dato' Ramasamy Ramesh

Chairman, Sports

Mr Victor Lye

Chairman, Social Responsibility

Mr Lam Boon Kee Jeffrey

Co-opted Member

Mr Png Kong Hui Jimmy

ABSENT WITH APOLOGIES:

1st Vice President

Dr Khong Poh Wah

Chairman, Entrepreneurship

Dr Tan Seng Hong Damian

Co-opted Member

Mr Loh Meng Seng

Co-opted Member

Mr Soh Yan Jing Lloyd

Co-opted Member

Ms Tow Sze Hui

MINUTES OF 40th ANNUAL GENERAL MEETING 2019

ATTENDANCE AND QUORUM

The registered attendance for the Annual General Meeting (AGM) was 82 comprising 46 Ordinary, 26 Life and 10 Associate Members. These figures included the presence of Executive Committee Members (EXCO).

In accordance with Article 36 (13) of the Constitution, the quorum was met and the AGM was called to order at 1.30pm by President Mr Lim Hock Seng, Jimmy (the Chairman).

1. PRESIDENT'S ADDRESS

1.1. Prior to presenting the report for the term 2018/2019 at the AGM, the Chairman brought to the attention of the Members the following:

- 1.1.1 Only one Member should speak at a time to facilitate a smooth and efficient meeting.
- 1.1.2 All Members were to speak through the microphones provided, so that all could listen to the speaker.
- 1.1.3 Before speaking, each Member was to state his or her name and Membership number, so as to facilitate proper recording of the Member's name and Membership number for the Minutes of Meeting.
- 1.1.4 All questions were to be addressed to the Chairman, and the Chairman would decide and rule as to whether the question is relevant to the Agenda.
- 1.1.5 Members were to participate in the Meeting with decorum and discipline. If any Member presented acts out of decorum and discipline, the Chairman would first give a reminder to the Member. Failing to obey in the second instance, the said Member would be ejected from the Meeting by the Chairman.
- 1.1.6 With reference to point 1.1.5, any instances of ill conduct—which having been reminded and ejected from the Meeting—will be subjected to disciplinary actions by the Guild, which might include fines and removal from the Guild's Membership register.
- 1.1.7 With reference to point 1.1.6, all Members were requested to participate in the Meeting in accordance to the Agenda. Members were requested not to deviate, and not make remarks that might be personal in nature. Members were reminded not to offend anyone present in the Meeting.
- 1.1.8 Members were to leave their handphones and electronic devices on silent mode throughout the Meeting. This was to prevent any undue interruption of the Meeting.
- 1.1.9 The AGM was a private meeting (Meeting) of the Singapore Polytechnic Graduates' Guild, and it was to be noted that the Guild had not given approval to the press/media representatives to be present at the Meeting. If there were any press/media representatives present, they were required to leave the Meeting immediately.
- 1.1.10 There would be no cameras or photo-taking at the Meeting, other than the Guild's officially-appointed photographer.

MINUTES OF 40th ANNUAL GENERAL MEETING 2019

- 1.1.11 The staff of the Guild was permitted to be in the Meeting Room, but would not participate unless the Chairman called for it.
 - 1.1.12 The Committee had invited to the Meeting the Guild's legal advisers Mr Wong Liang Kok and Ms Chi Ping Huey from Tan Peng Chin LLC, and auditors Bob Low Siew Sie, Chew Kor Wai Gary and Cheah Sher Myn from Bob Low & Co.
 - 1.1.13 Members who were in arrears of their subscription/entrance fees were not permitted to participate at the Meeting. Members were to settle their arrears-to-date before being granted by the Chairman to attend the Meeting.
- 1.2. The Chairman briefed the 40th AGM agenda and then proceeded to present SPGG highlights for FY2019, the challenges confronting SPGG and the report for the term 2018/2019.
 - 1.3. Before that, The Chairman thanked Members for their unanimous support to increase the Subscription Fees in last AGM 2018.

FY2019 Highlights

The Chairman presented the Four Pillars Initiatives: Raising the Guild's Profile; Giving Back; Entrepreneurs' Hub; Service Quality and Vibrancy; which was conceived and established in 2014, in line with our Vision to transform SPGG into a Club of Distinction.

• Raising The Guild's Profile

The Chairman reported that the Guild's profile continued to be raised by the Leadership Dialogue Series and it is essentially through engagement with national leaders, business captains. He highlighted that the Guild hosted prominent speakers such as General Secretary of Singapore Kindness Movement, Dr William Wan, in August 2018, Executive Chairman Banyan Tree Holdings, Mr Ho Kwon Ping in November 2018 and Emeritus Senior Minister, Goh Chok Tong in June 2019.

• Giving Back

The Chairman reported that SPGG Endowment Fund received over \$5.45 million. A newly created SPGG Education Fund with the same objective to continue helping SP's needy students with their financial needs has been set up in July 2018. The SPGG Education Fund has raised about \$60K within 14 months from non-endowed donations from our donors. He shared that there was a Beneficiaries Meet Benefactors Appreciation Dinner in July 2019 and it was a meaningful event as it served as a platform for beneficiaries to meet their benefactors. During the event, some student recipients shared about how they had to balance between working part-time to support themselves, while still pursuing their studies in SP. They thanked the donors whose donations helped to lighten the financial burdens for themselves and also their family.

MINUTES OF 40th ANNUAL GENERAL MEETING 2019

- **Service Quality & Vibrancy**

The Chairman reported that the EXCO and the Management has worked hard for SPGG to be an exciting place for Members to learn, contribute and network. In order to improve the service quality and vibrancy, the Guild has continued the efforts as follows:

Upgrading Electronic Parking System

In order to provide Members with a fast and hassle-free experience at our car park gantry, SPGG implemented the Electronic Parking System (EPS). Upon registering their In-Vehicle Unit (IU) with the Guild, Members no longer need to redeem the 2-hour complimentary parking coupons from our Reception Counter. The Chairman reminded Members to register their vehicle details if they have not done so.

Implementation of e-SOA

The Guild also switched from a paper-based statement to an electronic Statement of Account (e-SOA). With this implementation, Members could access their monthly statements at their convenience, anytime, anywhere, instead of waiting for the paper-based statement.

New Members' Night: The Great Gatsby

To increase vibrancy in the Guild, SPGG organised a soirée to welcome our new Members to the Guild in April 2019. Accompanied by their guests, Members came dressed to the theme of 'The Great Gatsby'. The event provided an opportunity for Members to get to know each other better and also to familiarise themselves with the Guild.

Reciprocal Clubs

The Chairman reminded Members that the SPGG Membership allows Members to enjoy reciprocal benefits at other local clubs located in different parts of Singapore. The EXCO and the Management have worked hard in building such reciprocal partnerships in order to enhance Members' experience, especially for Members who live across Singapore.

He shared that SPGG's current reciprocal partners included SIA Group Sports Club in the east, Keppel Club in down south and Raffle Marina in west. He also shared that the Guild is constantly looking for opportunities to further Members' experience, and urged Members to share their wider network, to bring this experience to a greater level for the SPGG community.

SPGG in the media

The Chairman shared that Mediacorp Pte. Ltd used our Guild as a filming location for their dramas called "Jalan Jalan" and "The Good Fight".

MINUTES OF 40th ANNUAL GENERAL MEETING 2019

- **Events & Outreach Programs**

The Chairman also reported that the Guild organised various events and activities for Members, such as:

- Oh' Farms - August 2018
- CNY Mahjong Competition - February 2019
- Lo Hei Luncheon 2019 - February 2019
- Leather Workshop - February 2019
- Mahjong Friendly With NUSS - April 2019
- Stable Tour - June 2019

- **Food & Beverage (F&B)**

The Chairman reported that SPGG has been spending a lot of efforts, especially in the last 12 to 14 months in order to improve the Guild's F&B. He shared that the F&B team has been working hard in order to launch a new menu which will be launching on Tuesday, 29 October 2019. He highlighted that the gourmet weekday set lunch is also available at the restaurant and encouraged Members to patronise the F&B outlets in SPGG. He also reminded Members that they were eligible for a 15% Members' discount when dining in SPGG.

- **Sports**

The Chairman reported that the Guild held its Annual Bowling Championship and the monthly bowling medals and thanked Chairman, Sports, Mr Victor Lye for his active involvement in encouraging Members to be more active in sports. The Chairman shared that the Guild also continue to support competitions like Pool & Darts from Prince Edward Lounge and the weekly runs by our SPGG Running Interest Group.

- **Entrepreneurship**

The Chairman shared that in FY2018 and FY2019, the Guild focused less on the 'Big-Idea' approach to Entrepreneurship, noting that there were already quite a few government initiatives in place to support Entrepreneurship and help start-ups. He shared that SPGG was in the process of identifying opportunities, especially those that could greater benefit our Student Members.

1.4 Financial Performance

- 1.4.1 The Chairman shared the 7 years trend chart on SPGG's overall financial performance. He thanked Members again, for their support to increase the Monthly Subscription Fee, as the additional income helped the Guild go over the crossover point. SPGG's income of \$3.3 million marginally covered the expense of \$3.2 million in FY2019. There was a continuous decline in income over the years, mainly due to a decline in Jackpot Collection.

The Chairman shared that SPGG has been facing challenges, with Jackpot revenue on a downward trend by about 50%, especially after further tightening of the regulations. He added that the Management have been prudent in spending to reduce operating expenses, but changes to government policies such as the increased foreign worker levy were beyond the Guild's control.

MINUTES OF 40th ANNUAL GENERAL MEETING 2019

- 1.4.2 The Chairman reported the income statement of the Guild from Membership as follows:

The Chairman shared that although the financial reports reflected that income from Membership fees has increased to about \$1.1 million in 2019 from about \$950K in 2018, the reality is that Membership base has been slowly declining. In FY2019, the increased income reflected was attributed mainly to the recently increased Monthly Subscription Fee. He added that the full impact of the increase would be reflected in FY2020 to about \$1.3 million.

- 1.4.3 The Chairman reported that the increase in subscription fees may result in a high number of resignations by Members, sharing that the Guild lost 20% of SPGG's Members during a temporary \$10 increase in 2006. The EXCO and the Management were mindful of the potential impact resulting from the increase in Subscription Fee and have been preparing Members over the years, that this was a much needed action for SPGG to make.

In order to soften down the impact, the Guild introduced the Loyalty Vouchers for the affected Members over the 18 months and the initiative was very successful. He added that the Guild expected a loss of 15% of Members as an impact of the increase in subscription fee and the actual Members who resigned due to the increase in Subscription fee was only 88 Members. As of now, the Guild is maintaining the Membership strength as 3328 Members in FY2019.

- 1.4.4 The Chairman reported that F&B net income has increased in FY2019 by about 16% due to the usage of Loyalty Vouchers.
- 1.4.5 The Chairman reported that SPGG's cash reserve has gone down gradually and the current amount only allows the Guild to operate around 8 months. He added that the Guild had \$2.28 million in FY2018 and \$2.3 million in FY2019 respectively and free flow of cash reserves are not generating due to the increase in operating expenses and lower income.

The Chairman highlighted that the EXCO and Management were aware that some of the Guild's facilities such as The Restaurant, Banquet function rooms as well as the toilets needed to be upgraded. However, some of the projects have to be put on hold due to SPGG's depleting cash reserves.

He shared that should SP cease the Corporate Membership of \$180K with SPGG and with the commencement of the rental charges for the land lease of \$154K in 2021, SPGG can expect to see a deficit EBITDA from FY2022 onwards. He added that if the trend continues, the reserves will be affected and the Guild would have to face greater challenges.

- 1.5 Challenges Ahead

The Chairman stated the challenges that the Guild continued to face:

- Stagnant or declining income
- Escalating operating costs
- Declining Jackpot Collection
- Renewal of SP's Corporate Membership
- Land lease commercial rate kicking in 2021

MINUTES OF 40th ANNUAL GENERAL MEETING 2019

The Chairman reported that the EXCO and the Management are currently working hard to explore alternative sources of revenue. He highlighted that several projects are work in progress and confidential for this time being because of the non-disclosure agreement with the parties. He ensured to Members that he will be sharing more to Members when the things are materialized. He also shared that the Guild was taking the initiatives to reduce operating expenses and Implementation of e-SOA was one of the many.

He also added that the Management and the EXCO was putting a lot of efforts to increase value proposition by collaborating with other partners like Keppel Club and SIA Group Sports Club.

2. **TO CONFIRM THE MINUTES OF THE 39th ANNUAL GENERAL MEETING HELD ON 27 OCTOBER 2018**

- 2.1 There being no further queries, the Minutes of the 39th Annual General Meeting held on 21 October 2018 was adopted, as proposed by Mr NG MAN CHOONG (L00027) and seconded by Mr NG CHUAN WEE HENRY (L00026).

