

**COMMON PURPOSE ASIA-PACIFIC LIMITED**

**COMMON PURPOSE ASIA-PACIFIC LIMITED**

(A company incorporated in Singapore, limited by guarantee)  
(Registration No: 201331830Z)

**Statement by Directors and Financial Statements**

Year Ended 31 July 2023

**Common Purpose Asia-Pacific Limited** – a company limited by guarantee  
(Incorporated in the Republic of Singapore)  
Reg. No. 201331830Z

**Corporate Information**

**Board of Directors** : Adirupa Sengupta  
Ameek Akash Parikh  
Lynna Chandra  
Goh Pauline @ Teo Lay Hoon Mrs Sahetapy Petrus Joachim  
Eugene Ho Siang Rui  
Wong Mun Yat (Appointed on 22.11.2022)  
Robert Frank Care (Resigned on 22.11.2022)

**Company Secretary** : Ho Mei Sze Michelle

**Registered Office** : 7 Straits View  
#12-00 Marina One East Tower  
Singapore 018936

**Independent Auditor** : Heng Lee Seng LLP  
331 North Bridge Road  
#12-03 Odeon Towers  
Singapore 188720

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## **Common Purpose Asia-Pacific Limited** – a company limited by guarantee

### **Directors' Statement**

for the financial year ended 31 July 2023

The directors present their statement together with the audited financial statements for the financial year ended 31 July 2023 to the members of Common Purpose Asia-Pacific Limited (the "Company").

#### **1. Opinion of the directors**

In the opinion of the directors:

- (a) the accompanying financial statements set out on pages 5 to 20 are drawn up so as to give a true and fair view of the financial position of the Company as at 31 July 2023 and the financial performance of the business, changes in equity and cash flows for the financial year then ended in accordance with the Singapore Companies Act 1967, Charities Act, Chapter 37 and Singapore Financial Reporting Standards; and
- (b) at the date of this statement there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

#### **2. Directors**

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

Adirupa Sengupta  
Ameek Akash Parikh  
Lynna Chandra  
Goh Pauline @ Teo Lay Hoon Mrs Sahetapy Petrus Joachim  
Eugene Ho Siang Rui  
Wong Mun Yat (Appointed on 22.11.2022)

#### **3. Arrangement to enable the directors to acquire shares and debentures**

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

#### **4. Directors' interests in shares and debentures**

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

None of the directors holding office at the end of the financial year had any interest in shares and debentures of the Company and related corporations according to the Register of Directors' Shareholdings.

**Common Purpose Asia-Pacific Limited** – a company limited by guarantee

**Directors' Statement (continued)**

**5. Future plans**


Under the leadership of a new board Chairman, we are re-invigorating our proposition in Singapore and the wider region. The primary objective in 2023/24 is to add more value to our customers and to also build back up the reserves of the company by:

- Deepening our existing partnerships to deliver to local foundations and initiatives around leadership development of young people in Singapore.
- Continuing to run The Common Purpose Programme and other locally relevant programmes in Singapore and ASEAN.
- Assuming responsibility for existing university clients in Australia and Hong Kong and step up working with Singapore and ASEAN based universities and higher educational institutions.
- Continuing to widen our regional focus through the links with Australia and Hong Kong to expand our work across the ASEAN and Asia-Pacific region through programmes such as the ASEAN Leaders Programme as well as other bespoke partnerships

**6. Independent Auditor**

Heng Lee Seng LLP has expressed its willingness to accept re-appointment.