3. **TO RECEIVE AND IF SO APPROVED, TO ADOPT THE ANNUAL REPORT OF THE 30th EXECUTIVE COMMITTEE FOR THE FINANCIAL YEAR ENDING 31 JULY 2019**

- 3.1 As there were no matters raised on the Annual Report for the Financial Year ending 31 July 2018, the AGM resolved to adopt the report, as proposed by Mr WONG WHYE THONG, ROLAND (9800025) and seconded by Mr YEO HUANG KIAT (L00435).

4. **TO RECEIVE AND IF SO APPROVED, TO ADOPT THE STATEMENT OF ACCOUNTS FOR THE FINANCIAL YEAR ENDING 31 JULY 2019**

- 4.1 Mr KOH HEEN SWEE (0900097) queried on the doubling in spending for “Advertising and Promotion” (page 54 of the Annual Report). He also queried if the Guild’s facilities are managed effectively.

The Chairman replied that the Guild has been investing more on digital marketing for brand awareness. This has helped increase sales for the respective business units, especially for Banquet. He shared that about 30% of Banquet/Membership enquiries came from Google Ads. He also added that the SPGG had been spent more on traditional marketing, such as banners around the Guild, to promote F&B to the general public.

Touching on his latter comment, the Chairman – Facilities Management, Mr Tham Choon Kim replied that SPGG was maintaining the Guild’s facilities in both preventive and comprehensive ways. He requested Members to help look after the Guild facilities and encouraged Members to give feedback to the Guild regularly. The Chairman added that the toilets need a major renovation, but that would cost the Guild about \$300K. In the meantime, SPGG will continue with minor upgrading projects instead of going for a major revamp.

- 4.2 Mr ANG KWEE HUAT (9900142) referred to the increase in “Water and Electricity” from \$215K in FY2018 to \$233K in FY2019 (page 55 of the Annual Report) and asked whether the collaboration with SP for solar system had benefited the Guild.

The Chairman explained that the increase in the water bill was due to the increased water tariffs and water conservation tax by the government. He also shared that a majority of the Guild’s electricity came from a private supplier and that there was an increase after a renewal of the contract. He added that the Guild saved about 13% by

MINUTES OF 40th ANNUAL GENERAL MEETING 2019

switching from Singapore Power to a private company about 5 years ago, but electricity prices have been gradually increasing year by year. He assured Members that the operation team is working hard to reduce water and electricity usage as much as possible.

Mr ANG KWEE HUAT (9900142) asked the price of the electricity per unit in the new contract.

The Chairman replied that it was \$0.175 per kilowatt hour (kWh) and that it increased about 10% compared to last year.

- 4.3 Mr CHAN VOON SHEN (1000123) queried whether there is any difference between “Advertising and Promotion” and “Membership Drive Advertising and Promotion” under Administrative Expenses (page 54 of the Annual Report).

The Chairman replied that Advertising and Promotion is for the Guild’s activities including events, banquet and F&B. He highlighted that significant increase from Membership drive Advertising and Promotion included the cost of Loyalty Vouchers. He added that the classification was correct as the objectives of the Membership drive A&P were to recruit more Members and also to reduce the attrition of existing Members.

- 4.4 Mr YEE WAI KHENG, BOBBY (L00047) suggested reducing the Birthday Voucher amount from \$30 to \$20 as other clubs were also practicing it recently. The Chairman noted on his suggestion.

- 4.5 Mr HOE LYE SOON (9800270) queried whether the SPGG projected a fall in Banquet sales and how the Guild may focus to increase Banquet revenue.

The Chairman replied that the drop in income for F&B was mainly due to lower Banquet sales. He shared that the Government added new criteria requiring companies to be Halal certified and have BCA Green Mark certification in order to be awarded contracts. In order for SPGG to meet the necessary requirements, it would cost the Guild about \$100K. As such, SPGG was unable to participate in the tender process and lost potential revenue. The Chairman added that the EXCO and the Management have been working hard to increase F&B revenue by improving efficiency and that the last year has seen an increase in sales in SPGG’s F&B outlets.

- 4.6 Mr LIM KIAN LIP (1200064) observed that SPGG had a total operating loss of \$156K after depreciation for the financial year (page 54 & 55 of the Annual Report).

The Chairman replied that it was correct and he added that depreciation is a non-cash item.

- 4.7 Mr ANG KWEE HUAT (9900142) referred to the Non-current assets under Statement of Financial Position (page 56 of the Annual Report) and queried how the depreciation was calculated for assets.

The Chairman briefed that different assets have different depreciation. For example, the depreciation for the Guild’s building was only 5 years and that it was fully depreciated. He referred Members to Page 61 for further clarifications.

- 4.8 Mr KON TENG HOW, TERENCE (1500112) queried the underlying cause for the increased cost of Rental of Office Equipment (page 55 of the Annual Report).

The Chairman replied that some of the office equipment such as the photocopier machine was leased and that the final payment was due at the end of the term. He explained that it was a one-off transaction and that the same amount would not be reflected next year.

MINUTES OF 40th ANNUAL GENERAL MEETING 2019

- 4.9 Mr HOE LYE SOON (9800270) raised his concern on the Employee Expenses as the salaries for employees have remained stable for a couple of years and that the increase for 2019 was only 2%. He queried on staff retention.

The Chairman explained that the SPGG has tried to maintain the headcount by optimising the Guild's manpower resources. He added that one of the measures in keeping costs low included a review of staff salary. However, he shared that the Guild distributes bonus for staff, and rewards staff who go above and beyond their call of duty. He also added that in order to keep the Guild's finances sustainable, a variable bonus may be given out, instead of raising the basic salary.

- 4.10 With no further questions raised, the Statement of Account for the Financial Year ending 31 July 2019 was adopted by the AGM as proposed by Mr KON TENG HOW, TERENCE (1500112) and seconded by Mr ANG KWEE HUAT (9900142).

5. TO RECEIVE AND IF SO APPROVED, TO ADOPT THE PROVISIONAL BUDGET FOR THE FOLLOWING YEAR ENDING 31 JULY 2020

Mr YEO HUANG KIAT (L00435) inquired whether hosting the SP@65 Gala Dinner in SPGG was revenue or expenditure.

The Chairman stated that collaborating with our Alma Mater SP, was our way of giving back. He added that in preparation for the event, SPGG would be shutting down the Guild's operation for two days and that the reinstatement of the Tennis Courts fence after the event may be a cost for SPGG. However, SPGG was currently bidding to be the F&B provider for the event and has been shortlisted. Should the Guild be awarded, the revenue would be neutral for SPGG. If SPGG was not awarded the tender, the event would be a way for SPGG to contribute back to our Alma Mater, SP. He highlighted that this would be a momentous event as it would be the first time that SP held their homecoming Gala Dinner at SPGG, in order to celebrate their 65th years.

- 5.1 Mr CHAN VOON SHEN (1000123) queried the reason for the increase in budget for "Advertising and Promotion" (Page 80 of the Annual Report).

The Chairman replied that the Guild will be investing more money in A&P via Digital Marketing in the coming year in order to increase brand awareness and also increase the sales of F&B (promoting Banquet). He highlighted that positive impacts had been seen through advertising via Google Ads and that the Guild will be spending more in future. He added that there will be some initiatives as a traditional marketing including implementation of digital signage.

- 5.2 Mr KOH HEEN SWEE (0900097) suggested to the management to measure the effectiveness of the advertising on F&B.

The Chairman thanked him for his inputs and assured Members that the Guild closely monitors the effectiveness and measures the results on a monthly basis.

- 5.3 Mr YEE WAI KHENG, BOBBY (L00047) queried whether there is any difference between "Advertising and Promotion" and "Membership drive Advertising and Promotion" (page 80 of the Annual Report). He also suggested to look into the other vendors for the advertising on social media as some of them charge based on campaign basis.

MINUTES OF 40th ANNUAL GENERAL MEETING 2019

The Chairman reiterated that the provisional budget for Membership Drive Advertising and Promotion in FY2020 included expected redemption on the Loyalty Vouchers as 50% which was equal to \$150K even though the actual cost for the issuance was about \$300K.

- 5.4 Mr LEONG HENG FATT (1700009) raised his concern about the forecasted \$200K increase in “Membership Fees” (Page 80 of the Annual Report). He queried if SPGG was going to increase the Guild’s Membership Fees again in 2020.

The Chairman assured Members that the Guild had no intention to increase the Membership Fees at this moment as the primary focus for the upcoming year was to find new sources of revenue for SPGG. He added that the forecasted increase was mainly due to the increase of Membership Subscription Fees and that the full impact will be seen in 2020.

- 5.5 With no further queries, the Provisional Budget for the following year ending 31 July 2020 was adopted as proposed by Mr CHAN VOON SHEN (1000123) and seconded by Mr NG MAN CHOONG (L00027).

6. TO CONSIDER, WHERE SPGG’S CONSTITUTION DOES NOT PROVIDE, A MOTION BY THE 30TH EXECUTIVE COMMITTEE TO APPOINT TWO (2) HONORARY AUDITORS FOR THE TERM 2019/2020.

- 6.1 The AGM placed on record SPGG’s appreciation to Mr ONG WEN SHUN, GERALD (0700054) and Mr HO CHONG SEN, SAM (L00319) as SPGG’s Honorary Auditors for the term 2018/2019.

- 6.2 The AGM approved the appointment of Mr KON TENG HOW, TERENCE (1500112) and Mr CHAN VOON SHEN (1000123) as SPGG’s Honorary Auditors for the term 2019/2020.

7. TO APPOINT BOB LOW & CO. TO BE THE EXTERNAL AUDITOR FOR THE FINANCIAL YEAR ENDING 31 JULY 2020

- 7.1 The AGM approved to appoint Bob Low & Co. as the External Auditor for the financial year ending 31 July 2020 as proposed by Mr HO CHONG SEN, SAM (L00319) and seconded by Mr CHUA EE CHAI (1100374).

8. ANNOUNCEMENT OF THE 31st EXECUTIVE COMMITTEE FOR THE TERM 2019/2021

- 8.1 The Chairman announced the elected Executive Committee Members for the 31st EXCO for the term 2019/2021 as follows:

Mr Cheong Mun Tien Adrian - Ordinary Member (1000121)
Mr Chou Wei Long Wellon - Ordinary Member (1500009)
Mr Lim Hock Seng Jimmy - Life Member (L00216)
Mr Loh Meng Seng - Ordinary Member (0100204)
Mr Ong Wen Shun Gerald - Ordinary Member (0700054)
Mr Png Kong Hui Jimmy - Life Member (L00444)
Mr Soh Yan Jing Lloyd - Ordinary Member (1800217)
Dr Tan Seng Hong Damian - Ordinary Member (9800297)
Mr Tay Choon Mong - Life Member (L00042)
Mr Tay Teck Chye Raymond - Ordinary Member (0600157)
Mr Tham Choon Kin - Life Member (L00120)
Mr Victor Lye - Ordinary Member (9800285)

MINUTES OF 40th ANNUAL GENERAL MEETING 2019

On behalf of SPGG, the Chairman also expressed gratitude to the 30th Executive Committee Members mentioned below who had contributed for their time and efforts, and who will not be continuing next term.

Mr Chua Wee Lin Jasmond - Life Member (L00703)
Dr Khong Poh Wah - Ordinary Member (0900090)
Mr Kuriakin Zeng - Ordinary Member (1700071)
Mr Lam Boon Kee Jeffrey - Life Member (L00577)
Dato' Ramasamy Ramesh - Ordinary Member (1500228)
Ms Tow Sze Hui - Ordinary Member (1000136)

9. TO DISCUSS ANY OTHER BUSINESS

The Chairman opened the session to the Members and fellow EXCO for any feedback.

- 9.1 Mr NG MAN CHOONG (L00027) suggested continuing the Loyalty Vouchers for an additional two years and to also allow usage to be combined with the Birthday Vouchers, in order to encourage Members to spend more at the F&B outlets. He added that the suggestion was made to encourage Members to retain their Membership.

On behalf of the Chairman, Mr Tay Choon Mong replied that the new EXCO would take the suggestions into consideration.

- 9.2 Mr KOH WEE KENG (9800043) queried the negotiation details on the holding of SP@65 Gala Dinner at SPGG.

On behalf of the Chairman, Dato' Ramesh replied that holding the SP@65 Gala Dinner event at SPGG is a privilege for the Guild and that it would also help to serve as a platform for SPGG to reach out to our Alumni.

- 9.3 Mr ANG KWEE HUAT (9900142) suggested recruiting more female EXCO Members for the Committee as he noticed that the EXCO were predominantly male. He also suggested the EXCO and the Management to monitor Members' patronage and explore options on how to retain older Members.

On behalf of the Chairman, Mr Tay Choon Mong replied that he has taken note of the suggestion and the new EXCO will be put into consideration.

10. CONCLUSION OF 40th ANNUAL GENERAL MEETING.

With no other issues to discuss, the 40th Annual General Meeting concluded at 1600 hours on 26 October 2019.



Mr Lim Hock Seng, Jimmy
President
30th Executive Committee



Mr Tay Teck Chye, Raymond
Honorary General Secretary
30th Executive Committee

PRESIDENT'S MESSAGE



Mr Lim Hock Seng, Jimmy
President
Singapore Polytechnic Graduates' Guild

PRESIDENT'S MESSAGE

Dear Fellow Members,

During the last AGM, I shared with you the headwinds confronting your Guild, and what your EXCO and the management team would be doing to take on the challenges, and to position SPGG for long-term viability and growth.

As you might recall, the financial outlook of the Guild was challenging. The contribution from our Jackpot operation was significantly affected due to more stringent regulatory requirements, and our F&B operations were facing more intense external competition. At the same time, we continued to experience ever escalating operating expenditure, while our twenty years old Guild House needs urgent upkeeping and upgrading.

While we were working hard on executing a series of strategic initiatives to address the challenges, the onslaught of the COVID-19 pandemic at the beginning of this year, and the subsequent Circuit Breaker Measures, caught us completely off guard and it brutally disrupted our plan.

Our financial condition deteriorated further as a result, and we saw the first financial deficit in many years. We are grateful, however, to benefit from the Government COVID-19 support schemes, which have mitigated part of our operational losses.

The COVID-19 pandemic, nevertheless, did not derail us from our focus on developing additional sources of revenue; continuously improving our operations; and contributing back to our alma mater and SP community.

COVID-19 Pandemic

The COVID-19 pandemic came to our shore in January this year and quickly spread into the community in March. In response, our Government implemented the Circuit Breaker Measures in April.

All the member activities, events and F&B operations at the Guild were ground to a halt, and our Guild was effectively shut down during the Circuit Breaker period. We went into a crisis management mode to deal with this unprecedented crisis.

Our immediate priority was to ensure the safety of our staff and our members; conserve our financial resources and to protect the integrity of the relationship with our partners and stakeholders. Many difficult decisions had to be taken in real time during this period. It was both physically and psychological draining, to say the least.

But, the “Never Say Die” spirit of Poly graduates prevails. I know we would come out of this crisis stronger than before.

Long-Term Partnership with Keppel Club

After two years of successful reciprocal relationship with Keppel Club, the EXCO of both organisations decided it was time to further strengthen our symbiotic bond. We set out to explore a 20-year strategic partnership that would bring about substantial added benefits to both our members.

Amid COVID-19 pandemic Circuit Breaker period, the EXCO of Keppel Club and SPGG gathered over a dinner on 1st July 2020 and signed the Letter of Intent (LOI). The LOI paved the way for adding new sport and social facilities to our Club House, as well as enhancing the existing facilities, for the enjoyment of our members, family and guests.

PRESIDENT'S MESSAGE

We are at the early stage of forging this strategic partnership with Keppel Club. Its success would be an important contributing factor to the long-term viability and growth of SPGG. I have, therefore, formed a Task Force to work closely with all stakeholders (Keppel Club; Singapore Polytechnic; SPGG members; and etc.) to insure effective conceptualisation to implementation of this project.

Other than the long-term partnership with Keppel Club, your EXCO and the Management Team have been working on a few other strategic projects, with the objectives to secure additional revenue source for SPGG and to enhance the vibrancy and experience for our members.

I would continue to update you as we make progress.

SP 65th Anniversary Home-Coming Gala Dinner at SPGG

SPGG has always enjoyed a strong symbiotic relationship with our alma mater. When Singapore Polytechnic (SP) was planning for her 65th Anniversary Celebration, she chose SPGG as the venue for the Homecoming Gala Dinner, which was held on 3 Dec 2019.

Our alma mater not only chose SPGG as the venue for this historic event, she also showcased SPGG to her invited guests – the then Education Minister, Mr Ong Ye Kung; SP industrial partners; and SP Alumni. We are grateful to the SP PCEO, Mr Soh Wai Wah, and his leadership team for continuing to believe in SPGG and for their unwavering support over the years.

Giving Back – SPGG Care Fund & SPGG Endowment Fund Bursary

The onslaught of COVID-19 pandemic was unprecedented. It brought the global economic activities down to a halt. Singapore was not spared. The economic and financial costs to our society and people are enormous.

Our Government launched several support packages to help companies and families affected by the outbreak. But the lower-income families were hit the hardest.

Many SP students were from humble backgrounds. Some parents were Taxi or Grab drivers, or food court cleaners. Students from these low-income families often took up part time jobs, such as tutor, F&B banquet server, or exhibition promoter, to help reduce the financial burden of their parents. All these jobs were gone during the Circuit Breaker period. The livelihoods of these families were in jeopardy and the students faced the prospect of dropping out of SP.

With the support of SP, we set up SPGG Care Fund to help these needy students during this challenging period. Our plan was for SPGG Care Fund to disburse a one-off \$500 aid to students whose family's financial condition was severely affected by the COVID-19 outbreak. This one-off \$500 relief is on top of the existing SPGG Bursary Awards we offer to the financially disadvantaged SP students.

I am grateful and humbled by the generosity and compassion of our fellow SPGG members, donors and friends, who responded enthusiastically to the cause during one of the most challenging times in our history and donated generously.

We received a total of \$233,317 contribution over the span of five months – between April and August this year. And, about 467 under privileged SP students would benefit from the \$500 relief.

To my fellow SPGG members, donors and friends, I salute you! In times of crisis, you selflessly extended your helping hand and put a smile on the face of those students who needed help most. You have also impacted positively the life of these students and started the virtual cycle of giving back.

PRESIDENT'S MESSAGE

The COVID-19 pandemic also prevented us from conducting the annual Applicant Interview Process for SPGG Endowment/Education Fund Bursary this year. We were also unable to host the Donors Appreciation Dinner. To ensure that the deserving students continue to receive SPGG Endowment/Education Bursaries this year, we sought the help of SP Student Service Department to select and award the bursary.

Total 73 (Seventy Three) SPGG Endowment/Education Bursaries were awarded to the deserving students this academic year.

SPGG Honorary Member, Mr Lim Chin Aik passing

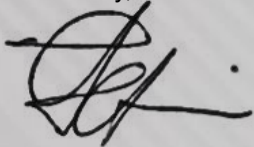
On 9 May this year, we grieved the passing of our Honorary Member, Mr Lim Chin Aik. Born in 1924, the late Mr Lim Chin Aik was Singapore Polytechnic's first student and SPGG's first Honorary Member. He contributed greatly to construction of our existing Club House by chairing the Building Committee in the 1990's. He also served on SPGG EXCO from 1993 to 2006. Through his years with SPGG, his wisdom and counsel had helped the Guild overcome several challenges and adversities.

Mr Lim was a true gentleman and we will remember him for his unyielding sacrifices and commitment to SPGG.

Closing

The pandemic is still lingering, and the headwinds persist. None of these, however, would distract your Ex-Co and the management team from our unyielding efforts in developing additional sources of revenue; continuously improving our operations; and contributing back to our Alma Meta and SP community. On behalf of my EXCO colleagues, I thank you for your unwavering support over the years. With your continued support, I am confident that we would come out of this pandemic stronger than before.

Yours truly,



Mr Lim Hock Seng, Jimmy
President
31st Executive Committee

31st EXECUTIVE COMMITTEE MEMBERS 2019/2021



LIM HOCK SENG JIMMY

President
Chairman, SPGG Endowment/
Education Fund
Chairman, Food & Beverage



LOH MENG SENG

Honorary General Secretary



CHOU WEI LONG WELLON

Honorary Treasurer
Chairman, Lifestyle, Wellness
& Youth



TAY CHOON MONG

1st Vice President



CHEONG MUN TIEN ADRIAN

2nd Vice President
Chairman, Communications &
Marketing
Sub-Committee Member, Food
& Beverage



TAY TECK CHYE RAYMOND

Honorary Assistant General Secretary
Chairman, Membership Development
& Services



PNG KONG HUI JIMMY

Honorary Assistant Treasurer



ONG WEN SHUN GERALD

Chairman, Entrepreneurship
Chairman, Social Responsibility



THAM CHOON KIN

Chairman,
Facilities Management



DR TAN SENG HONG, DAMIAN

Chairman, Outreach / Special
Projects



VICTOR LYE

Chairman, Sports



SOH YAN JING LLOYD

Sub-Committee Member,
Membership Development &
Services



TEO JIAN RONG JAYREN

Co-opted Member
(Jun 2020 - Current)

EXECUTIVE REPORT

**HONORARY GENERAL SECRETARY
MR LOH MENG SENG**

**HONORARY ASSISTANT GENERAL SECRETARY
MR TAY TECK CHYE, RAYMOND**

The Honorary General Secretary is responsible for the administration and convening of all Executive Committee (EXCO) meetings and General Meetings of the Guild. EXCO meetings are held monthly, with discussions on matters relating to the Guild's capital and operating expenses, strategic initiatives, membership, outreach, as well as maximising SPGG's infrastructure utilisation and human resource.

The Management Committee was formed in December 2019 consisting of Mr Jimmy Lim, Mr Tay Choon Mong, Mr Loh Meng Seng, Mr Wellon Chou and Mr Gerald Ong whom will assist in the facilitation of the Guild's administration and help to streamline the decision-making processes of the EXCO. All elected EXCOs are unpaid volunteers who spent their time and effort for the betterment of the Guild.

As part of our EXCO's renewal process, in June 2020, the Guild welcomed our Ordinary Member, Mr Teo Jian Rong, Jayren as a co-opted 31st EXCO member for the term 2019/2021.

During the COVID-19 pandemic period, the EXCO Meetings were held via video conferencing platform to stay updated with the Guild's matters. There were no Extraordinary General Meetings.

SPGG's foreign worker quota was affected by Ministry of Manpower (MOM)'s tightening of their policies effective Jan 2020. For the service industry, the quota was reduced from 40% to 38% in 2020 and would be reduced further to 35% in 2021. The Guild is currently facing a challenge in managing our F&B and housekeeping operations which rely mostly on foreign workers. However, SPGG continued to maintain its operational efficiency by leveraging on the experience and skill sets of our current staff.

In the areas of staff training, our staff attended courses on Standard First Aid+ AED Course, Fire Safety Course, Workplace Safety and Health Course (WSH) and Safe Management Measures-Preparing Workplace for COVID-19 Course.

EXECUTIVE REPORT

Long Service Awards 2019

SPGG understands that the key to employee's loyalty is both appreciation and recognition, long service awards were presented to the staff members who have worked tirelessly for our members and the continuous improvement of SPGG. The recognition program was commenced in 2017. For FY 2019, a total of 7 long service awards was conferred the Long Service Award for their 5 and 15 years of service respectively. SPGG would like to congratulate the following recipients for long-service awards.

Muhammad Arif Bin Naharudin
Mohd Azizam Bin Abdullah
Gobinath Vadamalai
Koo Kim Foong

5

Years of Service

Chia Lay Yian
Eugene Quah
Lee Teck Chai

15

Years of Service



Attendance For 31st Executive Committee Meetings

Committee Members	Present	Total
Mr Lim Hock Seng, Jimmy	6	6
Mr Tay Choon Mong	5	6
Mr Cheong Mun Tien Adrian	2	6
Mr Loh Meng Seng	5	6
Mr Tay Teck Chye, Raymond	3	6
Mr Chou Wei Long, Wellon	3	6
Mr Png Kong Hui, Jimmy	5	6
Mr Ong Wen Shun, Gerald	5	6
Mr Tham Choon Kin	5	6
Mr Victor Lye	6	6
Dr Tan Seng Hong, Damian	2	6
Mr Soh Yon Jing, Lloyd	3	6
Mr Teo Jian Rong, Jayren	1	1

COMMUNICATIONS & MARKETING

EXECUTIVE REPORT

CHAIRMAN: MR CHEONG MUN TIEN, ADRIAN

The Guild engaged with our Members through both online and traditional modes to keep them informed on the latest happenings. Communication is also made through our website, Facebook, Instagram, electronic direct mails (EDM), short message sending (SMS) and posters.

Google Ads Campaign & Facebook Ads Campaign

The Guild continues to have an active presence online through digital marketing platforms like Google, Facebook and Instagram to reach out to the target audiences. EDM are regularly sent to members to keep them updated on the guild's activities and latest promotion.