On behalf of the directors

DocuSigned by:  
  
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Adirupa Sengupta  
Director

DocuSigned by:  
  
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Lynna Chandra  
Director

Singapore: 8 December 2023

**Independent Auditor's Report**

to the members of Common Purpose Asia-Pacific Limited

**Report on the Audit of the Financial Statements**
*Opinion*

We have audited the financial statements of Common Purpose Asia-Pacific Limited (the "Company"), set out on pages 5 to 20 which comprise the balance sheet as at 31 July 2023, and the statement of financial activities, statement of changes in funds and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act"), the Charities, Chapter 37 and other relevant regulations (the Charities Act and Regulations) and Financial Reporting Standards in Singapore (FRSs) so as to give a true and fair view of the financial position of the Company as at 31 July 2023 and of the financial performance, changes in the funds and cash flows of the Company for the year ended on that date.

*Basis for Opinion*

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Charity in accordance with the Accounting and Corporate Regulatory Authority (ACRA) *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Other Matters*

The financial statements for the financial year ended 31 July 2022 were audited by another auditor whose report dated 22 December 2022 expressed an unmodified opinion on those financial statements.

*Other Information*

Management is responsible for the other information. The other information comprises the Directors' Statement set out on pages 1 to 2.

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

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

*Responsibilities of Management and Directors for the Financial Statements*

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act, the Charities Act and Regulations and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

## Independent Auditor's Report

to the members of Common Purpose Asia-Pacific Limited

### Report on the Audit of the Financial Statements (continued)

#### *Auditor's Responsibilities for the Audit of the Financial Statements*

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

#### *Report on Other Legal and Regulatory Requirements*

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

DocuSigned by:



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**Heng Lee Seng LLP**

Public Accountants and  
Chartered Accountants  
Singapore

8 December 2023

## Common Purpose Asia-Pacific Limited

### Statement of Financial Activities for the financial year ended 31 July 2023

	Note	2023 \$	2022 \$
<b>Income from</b>			
Recharge to related companies		52,394	92,405
Grants		297,182	320,299
Commercial customised programmes		234,912	302,212
Open programmes		69,767	83,964
Other income	5	-	395
<b>Total income</b>		<u>654,255</u>	<u>799,275</u>
<b>Expenditure on</b>			
Grant based programmes		(343,694)	(320,439)
Commercial customised programmes		(217,153)	(196,913)
Open programmes		(70,956)	(84,015)
Administrative expenses	6	(173,531)	(199,580)
<b>Total expenditures</b>		<u>(805,334)</u>	<u>(800,947)</u>
<b>Net deficit for the year</b>		<u>(151,079)</u>	<u>(1,672)</u>
<b>Other comprehensive income</b>		<u>-</u>	<u>-</u>
<b>Total deficit funds for the year</b>		<u>(151,079)</u>	<u>(1,672)</u>

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



## Common Purpose Asia-Pacific Limited

### Balance Sheet

as at 31 July 2023

	Note	2023 \$	2022 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	9	127,128	380,118
Trade receivables	10	656,289	448,612
Other receivables	11	27,190	26,379
		<u>810,607</u>	<u>855,109</u>
<b>Total assets</b>		<u>810,607</u>	<u>855,109</u>
<b>FUNDS AND LIABILITIES</b>			
<b>Funds</b>			
Accumulated funds		<u>68,561</u>	<u>219,640</u>
<b>Total funds</b>		<u>68,561</u>	<u>219,640</u>
<b>Current liabilities</b>			
Trade payables	12	44,462	95,779
Other payables	13	582,259	410,315
Contract liabilities	14	115,325	129,375
		<u>742,046</u>	<u>635,469</u>
<b>Total liabilities</b>		<u>742,046</u>	<u>635,469</u>
<b>Total funds and liabilities</b>		<u>810,607</u>	<u>855,109</u>

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

## Common Purpose Asia-Pacific Limited

### Statement of Changes in Funds for the financial year ended 31 July 2023

	<b>Accumulated funds \$</b>
<b>2023</b>	
1 August 2022	219,640
Deficit for financial year	<u>(151,079)</u>
At 31 July 2023	<u><u>68,561</u></u>
<b>2022</b>	
1 August 2021	221,312
Deficit for financial year	<u>(1,672)</u>
At 31 July 2022	<u><u>219,640</u></u>