Regular online marketing campaigns are made through Google Ads and Facebook Ads for our business units to reach out to the target audience in generating sales leads. We are also starting to receive enquiries online for the rental of facilities such as our tennis court for photography and videography for both personal and commercial projects, which can be an alternative source for income for the guild.

To generate more leads and higher conversions for our marketing campaigns, we had launched a microsite for our banqueting and membership for prospects to focus on the information they required. To increase traffic to our website, we had also made visual shifts of our design artwork with more infographic.

Traditional Marketing

To increase the awareness of our F&B and membership promotion within the Guild, there had been more placements of posters outside the restaurant and around the Guild. New directional signages also have been placed within the Guild to facilitate members and guests when patronizing.

SPGG in the media

Media Corporation of Singapore Pte Ltd (Mediacorp) used our Bowling Alley as a filming location on 25 June 2020 for their upcoming drama "Miss Haven't" including featuring cast members of Fang Rong and Richie Ang.



SPGG ENDOWMENT/ EDUCATION FUND (SPGG EF)

EXECUTIVE REPORT

CHAIRMAN: MR LIM HOCK SENG, JIMMY

SPGG Endowment Fund was started about 6 years ago and it had received over \$2.18 million in donations from about 80 donors. Together with the Government 1.5 times matching, it stands at \$5.45 million. Although the fund raising effort had ceased in 2018, bursaries continued to be distributed to SP students based on the yield earned from the mother-fund.

All future donations will be channeled to the SPGG Education Fund which was inceptioned in 2019.

In FY2020, a total of 73 bursaries were awarded to deserving SP students, with 44 bursaries awarded under the SPGG Endowment Fund and 29 bursaries under the newly introduced SPGG Education Fund.

Due to COVID-19 pandemic, for the safety of our students, benefactors and our staff, we cancelled the annual Bursary Applicant Interviewing Process and the Beneficiaries Meet Benefactors Appreciation Dinner where the bursary recipients meet face-to-face with the donors and express their gratitude in person. We would resume the Bursary Applicant Interviewing Process and the Beneficiaries Meet Benefactors Appreciation Dinner next year, if Circuit Breaker is lifted.

SPGG Care Fund

At the height of COVID-19 pandemic, we set up SPGG Care Fund in April 2020 to provide financial relief for SP students from humble backgrounds, whose livelihoods are impacted by the pandemic. Students from these low-income families often take up part time jobs, such as tutor, F&B banquet server, or exhibition promoter, to help reduce the financial burden of their parents. Some of their parents are taxi driver, Grab drivers, or food court assistants, & etc. All these jobs are gone during the Circuit Breaker period. Their livelihoods are in jeopardy and the students face the prospect of dropping out of SP education.

SPGG Care Fund disbursed a one-off \$500 relief to students whose family's financial condition is severely affected by the COVID-19 outbreak. This is in addition to the existing SPGG Bursary Awards we are offering to the financially disadvantaged SP students.

Donations started to pour in immediately after the campaign was launched on 21-April-2020. Within 8 weeks, the SPGG Care Fund received more than \$233,000 through the generosity of our donors, SPGG members, alumni and friends. So far, \$205,000 has been distributed to 410 deserving SP Students. We are also in the process of applying for one-for-one matching grants from the Tote Board. If the application were successful, the donation amount will be doubled to over \$466,000, and more needy SP students would be able to benefit from the financial relief.

I would like to take this opportunity to express my heartfelt gratitude to all our donors. You have put a smile on the face of the students who have benefited from your generosity and compassion. Your act of kindness has definitely impacted positively the life of the students.

More importantly, you have created a virtual cycle of giving back, in that those who received help from you would return later to help those who come after them.

6

Years of Donations

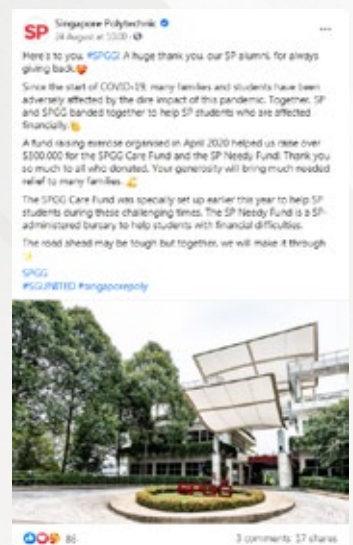
2.18

Million

80

Donors

SPGG Care Fund



FACILITIES MANAGEMENT

EXECUTIVE REPORT

CHAIRMAN: MR THAM CHOON KIN

In this financial year, our maintenance, housekeeping and operation went through an unprecedented maintenance cycle. We started with targeted maintenance and continued by timely maintenance before entering into the pandemic mode with essential maintenance.

SP 65th Anniversary was a milestone of our alma mater. When SP decided to hold this momentous celebration at our premise to celebrate its 65th year of achievements, we activated the entire team and resources to ensure that the Guild facilities stand ready for its Gala Dinner on 03 Dec 2019. Leading to this day, many activities happened like site preparation, coordinating and liaising with different SP stakeholders. Within the Guild, we spruce up as this event was attended by many SP alumni, industry partners and distinguished guests.

Our Guild continued to be prudent in our spending and is constantly reviewing our maintenance expenditure on possible cost saving mode of operations. In late 2019, seeing an 11% decline in oil price; we took on the early renewal of the electricity contract from Jan 2021 to Dec 2022. It was estimated then that we anticipated a cost saving of \$60,000 over 24 months.



FACILITIES MANAGEMENT

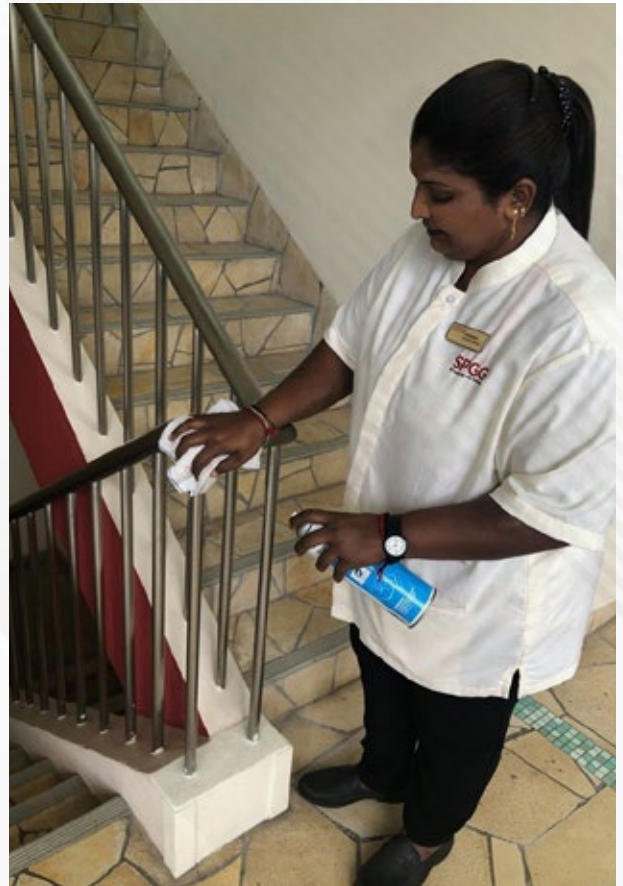
Our team also works on the improvement of the air ventilation at level 2 incubation offices after receiving feedback from our valued Tenants. Exhaust fans were installed, more fresh air was introduced and stale air removed from the confined space. In our backyard, our team replaced the sump pumps, worked with the vendor to install additional units to prevent any backflow to ensure timely discharge to the designated public sewer. At level 2 and 3, we have completed replacing all main toilet doors.

Since the start of the COVID-19 outbreak in Jan 2020, the guild has implemented a series of measures including placing hand sanitizers at multiple locations, increased frequency of cleaning and sanitizing in the Guild, frequent touch surfaces and safe distancing in line with the regulatory.

In line with Government measures for a stronger push to curb the spread of COVID-19, the Guild was temporarily closed from 6 Apr 2020 to 1 Jun 2020. During the circuit breaker period, essential services like pest control, pool cleaning and refuse removal were maintained to keep the Guild clean and safe.

From 2 Jun 2020 when the circuit breaker was lifted, our facilities and activities were progressively opened aligned to regulatory and safe management measures adherence. To this end, a contactless temperature scanner was installed at our Front Office. These made our compliance more efficient and reduced the risk to our visiting members and staff.

In this unprecedented period, all maintenance expenditure will be carefully evaluated by EXCO and the Management, before deciding whether to proceed, postponed or delayed to the next financial year or at an appropriate time.



FOOD & BEVERAGE (F&B)

EXECUTIVE REPORT

CHAIRMAN: MR LIM HOCK SENG, JIMMY

SUB-COMMITTEE MEMBER: MR CHEONG MUN TIEN, ADRIAN

The F&B Operations has seen one of its most challenging years in FY2010. The COVID-19 pandemic essentially shut down our Club House completely since March of this year, our F&B operations were not spared. Needless to say, our F&B revenue was severely affected.

Nevertheless, the F&B sub-committee and the F&B team continued to soldier on during this difficult time. We continued our fortnightly-meeting to explore and identify opportunities to serve our members and guests better – without exception during Circuit Breaker period.

Take-Away Bento Box was introduced in June while our physical outlets (Restaurant; Poolside Café and Coffee Hub) remained closed. A total of 17 different bento sets (Asian /Fusion) were offered at the affordable prices. This value-for-money take-away bento offer was well received by our members and guests, especially during the Circuit Breaker period.

In view of the job losses and financial difficulties brought about by the COVID-19 pandemic, we launched the F&B Cash Vouchers with the objective of offering significant cost saving for our members patronising our F&B outlets. The F&B Cash Voucher offers \$120 value at the price of \$100. On top of that, SPGG members enjoy their usual 15% member's discount while using the Cash Vouchers. So, total saving for members was about 35%. And, all spending also counts towards their F&B Minimum Spending Levy (MSL).

We also regularly review the response from our patrons and introduce new menu, in order to add variety to cater to the ever changing taste preference of our members.

During this lull period, we stepped up cleaning and hygiene standards, reviewed improvement measures and deployment of staff to other areas of F&B. We also constantly reviewed our seminar and wedding packages to stay competitive and introduce attractive deals to our clients.



FOOD & BEVERAGE (F&B)

Poolside Café – Serve Best Cuisine (Halal)

The poolside café was outsourced to Serve Best Cuisine (previously known as CJS Catering) in February 2020. This was a strategic move as the partnership brought about a symbiotic relationship between SPGG and Serve Best Cuisine.

Serve Best Cuisine has a significant external catering business and it operates a central kitchen at Senoko. It is also a halal certified operator and it offers a menu ranging from all day munchies to affordable main courses from both Asian and Western cuisines.



The Coffee Hub

The Coffee Hub had been a very popular venue for coffee & tea lovers. The conducive meeting and reading environment with affordable beverages remains an attractive venue for a cuppa and browsing of newspapers or magazines.

Unfortunately, The Coffee Hub currently only opens on the weekend during the Circuit Breaker period. As the point of writing this report, the management was working very hard to resume its normal operations soon.



Prince Edward Lounge

Managed by one of our vendors, Wiser Karaoke Lounge & Pub, The Prince Edward Lounge offers beer, darts, karaoke, pool, and camaraderie for much fun and drinks. First Thursday of every month is Members' Night, where there's free-flow of Sapporo Beer, with lucky draws conducted in March, June, September and December, where members can stand the chance to win exciting prizes.

Since late March, the Multi-Ministry Task Force announced stricter measures to combat the spread of COVID-19 which includes bars and entertainment outlets to close. While restrictions have been eased gradually since Jun 2020 as Singapore reopens its economy in stages, the lounge remained closed operating until further notice.

FOOD & BEVERAGE (F&B)

The Restaurant

Our Restaurant continues to be popular among our members who showered praise on the food quality and services from time to time. Our Executive Chef, Bob Ko, and F&B team regularly review feedback from our patrons and update our menu in order to add variety to cater to the ever changing taste preference of our members.

New dishes like Roselle Pork Ribs, Golden Crispy Soft Shell Crab and Eight Treasure Bean curd with Crabmeat became an instant hit among the patrons when the new menu was launched in October 2019.

The annual Chinese New Year Reunion Dinner sets and Chinese New Year Lunch & Dinner sets were also very well received among our members, and the reunion dinner was fully booked within 3 weeks of launch.



Banquet

Our Banquet operation was hardest hit as a result of COVID-19 pandemic. All hospitality, seminar and conferencing activities came to a complete halt when the pandemic struck in March 2020. All prior bookings from our clients were cancelled.

The Phase-2 of Circuit Breaker provides some relief with a maximum of 20-person physical gathering allowed. Although it was still very restrictive, our banquet team got creative and took the opportunity to explore with our clients to experiment alternative solution, such as hybrid virtual-physical seminar – with 20 guests (Maximum allowed) in one function room and streaming video through online conferencing to their other clients who were not allowed to physically witness the event.



Seminar Packages
start from **\$48++** per pax



1. Standard Full Day Seminar package at \$48++ with 2 meals and 1 lunch
2. Standard Half Day Seminar Package at \$38++ with 1 meal
3. Full Day or Half Day Hall Rental Package
4. Venue Rental for Wedding Reception

Promotion 13% discount for all booking made from now until Nov 2020

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1. Packages are subject to a minimum of 10 persons guaranteed
2. Packages are subject to a minimum of 10 persons guaranteed
3. Packages are subject to a minimum of 10 persons guaranteed
4. Packages are subject to a minimum of 10 persons guaranteed

Call now at 6796 9988
email to banquet@spgg.org.sg
www.spgg.org.sg/uf/seminars

LIFESTYLE, WELLNESS & YOUTH

EXECUTIVE REPORT

CHAIRMAN: MR CHOU WEI LONG, WELLON

To strengthen member's ties in a friendly environment, SPGG continuously strives to increase members' participation in lifestyle and wellness activities.

The mahjong tournament was held on 31 Aug 2019 where they outplayed each other to win cash prizes up to \$300. Our members also engaged in some recreational fun Sunday together with players from National University Of Singapore Society (NUSS) on 6 Oct 2019.

Our SPGG members had a glimpse into Singapore's Education story with waves of nostalgia that will evoke childhood memories long forgotten. On 23 Aug 2019, members visited the Ministry of Education (MOE) Heritage Centre to delve deeper to understand the history of Singapore's education through historical artefacts, multimedia stations and reflections of educators.

On 9 Sep 2019, our members enjoyed a behind the scenes tour to the world of media and broadcasting for 60 minutes during their visit to Mediacorp.

Members also learned to craft soaps with their personalised choice of scents from a selection of plant essential oils on 9 Nov 2019. This simple yet full of fun soap making workshop gave opportunities for our members to learn about the therapeutic properties through customizing colors and textures with botanical ingredients.

As the Guild usher in the Lunar New Year, our very auspicious occasion, annual Lo Hei Luncheon was held on 29 Jan 2020. Co-hosted by our President, Mr Jimmy Lim and SP Principal & CEO Mr Soh Wai Wah, the event gathered about 130 guests, comprising of SP staff, SPGG Endowment/Education Fund (EF) donors, Members and our cherished partners.



Annual Lo Hei Luncheon



CNY Mahjong Competition



MOE Heritage Tour



MEMBERSHIP DEVELOPMENT & SERVICES

CHAIRMAN: MR TAY TECK CHYE, RAYMOND

SUB-COMMITTEE MEMBER: MR SOH YAN JING, LLOYD

Membership Promotion

In our effort to increase awareness of SPGG to SP students, we participated in SP events such as the Career & Education Fair, Open House and Aloha Fiesta.

However, unlike past years, we were unable to participate in the SP Freshmen Orientation CCA Carnival and the graduation convocation in this year to reach out to new SP students or families of graduates as these large-scale events were cancelled in view of the pandemic.

The Covid-19 pandemic has also pushed our efforts to engage with members and prospects online and we continue to actively engage in digital marketing platforms like Google, Facebook and Instagram with targeted campaigns to reach out to audiences.

The Guild continued to work closely with SP SPAN (Alliance & Network) and SP PACE (The Professional and Adult Continuing Education) in helping to reach out to their industry partners, full-time and part-time graduates to create awareness of the Guild and promote membership.

Enhancing Member's Experience

The Guild launched the electronic statement of account (e-SOA) in Oct 2019 for the convenience of Members to access their monthly statements. To-date, more than 96% of our Members on e-SOA while 4% prefer to have the printed copy.

Extension of Vouchers and MSL

In view of the COVID-19 circuit breaker from 7 April 2020 to 1 June 2020, members who had their Birthday Vouchers and Loyalty Vouchers expiring in March 2020 to August 2020, received a three months extension to facilitate usage. In addition, for Members who may not have fulfilled their MSL for the quarters ending April, May and June, we also auto-extended the MSL for another quarter. In our effort to promote safe dining, our chef had also prepared 17 variety of bento sets and as deluxe sets for dining and takeaway.

Should you have any friends or family whom you may like to introduce to join the Guild, do contact us at joinus@spgg.org.sg to arrange the club tour to look at our recreational facilities.



GREENER . FASTER . SAFER
IMPLEMENTATION OF
Electronic Statement of Account (e-SOA)

EFFECTIVE FROM OCTOBER 2019

- Receive both paper-based statement & e-SOA from Oct 2019 to Dec 2019
- Ensure your email address remain valids at all time.
- All e-SOA is password protected.
- To maintain your Privacy, members must not reveal and divulge their Personal Data to anyone.

THINGS TO NOTE
Not ready for e-SOA?
If members had opt-out of e-SOA and receive the paper-based statement, it will be mailed to their mailing address.
*An admin fee of \$1 per hardcopy printed by SPGG will be charged from 01 Jan 2020.

GOING GREEN
This new e-statement will allow you to have

Greater Security Better Management Easy Access

Contact us at **6796 9988** or email finance@spgg.org.sg
[f spgraduatesguild](https://www.facebook.com/spgraduatesguild) [@spgraduatesguild](https://www.instagram.com/spgraduatesguild) www.spgg.org.sg
SINGAPORE POLYTECHNIC GRADUATES' GUILD
1010 Dover Road Singapore 139658 (Gate 4 of SP)
SPGG
Get Connected. Stay Connected.

OUTREACH & SPECIAL PROJECTS

EXECUTIVE REPORT

CHAIRMAN: DR TAN SENG HONG, DAMIAN

The Guild participates in activities and events that help enhance our awareness as an organization and promote connectivity between the guild and SP community, SP students as well as students from other institutions.

In our effort to increase awareness to the SP community, the Guild had participated in SP Career & Education Fair in Nov 2019 which was attended by industry partners as well as SP students who may be exploring job opportunities. To encourage patronage back to the Guild, complimentary ice cream cards were issued.

In Jan 2020, we had also participated in two activities; SP Open House and Aloha Fiesta. The open house 2020 was targeted to create awareness to potential students who may enroll in SP diploma courses. The Aloha Fiesta is a fund-raising carnival organised by student union leaders of the CCA clubs in SP and the event was targeted to an estimated 16,000 students and staff from SP. The Guild had sponsored goodie bags, limited edition NETS FlashPay cards, F&B Dining Voucher and complimentary ice-cream cards.

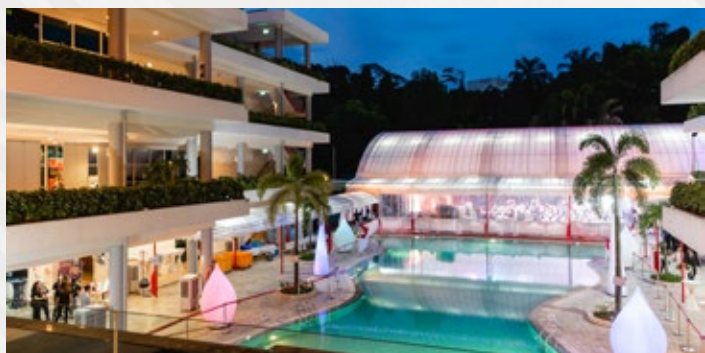
SP@65 Gala Dinner

On 03 Dec 2019, Singapore Polytechnic (SP) celebrated its 65th year of achievements that made SP a Polytechnic for all ages and the strong relationship it has forged with alumni and industry partners.

Singapore Polytechnic Graduates' Guild (SPGG) is proud to be the venue sponsor to hold the Gala Dinner with Minister for Education, Mr Ong Ye Kung as the Guest of Honour. The Gala Dinner was attended by the Chairman of the SP Board of Governors, Mr Bill Chang; SP alumni, industry partners and distinguished guests.

SP Principal and CEO, Mr Soh Wai Wah announced the partnership with SkillsFuture Singapore (SSG). The highlight of the Gala Dinner was a Memorandum of Cooperation signed between SP and 6 companies on Work-Study Programmes and other training courses covering i4.0 and advanced manufacturing.

SPGG will continue to support SP's initiative by working closely with the various SP centers and schools.



ENTREPRENEURSHIP & SOCIAL RESPONSIBILITY

EXECUTIVE REPORT

CHAIRMAN: MR ONG WEN SHUN, GERALD

The Guild seeks to facilitate events which engage the SP Community-at-large who are interested in entrepreneurship to contribute either as angel investors or shareholders, to gain knowledge about business or in new business opportunities.

Prior to the pandemic, there were planned entrepreneurship events to be conducted in 2020. Due to the pandemic, holding face-to-face networking sessions is not advisable and remains halted due to the suspension of large-scale events.

The Guild has taken this opportunity to review into holding the entrepreneurship events via electronic means. Although COVID-19 safety restrictions are gradually eased, most events continue to remain online for now. In July 2020, we had sent out a survey to Members to find out on Member's interest so that we have a better gauge on the suitability and relevance of the topics. Every member's interest has been taken into account and will be announcing the virtual events, as the Club gets familiar.

For the Social Responsibility portion, as a result of the COVID-19 Situation and other factors, we decided not to proceed this year. Next year, we have planned the events to work with our partners in bringing the event online on a regular basis.

SPiNOFF Visit by NIEI

In Dec 2019, the Guild received SPiNOFF, Entrepreneurship Centre from SP and friends from the National Institute of Entrepreneurship and Innovation (NIEI) for discussion on entrepreneurship program and collaboration.

Camp Galdera 2019

The Guild hosted about 50 SP students from SP Entrepreneurs, SP Enactus and SP Environment Club in Dec 2019. As part of their year-end 'Camp Galdera', the students attended the fireside chat sessions that were organised by SPiNOFF.

The panel included speakers, Timothy Yeung, CEO of SimpleJobs, Josiah Fan COO of Reniu & CTO of Moaah, Yan Ru, Co-founder of Orama and finally Don Boey, Manager of Pollinate.

Topics discussed included how one can get started, including some of the government grants and incubation spaces available out there. The panel also shared their experiences, building a company and the various challenges they encountered during their journey which provided notable advice for aspiring entrepreneurs.



SPORTS

EXECUTIVE REPORT

CHAIRMAN: MR VICTOR LYE

Bowling

The Bowling Section provides a platform for the interaction of Members and guests who share a common interest in bowling. Interclub Matches, Monthly Medals and Annual Bowling Championships are organised regularly. Due to the COVID-19 situation, all events had been cancelled, including the Year's highlight, SPGG's Annual Bowling Championships. We are all eagerly looking forward to the day when the situation stabilises and we are allowed to organise some events to sustain the bowling interest.

The Bowling Centre's equipment and system has been overhauled and upgraded with an additional installation of the SPECTO bowling system. This system allows bowlers to install an application in their smartphone to gather detailed statistics of their bowling performance such as ball reaction and release accuracy. This also enhances the training level as SPGG conducts training and classes regularly at various levels from beginners to competitive bowling.

Other events successfully organized by the Bowling Section were:-

- 8 Sep 2019: Interclub Bowling Friendly SPGG vs Singapore Recreation Club
- 6 Oct 2019: Interclub Bowling Friendly SPGG vs Changi Beach Club
- 9 Nov 2019: Year End Fun Bowl
- 16 Nov 2019: Monthly Bowling Medal Grand Finals 2019



Swimming

Our resident instructors from Torpedo Swim School provide a wide array of swimming classes for participants who are keen to take up swimming. It is especially popular with parents sending their children for the classes. Special members rates are also offered to enhance members' privileges.

Running Interest Group (RIG)

The RIG meets every Tuesday evening to conduct runs at nearby areas of SPGG such as Kent Ridge, Hort Park and Utown. The Group also encourages SPGG Members seeking a Healthy Lifestyle to join them in keeping fit by taking up running. The Running Interest Group is continuously recruiting running enthusiasts, both beginners and veterans of all ages, and provides information on the finer points of running to improve their performance and enjoy their running experience.

TREASURER'S REPORT

HONORARY TREASURER
MR CHOU WEI LONG WELLON

HONORARY ASSISTANT TREASURER
MR PNG KONG HUI JIMMY

This year financial results were largely determined by ongoing global factors - the COVID-19 pandemic.

Aligning to the Government's advisory, some of the facilities were required to close since end-March 2020. Majority of our revenue (such as F&B, Jackpot and other facilities) were badly affected as there was sharp decline to income received during the closure.