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

## Common Purpose Asia-Pacific Limited

### Statement of Cash Flows

for the financial year ended 31 July 2023

	Note	2023 \$	2022 \$
<b>Operating activities</b>			
Deficit for the year		(151,079)	(1,672)
Increase in trade receivables		(207,677)	(183,323)
(Decrease)/increase in:			
- trade payables		(51,317)	39,846
- contract liabilities		(14,050)	129,375
Net cash flows used in operating activities		<u>(424,123)</u>	<u>(15,774)</u>
<b>Financing activities</b>			
Increase in other receivables		(811)	(6,409)
Increase in other payables		171,944	262,895
Net cash flows generated from financing activities		<u>171,133</u>	<u>256,486</u>
<b>Cash and cash equivalents</b>			
<b>Net (decrease)/increase</b>		(252,990)	240,712
At 1 August		380,118	139,406
At 31 July	9	<u>127,128</u>	<u>380,118</u>

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

## Common Purpose Asia-Pacific Limited

### Notes to the Financial Statements

for the financial year ended 31 July 2023

These notes form an integral part of the accompanying financial statements.

#### 1. Domicile and activities

Common Purpose Asia-Pacific Limited, Registration No. 201331830Z (the “Company”) which is a company limited by guarantee, is incorporated and domiciled in the Republic of Singapore. The address of its registered office is 7 Straits View #12-00 Marina One East Tower Singapore 018936.

The immediate and ultimate parent is Common Purpose Charitable Trust incorporated in the United Kingdom.

The Company is a non-profit organisation established to provide charitable and other supporting activities aimed at educational work.

Each member of the Company has undertaken to contribute such amounts not exceeding \$10 to the assets of the Company in the event the Company is wound up and the monies are required for payment of the liabilities of the Company. The Company has 1 member at the end of the reporting year.

The memorandum and articles of the Company restrict the use of Company monies to the furtherance of the objects of the Company. They prohibit the payment of dividend, bonus or profit to the immediate and ultimate parent or related companies.

#### 2. Basis of preparation

##### 2.1 *Statement of compliance*

The financial statements have been prepared in accordance with the Singapore Companies Act 1967 and Singapore Financial Reporting Standards (FRSs).

##### 2.2 *Basis of measurement*

The financial statements have been prepared on the historical cost basis.

##### 2.3 *Functional and presentation currency*

The financial statements are presented in Singapore dollar (\$), which is the currency of the primary economic environment in which the Company operates (functional currency).

##### 2.4 *Use of estimates and judgements*

The preparation of financial statements in conformity with FRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

## Common Purpose Asia-Pacific Limited

### Notes to the Financial Statements (continued)

#### 2. Basis of preparation

##### 2.5 *Adoption of new or revised standards*

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Company has adopted all the new and amended standards which are relevant to the Company and are effective for annual financial periods beginning on or after 1 August 2022.

- Amendment to FRS 116 *Leases: Covid-19-Related Rent Concessions beyond 30 June 2021*
- Amendments to:
  - FRS 103 *Business Combinations (Reference to Conceptual Framework)*
  - FRS 16 *Property, Plant and Equipment (Proceeds before Intended Use)*
  - FRS 37 *Provisions, Contingent Liabilities and Contingent Assets (Onerous Contracts – Cost of Fulfilling a Contract)*
- Annual improvements to FRS 2018-2020

The adoption of these new or revised standards did not result in substantial changes to the Company's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

##### 2.6 *New standards and interpretations issued but not yet effective*

A number of new standards, amendments to standards and interpretations are issued but not yet effective have not been applied in preparing these financial statements. The Company does not plan to early adopt these standards.