When SPGG resumed its operations in June 2020, lower revenue was generated as we were operating with limited facilities and restrictions in compliance with the Government's gradual opening approaches to resume activities safely together with Safe Management Measures.

During this period, we have also rendered rental reliefs to our Tenants and Operators from the relevant financial support that we received. This is to align with the regulatory agencies guidelines.

Financial Overview

With the Government Grants of approximately \$328,000 collected, FY19/20 recorded a marginal operating surplus of \$74,424. Without this Grant, we would have reported a sharp deficit due to this pandemic. However, after deducting depreciation and income tax, we faced with a deficit \$95,316 for the financial year (see Table 1).

Overview of SPGG Financial Performance		Actual		Inc / (Dec)
(In \$'000)	FY2020	FY2019		%
Revenue	6,619	9,308		(29)
Operating Expenses	(3,650)	(5,996)		(39)
	2,969	3,312		
Administrative Expenses	(2,864)	(3,247)		(12)
	105	65		
Finance Charge	(31)	(37)		
Operating surplus before Depreciation and Tax	74	28		164
Depreciation	(134)	(162)		
Operating surplus/(deficit) before Tax	(60)	(134)		55
Tax	(35)	(22)		
Total comprehensive income for the Financial Year	(95)	(156)		39

Table 1: Overview of SPGG Financial Performance FY2019 and FY2020

TREASURER'S REPORT

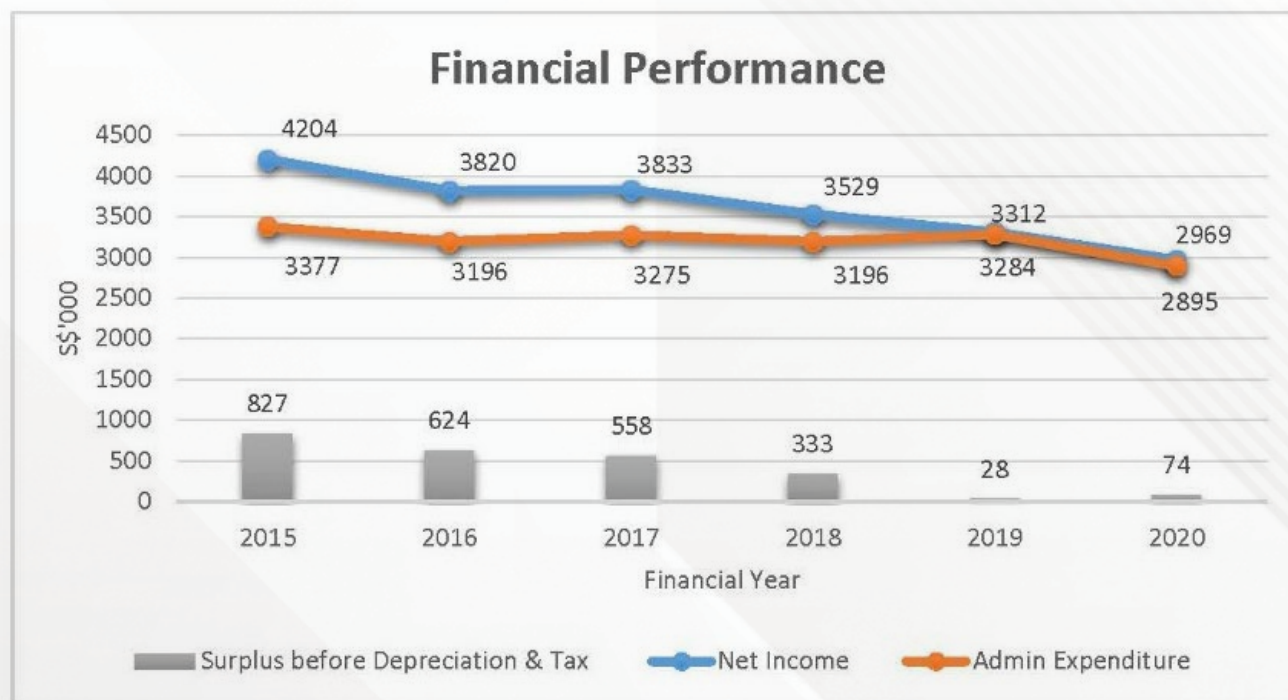


Chart 1: SPGG 5-year Financial Performance

With the declining revenue (Chart 1) from \$3.31m (in FY 2019) to \$2.97m (in FY2020), the Guild has exercised financial prudence to control its cash outflow. Our administrative expenses were reduced by 13% from \$3.25m (in FY2019) to \$2.86m (in FY2020). This reduction was due to lower utilities usage, reduced staff cost from outsourcing Poolside Café and performing only essential repair and maintenance during this period.

SPGG continues to hold a reasonable financial position with our cash and bank balances, including fixed deposit, maintained at \$1.66m as at 31 July 2020.

Conclusion

The effects of the pandemic will continue in the months ahead. Due to its uncertain nature, we have to be vigilant and prudent in our expenditure as we steered the Guild through this unprecedented crisis. In the mid-term, SPGG will continue to focus on its strategic initiatives to anchored sustainability for SPGG future growth. All this are work in progress and the Committee will make timely announcement as and when appropriate to insure its outcome.

AUDITED FINANCIAL STATEMENTS

SINGAPORE POLYTECHNIC GRADUATES' GUILD

(Incorporated in Singapore)

UEN S71SS0002L

Audited Financial Statements

For the financial year ended 31 July 2020

BOB LOW & CO.

PUBLIC ACCOUNTANTS

CHARTERED ACCOUNTANTS OF SINGAPORE

420 North Bridge Road #06-05 North Bridge Centre Singapore 188727

Telephone: 6338 3918 Facsimile: 6338 3911 Email: bob1368@blcorp.advisory.com

SINGAPORE POLYTECHNIC GRADUATES' GUILD

**STATEMENT BY EXECUTIVE COMMITTEE
FOR THE FINANCIAL YEAR ENDED 31 JULY 2020**

The Management of Singapore Polytechnic Graduates' Guild ("the Guild") is responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of the Singapore Financial Reporting Standards. This responsibility includes devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorized use or disposition; and transactions are properly authorized and that they are recorded as necessary to permit the preparation of true and fair Statement of Comprehensive Income accounts and Statement of Financial Position and to maintain accountability of assets; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

In the opinion of the Guild's Management, the accompanying financial statements of the Guild are properly drawn up in accordance with the provisions of the Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Guild as at 31 July 2020 and of the results, changes in accumulated fund and cash flows of the Guild for the reporting year ended 31 July 2020.

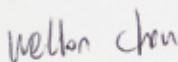
On behalf of the Executive Committee,



Lim Hock Seng Jimmy
President
Membership no.: L00216



Kon Teng How, Terence
Honorary Auditor
Membership no.: 1500112



Chou Wei Long Wellon
Honorary Treasurer
Membership no.: 1500009



Chan Voon Shen
Honorary Auditor
Membership no.: 1000123

Dated: 30 SEP 2020

BOB LOW & CO.

PUBLIC ACCOUNTANTS

CHARTERED ACCOUNTANTS OF SINGAPORE

UEN. S83PF0021G

INDEPENDENT AUDITOR'S REPORT

TO THE EXECUTIVE COMMITTEE OF SINGAPORE POLYTECHNIC GRADUATES' GUILD

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Singapore Polytechnic Graduates' Guild (the Guild) which comprise the statement of financial position as at 31 July 2020, and the statement of comprehensive income, statement of changes in equity 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 Societies Act (the Act) and Financial Reporting Standards in Singapore (FRSs) so as to give a true and fair view of the financial position of the Guild as at 31 July 2020 and of the financial performance, changes in equity and cash flows of the Guild for the year ended on that date.

Responsibilities 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 unauthorized 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.

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 Singapore Standards on Auditing (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.

BOB LOW & CO.

PUBLIC ACCOUNTANTS

CHARTERED ACCOUNTANTS OF SINGAPORE

UEN. S83PF0021G

INDEPENDENT AUDITOR'S REPORT

TO THE EXECUTIVE COMMITTEE OF SINGAPORE POLYTECHNIC GRADUATES' GUILD

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

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 Guild's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Executive Committee members.
- Conclude on the appropriateness of Executive Committee'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 Guild'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 Guild 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 President 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.

BOB LOW & CO.

**PUBLIC ACCOUNTANTS
CHARTERED ACCOUNTANTS OF SINGAPORE**
UEN. S83PF0021G

INDEPENDENT AUDITOR'S REPORT

TO THE EXECUTIVE COMMITTEE OF SINGAPORE POLYTECHNIC GRADUATES' GUILD

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

We also provide the President with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the President, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key 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 Guild have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Low Siew Sie Bob.



BOB LOW & CO.

Public Accountants and
Chartered Accountants
Singapore

Date: **30 SEP 2020**

SINGAPORE POLYTECHNIC GRADUATES' GUILD

STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 JULY 2020

	Note	2020 S\$	2019 S\$
REVENUE			
F&B spending levy		40,115	67,904
Jackpot collections, gross		3,909,532	6,563,808
Membership fees		1,099,600	1,102,120
Events and sports income		4,629	12,943
Food and beverage income, gross		879,834	1,137,702
Rental of facilities		19,819	33,172
Rental of incubation offices and premises		287,023	335,501
Video games collections		-	472
Late payment interest income		1,207	2,738
Interest income		19,347	11,980
Others		358,203	39,780
TOTAL INCOME		6,619,309	9,308,120
LESS:-			
OPERATING EXPENSES			
Jackpot costs		(3,373,837)	(5,642,867)
Food and beverage costs		(276,079)	(353,316)
		(3,649,916)	(5,996,183)
ADMINISTRATIVE EXPENSES			
Employee expenses	11	(1,957,959)	(2,187,660)
Advertising and promotion		(67,463)	(64,975)
Audit fees		(10,100)	(10,100)
Cleaning and maintenance		(23,710)	(33,706)
Event expenses		(11,200)	(19,933)
General expenses / Office sundries		(43,355)	(46,207)
Insurance		(20,250)	(19,937)
Kitchenware / Utensils		(2,626)	(3,147)
License / Commission fees		(2,557)	(2,874)
Loss on disposal of property, plant and equipment		(2,360)	(3,343)
Meeting and AGM expenses		(6,882)	(10,858)
Membership benefit		(36,299)	(42,869)
Membership drive advertising and promotion		(174,864)	(88,533)
Merchandise cost		(47)	(37)

The accompanying notes form an integral part of these financial statements

SINGAPORE POLYTECHNIC GRADUATES' GUILD

STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 JULY 2020

	Note	2020 S\$	2019 S\$
ADMINISTRATIVE EXPENSES (Continued)			
Newspaper and magazine		(1,291)	(1,565)
Postage, courier and telephone expenses		(19,879)	(22,090)
Printing and stationery		(16,922)	(17,018)
Professional charges		(12,129)	(14,243)
Property tax		(69,827)	(160,473)
Publications		(270)	-
Refreshment and food		(2,301)	(4,112)
Rental of office equipment		(3,245)	(15,530)
Repair and maintenance - Building and Equipment		(116,561)	(149,972)
Repair and maintenance - Software		(23,341)	(24,907)
Security service		(24,433)	(35,640)
Sports expenses		(28,336)	(32,419)
Transport expenses		(796)	(1,503)
Water and electricity		(185,127)	(233,249)
		(2,864,130)	(3,246,900)
FINANCE COST			
Bank charges		(30,839)	(37,441)
Net operating surplus before depreciation		74,424	27,596
Depreciation of property, plant and equipment	4	(134,857)	(162,379)
Net operating deficit before income tax		(60,433)	(134,783)
Income tax expense	12	(34,883)	(22,194)
Total comprehensive loss for the financial year		(95,316)	(156,977)

The accompanying notes form an integral part of these financial statements

SINGAPORE POLYTECHNIC GRADUATES' GUILD

STATEMENT OF FINANCIAL POSITION AS AT 31 JULY 2020

	Note	2020 S\$	2019 S\$
ASSETS			
Non-current assets			
Property, plant and equipment	4	421,005	519,069
Current assets			
Inventories	5	16,787	22,559
Other receivables	6	215,648	130,906
Amounts due from members	7	75,882	77,500
Cash and cash equivalents	8	2,018,778	2,305,207
		<u>2,327,095</u>	<u>2,536,172</u>
TOTAL ASSETS		<u>2,748,100</u>	<u>3,055,241</u>
LIABILITIES			
Current liabilities			
Trade payables		156,639	178,340
Other payables	9	509,031	729,636
Subscription fees in advance	10	114,979	119,381
Provision for tax		57,054	22,171
TOTAL LIABILITIES		<u>837,703</u>	<u>1,049,528</u>
NET ASSETS		<u>1,910,397</u>	<u>2,005,713</u>
ACCUMULATED FUND		<u>1,910,397</u>	<u>2,005,713</u>