The following standards that have been issued but not yet effective are as follows:

	<b>Effective for annual periods beginning on or after</b>
FRS 117 <i>Insurance Contracts</i>	1 January 2023
Amendments to:	
• FRS 1 <i>Presentation of Financial Statements and FRS 1 Practice Statement 2 (Disclosure of Accounting Policies)</i>	1 January 2023
• FRS 8 <i>Accounting Policies, Changes in Accounting Estimates and Errors (Definition of Accounting Estimates)</i>	1 January 2023
• FRS 12 <i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023
• FRS 1 <i>Presentation of Financial Statements (Classification of Liabilities as Current or Non-current)</i>	1 January 2024
• FRS 110 <i>Consolidated Financial Statements</i> and FRS 28 <i>Investment in Associates and Joint Ventures (Sale or Contribution of Assets between an Investor and its Associate or Joint Venture)</i>	To be determined

The new or amended accounting Standards and Interpretations listed above are not expected to have a material impact on the Company in the future reporting periods and on foreseeable future transactions.

## Common Purpose Asia-Pacific Limited

### Notes to the Financial Statements (continued)

#### 3. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements. Certain comparative amounts have been reclassified to conform with the current year's presentation.

##### 3.1 Revenue recognition

###### *Rendering of services*

For long-term service contracts the customer value is created over time during the contract period and it is accounted for as separate performance obligations that are satisfied over time. This is because the customer simultaneously receives and consumes the benefits of the entity's performance in processing each transaction as and when each transaction is processed; or the performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date. The revenue is recognised over time by using the output method. For the output method the revenue is recognised on the basis of direct measurements of the value to the customer of the services transferred to date relative to the remaining services promised under the contract.

Revenue from service orders and term projects is recognised when the entity satisfies the performance obligation at a point in time generally when the significant acts have been completed and when transfer of control occurs or for services that are not significant transactions revenue is recognised as the services are provided.

##### 3.2 Grants

Grant are recognised at fair value when there is reasonable assurance that the conditions attaching to it will be complied with and that the grant will received. Grants in recognition of specific expenses are recognised as income over the periods necessary to match them with the related costs that they are intended to compensate, on a systematic basis.

##### 3.3 Employee benefits

###### (i) *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 under short-term cash bonus of profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past services provided by the employee, and the obligation can be estimated reliably.

###### (ii) *Defined contribution plans*

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

##### 3.4 Tax

###### *Income tax*

As a charity, the fund is exempt from income tax on income and gains under the Income Tax Act, Chapter 134 to the extent that these are applied to its charitable objects.

###### *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 of 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.

## Common Purpose Asia-Pacific Limited

### Notes to the Financial Statements (continued)

#### 3. Significant accounting policies (continued)

##### 3.5 Financial instruments

###### *Financial assets*

###### (a) Classification and measurement

The Company classifies its financial assets in the following measurement categories:

- i. Amortised cost;
- ii. Fair value through profit or loss (FVPL).

The classification depends on the Company's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

The Company reclassifies debt instruments when and only when its business model for managing those assets changes.

###### *At initial recognition*

Financial assets are initially recognised at fair value plus transaction costs that are directly attributable to the acquisition of the financial assets. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

###### *At subsequent measurement*

###### (i) Debt instruments

Debt instruments mainly comprise of cash and cash equivalents, trade and other receivables, listed and unlisted debt securities.

There are subsequent measurement categories, depending on the Company's business model for managing the asset and the cash flow characteristics of the asset:

- Amortised cost: Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.
- FVPL: Debt instruments that are held for trading as well as those that do not meet the criteria for classification as amortised cost or FVOCI are classified as FVPL. Movement in fair values and interest income is recognised in profit or loss in the period in which it arises and presented in "other income and expenses".

## Common Purpose Asia-Pacific Limited

### Notes to the Financial Statements (continued)

#### 3. Significant accounting policies (continued)

##### 3.5 *Financial instruments (continued)*

###### *Financial assets (continued)*

###### (b) Impairment

The Company assesses on a forward looking basis the expected credit losses associated with its debt financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

###### (c) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date - the date on which the Company commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount previously recognised in OCI relating to that asset is reclassified to profit or loss.