The accompanying notes form an integral part of these financial statements

SINGAPORE POLYTECHNIC GRADUATES' GUILD

**STATEMENT OF CHANGES IN ACCUMULATED FUND
FOR THE FINANCIAL YEAR ENDED 31 JULY 2020**

	2020 S\$	2019 S\$
Balances at the beginning of reporting period	2,005,713	2,162,690
Total comprehensive loss for the financial year	(95,316)	(156,977)
Balances at the end of reporting period	1,910,397	2,005,713

The accompanying notes form an integral part of these financial statements

SINGAPORE POLYTECHNIC GRADUATES' GUILD

STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 JULY 2020

	2020	2019 S\$
Cash flows from operating activities		
Net operating deficit before income tax	(60,433)	(134,783)
Adjustments for:		
Loss on disposal of property, plant and equipment	2,360	3,343
Government subsidies	-	83,845
Depreciation of property, plant and equipment	134,857	162,379
Interest income	(19,347)	(11,980)
Operating surplus before working capital changes	57,437	102,804
Changes in working capital		
Inventories	5,772	(1,569)
Other receivables	(84,742)	24,593
Amounts due from members	1,618	(34,670)
Trade and other payables	(242,306)	(19,681)
Subscription fees received in advance	(4,402)	17,058
Cash (used in) / generated from operations	(266,623)	88,535
Interest received	19,347	11,980
Income tax paid	-	(23,128)
Net cash (used in) / generated from operating activities	(247,276)	77,387
Cash flows from investing activities		
Purchase of property, plant and equipment	(39,153)	(53,351)
Net cash used in investing activities	(39,153)	(53,351)
Net (decrease) / increase in cash and cash equivalents	(286,429)	24,036
Cash and cash equivalents at beginning of the year	2,305,207	2,281,171
Cash and cash equivalents at end of the year	2,018,778	2,305,207

The accompanying notes form an integral part of these financial statements

SINGAPORE POLYTECHNIC GRADUATES' GUILD

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 JULY 2020

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

1. General

Singapore Polytechnic Graduates' Guild (the Guild) is registered under the Societies Act on 9 June 1971 in Singapore with its registered office at 1010 Dover Road, Singapore 139658.

The principal activities of the Guild are operation of a clubhouse and there have been no significant changes in the nature of these activities during the reporting year.

2. Summary of significant accounting policies

2.1 Basis of preparation

The financial statements of the Guild have been drawn up in accordance with Financial Reporting Standards in Singapore (FRSs). 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 (\$), which is the Guild's functional currency.

2.2 Adoption of new and amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Guild has adopted all the new and amended standards which are relevant to the Guild and are effective for annual financial periods beginning on or after 1 January 2019. The adoption of these standards did not have any material effect on the financial performance or position of the Guild.

2.3 Standards issued but not yet effective

The Guild has not adopted the following standards applicable to the Guild that have been issued but not yet effective:

Description	Effective for annual periods beginning on or after
Amendments to References to the Conceptual Framework in FRS Standards	1 January 2020
Amendments to FRS 1 and FRS 8 <i>Definition of Material</i>	1 January 2020
Amendments to FRS 110 and FRS 28 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Date to be determined

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

SINGAPORE POLYTECHNIC GRADUATES' GUILD

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 JULY 2020

2. Summary of significant accounting policies (Continued)

2.4 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of property, plant and equipment includes its purchase price and any costs 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. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the property, plant and equipment.

Depreciation is calculated using the straight-line method to allocate depreciable amounts over their estimated useful lives. The estimated useful lives are as follows:

	<u>Useful lives</u>
Machines and equipment	3 to 10 years
Computers and software	3 to 5 years
Furniture and fitting	5 to 10 years
Renovation	5 years
Clubhouse	Remaining lease life of 7 years commencing June 2014

The residual value, useful lives and depreciation method are reviewed at the end of each reporting period, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on de-recognition of the asset is included in profit or loss in the year the asset is derecognised.

2. Summary of significant accounting policies (Continued)

2.5 Impairment of non-financial assets

The Guild assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, (or, where applicable, when an annual impairment testing for an asset is required), the Guild makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those other assets or group of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in profit or loss.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

2.6 Financial instruments

(a) 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 Guild 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 Guild expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on their behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

2. Summary of significant accounting policies (Continued)

2.6 Financial instruments (Continued)

(a) Financial assets (Continued)

Subsequent measurement

Investments in debt instruments

Subsequent measurement of debt instruments depends on the Guild'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 Guild 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 for debt instruments is recognised in profit or loss.

(b) Financial liabilities

Initial recognition and measurement

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

2. Summary of significant accounting policies (Continued)

2.6 Financial instruments (Continued)

(b) Financial liabilities (Continued)

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.

2.7 Impairment of financial assets

The Guild 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 Guild 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 Guild applies a simplified approach in calculating ECLs. Therefore, the Guild does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Guild 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 Guild may also consider a financial asset to be in default when internal or external information indicates that the Guild is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Guild. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.8 Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and on hand which are subject to an insignificant risk of changes in value.

2. Summary of significant accounting policies (Continued)

2.9 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the FIFO method and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

When necessary, allowance is provided for damaged, obsolete and slow moving items to adjust the carrying value of inventories to the lower of cost and net realisable value.

2.10 Provisions

Provisions are recognised when the Guild has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of obligation can be estimated reliably.

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

2.11 Government grants

Government grants are recognised when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Where the grant relates to an asset, the fair value is recognised as deferred capital grant on the statement of financial position and is amortised to profit or loss over the expected useful life of the relevant asset by equal annual instalments.

Where 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.

2. Summary of significant accounting policies (Continued)

2.12 Employee benefits

(a) Defined contribution plans

The Guild makes contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

(b) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Guild has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

2.13 Leases

These accounting policies are applied on and after the initial application date of FRS 116, 1 January 2019:

The Guild assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As lessor

Leases in which the Guild does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

These accounting policies are applied before the initial application date of FRS 116, 1 January 2019:

As lessor

The accounting policy applicable to the Guild as a lessor in the comparative period was the same as under FRS 116.

2. Summary of significant accounting policies (Continued)

2.14 Revenue

Revenue is measured based on the consideration to which the Guild expects to be entitled in exchange for transferring a promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Guild 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. The following specific recognition criteria must also be met before revenue is recognised.

Membership subscription fees, rental income and income from other services are recognised on an accrual basis. Entrance fee, takings from jackpot and food and beverage income are recognised on receipt basis. Interest income is recognised as interest accrued unless collectability is in doubt.

2.15 Taxes

(a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authority. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

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.

(b) Deferred tax

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year 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 end of the reporting period.

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 taxation authority.

SINGAPORE POLYTECHNIC GRADUATES' GUILD

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 JULY 2020

2. Summary of significant accounting policies (Continued)

2.15 Taxes (Continued)

(c) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except:

- where the GST incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables that are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

3. Significant accounting judgements and estimates

The preparation of the Guild'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 in the future periods.

3.1 Judgements made in applying accounting policies

(a) Determination of functional currency

In determining the functional currency of the Guild, judgement is used by the Guild to determine the currency of the primary economic environment in which the Guild operates. Consideration factors include the currency that mainly influence sales prices of goods and services and the currency of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services.

3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of each reporting period are discussed below. The Guild based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Guild. Such changes are reflected in the assumptions when they occur.

SINGAPORE POLYTECHNIC GRADUATES' GUILD

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 JULY 2020

3. Significant accounting judgements and estimates (Continued)

3.2 Key sources of estimation uncertainty (Continued)

(a) Useful lives of property, plant and equipment

The Guild's property, plant and equipment is depreciated on a straight-line basis over the economic useful lives. Changes in the expected level of usage and technologies developments could impact the economic useful lives and residual values of these assets, therefore the depreciation charges could be revised.

(b) Impairment of trade receivables

The Guild's management assess the collectability of trade receivables regularly. This estimate is based on the credit history of the Guild's customers and the current market condition. Management reassesses the impairment loss at the Statement of Financial Position date.

(c) Inventory valuation method

Inventory write-down is made based on the current market conditions, historical experience and selling goods of similar nature. It could change significantly as a result of changes in market conditions. A review is made periodically on inventories for excess inventories, obsolescence and declines in net realisable value and an allowance is recorded against the inventory balances for any such declines. The realisable value represents the best estimate of the recoverable amount and is based on the most reliable evidence available and inherently involves estimates regarding the future expected realisable value.

(d) Provision for taxation

The Guild has exposure income taxes in Singapore. In determining the income tax liabilities, management is required to estimate the amount of capital allowances and the deductibility of certain expenses (uncertain tax positions).

The Guild has open tax assessments with the tax authority as at the date of Statement of Financial Position. As management believes that the tax positions are sustainable, the Guild has not recognised any tax liability on these uncertain tax positions. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

SINGAPORE POLYTECHNIC GRADUATES' GUILD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JULY 2020**

4. Property, plant and equipment

	Machines and equipment S\$	Computers and software S\$	Furniture and fitting S\$	Renovation S\$	Clubhouse S\$	Total S\$
Cost						
At 1 Aug 2018	2,797,525	332,140	1,260,616	852,643	9,083,764	14,326,688
Additions	36,846	7,450	-	9,055	-	53,351
Disposal	(35,365)	-	(8,748)	-	-	(44,113)
Adjustment	(83,846)	-	-	-	-	(83,846)
At 31 Jul 2019	2,715,160	339,590	1,251,868	861,698	9,083,764	14,252,080
At 1 Aug 2019	2,715,160	339,590	1,251,868	861,698	9,083,764	14,252,080
Additions	11,645	24,358	3,150	-	-	39,153
Disposal	(65,899)	(10,535)	(560)	-	-	(76,994)
At 31 Jul 2020	2,660,906	353,413	1,254,458	861,698	9,083,764	14,214,239
	Machines and equipment S\$	Computers and software S\$	Furniture and fitting S\$	Renovation S\$	Clubhouse S\$	Total S\$
Accumulated depreciation						
At 1 Aug 2018	2,189,858	318,138	1,231,101	852,643	9,019,662	13,611,402
Depreciation	121,996	8,327	23,893	151	8,012	162,379
Disposal	(32,022)	-	(8,748)	-	-	(40,770)
At 31 Jul 2019	2,279,832	326,465	1,246,246	852,794	9,027,674	13,733,011
At 1 Aug 2019	2,279,832	326,465	1,246,246	852,794	9,027,674	13,733,011
Depreciation	106,019	14,126	4,889	1,811	8,012	134,857
Disposal	(63,539)	(10,535)	(560)	-	-	(74,634)
At 31 Jul 2020	2,322,312	330,056	1,250,575	854,605	9,035,686	13,793,234
Carrying amount						
At 31 Jul 2019	435,328	13,125	5,622	8,904	56,090	519,069
At 31 Jul 2020	338,594	23,357	3,883	7,093	48,078	421,005

SINGAPORE POLYTECHNIC GRADUATES' GUILD

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 JULY 2020

5. Inventories

	2020 S\$	2019 S\$
Food	8,771	12,967
Beverage and merchandise	8,016	9,592
	<u>16,787</u>	<u>22,559</u>

6. Other receivables

	2020 S\$	2019 S\$
Deposits	49,380	49,380
Prepayments	39,963	32,433
Others	126,305	49,093
	<u>215,648</u>	<u>130,906</u>

7. Amounts due from members

	2020 S\$	2019 S\$
Amounts due from members	94,040	95,658
Less: Allowance for impairment	<u>(18,158)</u>	<u>(18,158)</u>
	<u>75,882</u>	<u>77,500</u>
Movement in allowance account:		
At the beginning of reporting year	18,158	18,154
Allowances made	<u>-</u>	<u>4</u>
At the end of reporting year	<u>18,158</u>	<u>18,158</u>

Amounts due from members are generally on a 30 days' terms and interest-bearing. They are recognised at their original invoice amounts which represent their fair values on recognition.

SINGAPORE POLYTECHNIC GRADUATES' GUILD

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 JULY 2020

8. Cash and cash equivalents

	2020 S\$	2019 S\$
Cash at banks	832,069	946,717
Cash on hand	8,603	8,411
Fixed deposits	815,747	1,000,000
Jackpot machine float	362,359	350,079
	<u>2,018,778</u>	<u>2,305,207</u>

Cash and cash equivalents comprise jackpot machine float, cash at banks and on hand and unpledged fixed deposits.

Fixed deposits are placed with a bank and mature every 3 to 12 months. Interest rates are repriced on maturity of the fixed deposits. Since the management is able to take advantage of the available funds to earn additional interest income, fixed deposits placements may be uplifted sooner than the placement period.

The weighted average interest rates for fixed deposits were 0.475% (2019: 1.86%) per annum.

9. Other payables

	2020 S\$	2019 S\$
Accrued expenses	196,609	349,019
Deposits received	183,058	205,433
GST payables	23,295	73,879
Members' credit	16,375	15,884
Others	89,694	85,421
	<u>509,031</u>	<u>729,636</u>

10. Subscription fees in advance

This represent subscription fees of the following reporting period. These amounts will be accounted for as income in the following reporting period.

SINGAPORE POLYTECHNIC GRADUATES' GUILD

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 JULY 2020

11. Employee expenses

	2020 S\$	2019 S\$
Salaries and bonuses	1,650,346	1,808,244
CPF and FWL	264,835	309,027
Others	42,778	70,389
	<u>1,957,959</u>	<u>2,187,660</u>
Key management personnel		
- Salaries and bonuses	345,969	305,370
- CPF contributions	49,148	41,418
	<u>395,117</u>	<u>346,788</u>
Other than key management personnel		
- Salaries and bonuses	1,347,155	1,573,263
- CPF contributions and FWL	215,687	267,609
	<u>1,562,842</u>	<u>1,840,872</u>

12. Income tax expense

Under Section 11 (1) of the Income Tax Act, Cap. 134, no tax is payable if the Guild receives from its members not less than half of its gross receipts on revenue account.

However this tax exemption does not apply to other sources of income such as interest and rest, and thus, provision for income tax was made accordingly. Current reporting period tax relates to tax on interest and rental income.

	2020 S\$	2019 S\$
Current income tax		
- Current year	29,287	22,171
- Under provision in prior year	5,596	23
Income tax expense recognised in profit or loss	<u>34,883</u>	<u>22,194</u>

SINGAPORE POLYTECHNIC GRADUATES' GUILD

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 JULY 2020

12. Income tax expense (Continued)

Relationship between tax expense and rental income

A reconciliation between tax expense and the product of rental income multiplied by the applicable corporate tax rate for the financial years ended 31 July 2020 and 2019 were as follows:

	2020 S\$	2019 S\$
Rental income	287,023	335,501
Income tax using the statutory tax rate of 17%	48,794	57,035
Adjustments:		
Other taxable income	3,289	2,037
Deductible direct expenses	(5,371)	(8,589)
Further deductions allowed	(17,425)	(28,312)
Under provision in prior year	5,596	23
Income tax expense recognised in profit or loss	34,883	22,194

13. Leases

Guild as a lessor

The Guild has entered into operating leases on its lounge, bowling alley, swimming pool, cafe and offices in its business centre under cancellable operating lease arrangements with varying termination clauses. All leases include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions. The lessee is also required to provide a residual value guarantee on the properties.

The future minimum rental receivable under cancellable operating leases contracted for at the reporting date but not recognised as assets are as follows:

	2020 S\$	2019 S\$
Not later than one year	227,460	195,142
Later than one year but not later than five years	72,682	66,548
	300,142	261,690

SINGAPORE POLYTECHNIC GRADUATES' GUILD

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 JULY 2020

14. Financial risk management

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

The Executive Committee review and agree policies and procedures for the management of these risks, which are executed by the management team.

The following sections provide details regarding the Guild's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

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

(a) Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Guild which is managed through the application of credit approvals, credit limits and monitoring procedures. The Guild's exposure to credit risk arises primarily from cash and cash equivalents and trade and other receivables.

The Guild has adopted a policy of only dealing with creditworthy counterparties. The Guild performs ongoing credit evaluation of its counterparties' financial condition.

The Guild 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 Guild has no significant concentration of credit risk. The Guild has credit policies and procedures in place to minimise and mitigate its credit risk exposure.

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.

Financial assets that are neither past due nor impaired

Amounts due from members that are neither past due nor impaired are creditworthy debtors with good payment records with the Guild, bank balances and fixed deposits are placed with reputable banks.

SINGAPORE POLYTECHNIC GRADUATES' GUILD

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 JULY 2020

14. Financial risk management (Continued)

(a) Credit risk

Analysis of receivables as at Statement of Financial Position date:

	2020 S\$	2019 S\$
Not past due and not impaired	17,232	24,487
Past due but not impaired	76,808	71,171
	94,040	95,658
Less: Allowance for impairment	(18,158)	(18,158)
	75,882	77,500
	2020 S\$	2019 S\$
Current	17,232	24,487
Past due 1 to 3 months	15,000	22,330
More than 3 months	43,650	30,683
	75,882	77,500

(b) Liquidity risk

Liquidity risk refers to the risk that the Guild will encounter difficulties in meeting its short-term obligations due to shortage of funds. In the management of liquidity risk, the Guild monitors and maintains a level of cash and cash equivalents to finance the Guild's operations and mitigate the effects of fluctuations in cash flows.

15. Fair value of assets and liabilities

The carrying amounts of the financial assets and liabilities recorded in the financial statements of the Guild approximate their respective fair values either due to their short-term nature or that they are floating rate instruments that are repriced to market interest rates on or near the reporting date or that they are fixed rate instruments whose fair values do not differ materially from their carrying amounts.

SINGAPORE POLYTECHNIC GRADUATES' GUILD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JULY 2020**

16. 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:

	2020 S\$	2019 S\$
Financial assets measured at amortised cost		
Other receivables (Note 6)	175,685	98,473
Amounts due from members (Note 7)	75,882	77,500
Cash and cash equivalents (Note 8)	<u>2,018,778</u>	<u>2,305,207</u>
Total financial assets measured at amortised cost	<u>2,270,345</u>	<u>2,481,180</u>
Financial liabilities measured at amortised cost		
Trade payables	156,639	178,340
Other payables (Note 9)	<u>485,736</u>	<u>655,757</u>
Total financial liabilities measured at amortised cost	<u>642,375</u>	<u>834,097</u>

17. Authorisation of financial statements for issue

The financial statements for the financial year ended 31 July 2020 were authorised for issue on 30 SEP 2020.

SINGAPORE POLYTECHNIC GRADUATES' GUILD

PROVISIONAL BUDGET STATEMENT OF INCOME AND EXPENDITURE FOR THE FINANCIAL YEAR ENDING 31 JULY 2021

	Notes	BUDGET 2021 S\$
REVENUE		
F&B spending levy		68,400
Jackpot collections, gross		4,663,358
Membership fees		1,203,256
Events and sports income		4,840
Food and beverage income, gross		841,446
Rental of facilities		27,000
Rental of incubation offices and premises		378,194
Late payment interest income		2,400
Interest Income		3,500
Others		80,817
TOTAL INCOME		7,273,211
LESS:-		
OPERATING EXPENSES		
Jackpot costs	1	(4,027,018)
Food and beverage costs	2	(265,564)
		(4,292,582)
ADMINISTRATIVE EXPENSES		
Employee expenses	3	(1,759,334)
Advertising and promotion		(70,965)
Audit Fees		(9,500)
Cleaning and maintenance		(32,237)
Event expenses		(17,540)
General expenses / office sundries		(43,313)
Insurance		(21,047)
Kitchenware / utensils		(2,662)
License / Commission fees		(2,752)
Meeting and AGM expenses		(7,480)
Membership benefit		(49,984)
Membership drive advertising and promotion		(81,274)
Newspaper and magazine		(1,000)
Postage, courier and telephone expenses		(17,348)
Printing and stationery		(16,800)
Professional charges		(14,350)
Property tax		(160,000)
Rental - Land Lease		(19,250)
Refreshment and food		(1,725)
Rental of office equipment		(3,540)
Repair and maintenance - Building and Equipment		(141,720)
Repair and maintenance - Software		(24,913)
Security service		(35,750)
Sports expenses		(28,288)
Transport expenses		(986)
Water and electricity and Gas		(194,759)
		(2,758,518)

FINANCE COSTS

Bank charges	(37,837)
Net operating surplus before depreciation	184,274
Depreciation of property, plant and equipment	(144,802)
Net operating surplus before income tax	39,472
Income tax expense	(37,919)
Total comprehensive income for the financial year	1,553

Note 1 -Jackpot costs

	S\$
Winners Claim	(2,912,746)
GST	(116,433)
Duty Payable	(997,839)
	(4,027,018)

Note 2 - Food and Beverage costs

	S\$
Food	(223,398)
Beverage	(14,845)
Other	(27,321)
	(265,564)

Note 3 - Employee Expenses

	S\$
Salaries and Bonus	(1,463,365)
CPF and FWL	(238,552)
Others	(57,417)
	(1,759,334)

SINGAPORE POLYTECHNIC GRADUATES' GUILD

PROVISIONAL BUDGET STATEMENT OF CAPITAL EXPENDITURE FOR THE FINANCIAL YEAR ENDING 31 JULY 2021

Category		Description	Amount S\$
General	Contingency		100,000
			<u>100,000</u>

SINGAPORE POLYTECHNIC GRADUATES' GUILD

ACTUAL VS BUDGET STATEMENT OF INCOME AND EXPENDITURE FOR THE FINANCIAL YEAR ENDED 31 JULY 2020

	Notes	ACTUAL 2020 S\$	BUDGET 2020 S\$
REVENUE			
F&B spending levy		40,115	72,000
Jackpot collections, gross		3,909,532	7,007,864
Membership fees		1,099,600	1,307,768
Events and sports income		4,629	16,700
Food and beverage income, gross		879,834	1,341,384
Rental of facilities		19,819	32,700
Rental of incubation offices and premises		287,023	337,645
Video games collections		-	-
Late payment interest income		1,207	3,000
Interest Income		19,347	10,000
Others		358,203	77,500
TOTAL INCOME		6,619,309	10,206,560
LESS:-			
OPERATING EXPENSES			
Jackpot costs	1	(3,373,837)	(6,028,619)
Food and beverage costs	2	(276,079)	(420,254)
		(3,649,916)	(6,448,874)
ADMINISTRATIVE EXPENSES			
Employee expenses	3	(1,957,959)	(2,217,036)
Advertising and promotion		(67,463)	(92,194)
Audit Fees		(10,100)	(10,972)
Cleaning and maintenance		(23,710)	(31,492)
Event expenses		(11,200)	(39,120)
General expenses / Office sundries		(43,355)	(44,989)
Insurance		(20,250)	(21,043)
Kitchenware / Utensils		(2,626)	(13,484)
License / Commission fees		(2,557)	(6,872)
Loss on disposal of property, plant and equipment		(2,360)	-
Meeting and AGM expenses		(6,882)	(12,030)
Membership benefit		(36,299)	(45,469)
Membership drive advertising and promotion		(174,864)	(173,740)
Merchandise cost		(47)	-
Newspaper and magazine		(1,291)	(1,920)
Postage, courier and telephone expenses		(19,879)	(35,116)
Printing and stationery		(16,922)	(22,356)
Professional charges		(12,129)	(26,450)
Property tax		(69,827)	(168,000)
Publications		(270)	(6,800)
Refreshment and food		(2,301)	(4,536)
Rental of office equipment		(3,245)	(7,492)
Repair and maintenance - Building and Equipment		(116,561)	(146,336)
Repair and maintenance - Software		(23,341)	(26,000)
Security service		(24,433)	(35,750)
Sports expenses		(28,336)	(34,980)
Transport expenses		(796)	(1,754)
Water and electricity		(185,127)	(229,730)
		(2,864,130)	(3,455,662)

FINANCE COSTS

Bank charges	(30,839)	(42,606)
Net operating surplus before depreciation	<u>74,424</u>	<u>259,419</u>
Depreciation of property, plant and equipment	(134,857)	(176,058)
Net operating (deficit) / Surplus before income tax	<u>(60,433)</u>	<u>83,361</u>
Income tax expense	(34,883)	(24,532)
Total comprehensive (loss) / income for the financial year	<u>(95,316)</u>	<u>58,829</u>

	ACTUAL 2020 S\$	BUDGET 2020 S\$
Note 1 -Jackpot costs		
Winners Claim	(2,441,100)	(4,327,534)
GST	(96,049)	(179,099)
Duty Payable	(836,688)	(1,521,986)
	<u>(3,373,837)</u>	<u>(6,028,619)</u>
Note 2 - Food and Beverage costs		
Food	(239,850)	(359,198)
Beverage	(18,152)	(23,256)
Others	(18,077)	(37,800)
	<u>(276,079)</u>	<u>(420,254)</u>
Note 3 - Employee Expenses		
Salaries and Bonus	(1,650,346)	(1,805,851)
CPF and FWL	(264,835)	(328,240)
Others	(42,778)	(82,945)
	<u>(1,957,959)</u>	<u>(2,217,036)</u>