###### *Financial liabilities*

###### Classification

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability. Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities. The Company does not have financial liabilities at fair value through profit or loss. Other financial liabilities include:

###### *Trade and other payables*

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, where applicable, using the effective interest method.

###### Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount and the consideration paid is recognised in profit or loss.

###### Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

##### 3.7 *Cash and cash equivalents*

Cash and cash equivalents in the balance sheet comprise cash on hand, bank balances, demand deposits and other short-term highly liquid investments which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. For the purposes of the statement of cash flows, cash and cash equivalents also includes bank overdrafts and excludes any pledged deposits. In the balance sheet, bank overdrafts are presented within borrowings under current liabilities.



**Common Purpose Asia-Pacific Limited****Notes to the Financial Statements (continued)****4. Income**

	<b>2023</b>	<b>2022</b>
	\$	\$
Income from:		
- At a point in time	419,343	528,815
- Over time	234,912	270,460
	<u>654,255</u>	<u>799,275</u>

The various sources of income arise from rendering of services. The customers are commercial consumers and government agencies. The contracts with customers vary from a few days to 12 months.

**5. Other income**

	<b>2023</b>	<b>2022</b>
	\$	\$
Government grant	-	928
Other (losses)/income - net	-	(533)
	<u>-</u>	<u>395</u>

**6. Administrative expenses**

The major components of administrative expenses include the following:

	<b>2023</b>	<b>2022</b>
	\$	\$
Core cost expenses	174,144	180,051

**7. Income tax**

The Company is registered charity with effect from 20 August 2014 under the Income Tax Act, Chapter 134 and is therefore exempted from income tax.

**8. Employee benefits expense**

	<b>2023</b>	<b>2022</b>
	\$	\$
Short term employee benefits expense	279,613	271,670
Contribution to defined contribution plan	27,837	21,361
	<u>307,450</u>	<u>293,031</u>

*Presented in the statement of financial activities as follows:*

Grant based programmes	151,810	132,853
Commercial customised programmes	120,000	125,351
Open programmes	35,640	34,827
	<u>307,450</u>	<u>293,031</u>

**Common Purpose Asia-Pacific Limited****Notes to the Financial Statements (continued)****9. Cash and cash equivalents**

	<b>2023</b>	<b>2022</b>
	\$	\$
Cash and bank balances (Not restricted in use)	127,128	380,118

The Company's exposure to credit risk is disclosed in Note 16.

**10. Trade receivables**

	<b>2023</b>	<b>2022</b>
	\$	\$
Due from unrelated parties	159,747	120,281
Due from related parties:		
- immediate parent	134,372	81,978
- related parties	102,382	87,103
	236,754	169,081
Unbilled receivables	249,729	156,400
Deferred expenses	4,974	-
Prepayments	5,085	2,850
	<u>656,289</u>	<u>448,612</u>

(a) Due from unrelated parties are non-interest bearing and are generally on 30 to 90 days terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

(b) Due from related parties - refer to significant related party transactions (Note 15).

(c) The Company's exposure to credit risk is disclosed in Note 16.

**11. Other receivables**

	<b>2023</b>	<b>2022</b>
	\$	\$
Due from unrelated parties	41	41
Due from related parties	27,149	26,338
	<u>27,190</u>	<u>26,379</u>

(a) Due from unrelated parties are non-interest bearing and are generally on 30 to 90 days terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

(b) Due from related parties - refer to significant related party transactions (Note 15).

(b) The Company's exposure to credit risk is disclosed in Note 16.

**Common Purpose Asia-Pacific Limited****Notes to the Financial Statements (continued)****12. Trade payables**

	<b>2023</b>	<b>2022</b>
	\$	\$
Due to unrelated parties	3,632	5,649
Due to related parties:		
- immediate parent	2,879	-
- related parties	6,699	41,722
	9,578	41,722
Accrued operating expenses	31,252	48,408
	<u>44,462</u>	<u>95,779</u>

(a) Due to unrelated parties are non-interest bearing and are normally settled on 60-day terms.

(b) Due to related parties - refer to significant related party transactions (Note 15).

(c) The Company's exposure to liquidity risks is disclosed in Note 16.

**13. Other payables**

	<b>2023</b>	<b>2022</b>
	\$	\$
Due to immediate parent	582,259	410,315

(a) The amounts due to immediate parent is non-trade related, unsecured, interest-free, repayable on demand and are to be settled in cash.

(b) The Company's exposure to liquidity risk is disclosed in Note 16.

**14. Contract liabilities**

	<b>2023</b>	<b>2022</b>
	\$	\$
Deferred income	115,325	129,375

The deferred income primarily relates to the advance consideration received from customers for which no transfer of control has occurred, and therefore no revenue is recognised. The entity recognises revenue for each respective performance obligation when control of the service transfer to the customer, which is expected to occur within 12 months from the period end date.

## Common Purpose Asia-Pacific Limited

### Notes to the Financial Statements (continued)

#### 15. Significant related party transactions

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Company and other related parties at terms agreed between the parties:

	<b>2023</b>	<b>2022</b>
	\$	\$
(i) Income from:		
- immediate parent	52,394	83,821
- other related parties	15,279	8,583
	<u>67,673</u>	<u>92,404</u>
(ii) Expenses paid to:		
- immediate parent		
- delivery cost	20,860	108,334
- core cost	174,144	180,051
	<u>195,004</u>	<u>288,385</u>
- other related parties		
- delivery cost	45,824	-
- platform fees	7,000	44,750
- licence fees	39,148	38,023
	<u>91,972</u>	<u>82,773</u>

Outstanding balances with related parties at the end of financial year arising from services are unsecured, interest-free, repayable on demand and to be settled in cash. They are disclosed in Notes 10 and 12 respectively.

#### 16. Financial risk management

The Board of Directors had overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company is exposed to credit risk, liquidity risk and market risk.

##### (a) Categories of financial instruments

The following table sets out the financial instruments at the end of the financial year:

	<b>2023</b>	<b>2022</b>
	\$	\$
<b>Financial assets</b>		
Financial assets measured at amortised cost		
- trade receivables	646,230	445,762
- other receivables	27,190	26,379
- cash and cash equivalents	127,128	380,118
Total financial assets	<u>800,548</u>	<u>852,259</u>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost		
- trade payables	44,462	95,779
- other payables	582,259	506,094
Total financial liabilities	<u>626,721</u>	<u>601,873</u>

## Common Purpose Asia-Pacific Limited

### Notes to the Financial Statements (continued)

#### 16. Financial risk management (continued)

##### (b) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables, cash and cash equivalents.

##### *Exposure to credit risk*

The maximum exposure to credit risk at the reporting date was as follows:

	Carrying amount	
	2023	2022
	\$	\$
Trade receivables	646,230	445,762
Other receivables	27,190	26,379
Cash and cash equivalents	127,128	380,118
	<u>800,548</u>	<u>852,259</u>

##### Trade receivables

##### *Risk management policy*

The Company's exposure is influenced mainly by the individual characteristics of each customer or debtor. However, management also considers the demographics of the Company's customer base, including the default risk of the industry and country in which customers operate, as these factors may have an influence on credit risk.

The Company's most significant customer account is \$107,078 (2022: \$96,300).

The Company does not require collateral in respect of trade and other receivables.

For trade receivables, the Company has applied the simplified approach in FRS 109 to measure the loss allowance at lifetime ECL. The Company determines the ECL by using a provision matrix, estimated based on historical credit loss experience based on the past due status of the receivables, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Accordingly, the credit risk profile of trade receivables is presented based on their past due status in terms of the provision matrix. Management concludes that there is no provision for estimated credit loss to be recorded as at 31 July 2023.

The Company's credit risk exposure in relation to trade receivables under FRS 109 as at 31 July 2023 are set out in the provision matrix as follows:

	Expected credit losses	Gross carrying amount	Credit loss allowance
	%	\$	\$
Current (not past due)	-	168,861	-
Past due more than 90 days	-	225,776	-
		<u>394,637</u>	<u>-</u>

##### Other receivables

Management has assessed the other receivables at the end of the reporting period and conclude that there is no indication for impairment.

##### Cash and cash equivalents

The Company's cash and cash equivalents are held with banks and financial institutions counterparties with high-credit ratings assigned by international credit rating agencies.

## Common Purpose Asia-Pacific Limited

### Notes to the Financial Statements (continued)

#### 16. Financial risk management (continued)

##### (c) **Liquidity risk**

###### *Risk management policy*

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Typically the Company ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

###### *Exposure to liquidity risk*

The following are the expected contractual undiscounted cash flows of financial liabilities, including estimated interest payments and excluding the impact of netting agreements.

	Carrying amount \$	Total contractual cash flows \$	Less than 1 year \$
<b>2023</b>			
<b>Non-derivative financial liabilities</b>			
Trade and other payables	626,721	626,721	626,721
<b>Non-derivative financial assets</b>			
Cash and cash equivalents	127,128	127,128	127,128
Trade and other receivables	673,420	673,420	673,420
	<u>800,548</u>	<u>800,548</u>	<u>800,548</u>
<b>Net exposure</b>	<u>173,827</u>	<u>173,827</u>	<u>173,827</u>
<b>2022</b>			
<b>Non-derivative financial liabilities</b>			
Trade and other payables	601,873	601,873	601,873
<b>Non-derivative financial assets</b>			
Cash and cash equivalents	380,118	380,118	380,118
Trade and other receivables	472,141	472,141	472,141
	<u>852,259</u>	<u>852,259</u>	<u>852,259</u>
<b>Net exposure</b>	<u>250,386</u>	<u>250,386</u>	<u>250,386</u>

##### (d) **Market risk**

###### (i) Interest rate risk

The Company is not exposed to interest rate risk as the Company does not have significant variable interest-bearing financial instruments.

###### (ii) Foreign currency risk

The Company is exposed to foreign currency risk on transactions that are denominated in a currency other than the functional currency of the Company. The currencies giving rise to this risk are primarily British pound and United States dollar.

## Common Purpose Asia-Pacific Limited

### 16. Financial risk management (continued)

#### (d) Market risk (continued)

##### (ii) Foreign currency risk (continued)

The Company's exposures to foreign currency risk are as follows:

	2023		2022	
	British pound \$	United States dollar \$	British pound \$	United States dollar \$
Trade and other receivables	83,858	115,271	83,858	10,682
<b>Net exposure</b>	<b>83,858</b>	<b>115,271</b>	<b>83,858</b>	<b>10,682</b>

The Company does not have any formal policy on managing its foreign currency risk. The Company maintains a natural hedge, whenever possible, by matching the foreign currency assets against its liabilities. As a result, the Company continues to be exposed to foreign currency risks relating to any unmatched amounts.

#### *Sensitivity analysis*

A 10% strengthening of foreign currencies against the Singapore dollar (functional currency) at the end of each reporting period would increase profit after tax by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

	Deficit for the year	
	2023	2022
British pound	8,386	8,386
United States dollar	11,527	1,068

A 10% weakening of foreign currencies against the Singapore dollar would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

### 17. Fair value measurements

There are no significant assets and liabilities that are measured at fair value at the end of the reporting period.

### 18. Comparative information

The financial statements for prior year were audited by another firm of auditor and are presented for comparative purposes.

### 19. Authorisation of financial statements for issue

These financial statements were authorised for issue in accordance with a resolution of the directors on 8 December 2023.