

2020 ANNUAL REPORT

OUR SERVICES

Manned Guarding
Executive Protection
Security and Safety Audit
Mobile Visits
Central Monitoring Centre

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MINUTES OF THE 21ST ANNUAL GENERAL MEETING HELD ON MONDAY, 24TH AUGUST 2020 AT 6.00 P.M. VIA LIVE WEBCAST

PRESENT VIA ONLINE: 18

PROXY FORMS RECEIVED: 33 forms

There being a quorum, the Chairman, Mr. Shareef bin Abdul Jaffar (PBS) called the meeting to order at 6.00 pm.

1. NOTICE OF MEETING

The Secretary Mr. M. Lukshumayeh, read the Notice of the Meeting convening the 21st Annual General Meeting.

2. CHAIRMAN'S ADDRESS

Address by Chairman Mr. Shareef Bin Abdul Jaffar, PBS

Full excerpt of Chairman's Address is as follows:

Good Evening Representatives of our Founding member and Board members and Ladies and Gentlemen.

A warm welcome to the SecureGuard Security Services Co-operative Ltd.'s 21st Annual General Meeting and thank you all your presence and your proxy forms.

SECUREGUARD 2019 ACTIVITIES

2019-20 has been a challenging year for SecureGuard due to the global Covid-19 Pandemic. Compounding to this has been the rising cost of operations in terms of an increase in labour cost due to the progressive wage model, compliance, and training costs in line with the Police Licensing Regulatory Department (PLRD) requirements.

Covid-19 pandemic severely disrupted global economic activity and led both demand and supply shocks to the Singapore economy. This had a major impact on the day-to-day security operations and deployment. Security Services was classified as essential services by Ministry of Trade and Industry (MTI). There was a compulsory mandate that at all our work sites had to enforce and ensure strict compliance of security control measures.

During this period, we had to make provisions to house 18 Malaysian Security officers in private accommodation in Singapore. We were also shorthanded as some of our Malaysian workers had to return to their home country and were unable to return due to the lockdown in Malaysia as well as in Singapore. This has contributed significantly to our operational costs.

Despite the challenges and the potential risk of contracting the virus, our management operations and ground staff were steadfast and carried out the duties expected of them diligently. My heartfelt thanks and appreciation to all of them.

Annual Salary Review For 2019

Based on the annual performance review and the progressive wage model guidelines, basic wages and yearly salary increments for security officers were adjusted to align it to the prevailing market salary.

Upgrading Security Officers

In recognition of the hard work and loyal service 3 security officers were promoted from the post of security officer (SO) to senior security officers (SSO).

Our Achievements

SecureGuard managed to fulfil all the stringent requirements stipulated by the Police Licensing Regulatory Department (PLRD) and Ministry of Manpower, which resulted in SecureGuard been awarded "A" Grade for Year 2019 for the annual grading exercise.

Buying-over of Security Masters Pte Ltd

SecureGuard Security Services Co-operative Limited was successful in acquiring all the equity in Security Masters Pte Ltd on 30 August 2019. Security Masters Pte Ltd is a 19-year-old company and it provides unarmed security services in various buildings in Singapore on a contractual and ad-hoc basis. It has well-established operational processes and at the time of our acquisition had a Service Rating at Grade "A".

The purchase consideration towards the buy-over was negotiated at \$2,852,699.67.

Both organizations operate independently and have their respective operations and admin teams.

Moving forward, we will further improve in the following areas:

a) Manpower

- To provide more job opportunities for Singaporean security officers
- To retain our existing security officers with additional security trainings and incentives/benefits.
- To employ more permanent security officers and reduce the relief security officers.

b) Security Training

- To send our security officers for 'Recognise Terrorist Threats' (RTT) training and advanced functional security courses in order to keep them relevant in security industry and also to meet the requirements of the PLRD.
- To equip the security officers with advance and specialized skills to enhance the officer's work performance.

c) Technology

- To explore and incorporate new security technology and security solutions to transform the SecureGuard Command Centre.
- To incorporate security approach in line with PLRD mandatory training requirements and also to meet security agencies grading exercise assessment.

On behalf of the Board of Directors, management, and staff, I wish to express my heartfelt appreciation and gratitude for your unfailing loyalty, trust, and support.

A. With the permission of the Chairman, the Secretary read out the outcome of the proxy voting as follows:

3. CONFIRMATION OF MINUTES OF THE 20TH ANNUAL GENERAL MEETING HELD ON MONDAY, 29TH APRIL 2019

99.99% had voted to confirm and adopt the Minutes of the 20TH Annual General Meeting. As this forms a simple majority, the Minutes were declared as confirmed and adopted.

Results:

For: 1,170,024
Against: 0
Abstain: 1

4. TO RECEIVE & ADOPT ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

99.99% had voted to receive and adopt the Annual Report for the year ended 31 December 2019. As this forms a simple majority, the Annual Report was declared as adopted

Results:

For: 1,170,023
Against: 1
Abstain: 1

5. TO RECEIVE & ADOPT THE AUDITORS REPORT AND STATEMENT OF ACCOUNTS FOR THE YEAR ENDING 31ST DECEMBER 2019

99.99% had voted to receive the Auditor's Report and Statement of Accounts for the year ended 31 December 2019. As this forms a simple majority, the Auditor's Report and Statement of Accounts was declared as adopted.

Results:

For: 1,170,024

Against: 0

Abstain: 1

6. TO APPROVE & AUTHORISE THE PAYMENT OF DIVIDENDS TO THE MEMBERS OF CO-OPERATIVE AT A DIVIDEND A DIVIDEND RATE OF 10% FOR THE FINANCIAL YEAR ENDING 31ST DECEMBER 2019

99.99% had voted to approve the 10% dividend payment for the financial year ending 31st December 2019. As this forms a simple majority, the 10% dividend payment was declared as approved and authorised.

Results:

For: 1,170,024

Against: 0

Abstain: 1

7. TO APPROVE THE PAYMENT OF HONORARIUM FOR MEMBERS OF THE BOARD OF DIRECTORS WHO ARE NOT IN RECEIPT OF ALLOWANCE

99.99% had voted to approve the payment of Honorarium for members of the Board of Directors who are not in receipt of allowance for the year 2019. As this forms a simple majority, the payment of Honorarium was declared as approved.

Results:

For: 1,170,024

Against: 0

Abstain: 1

8. TO APPROVE THE ESTIMATES OF THE EXPENDITURE FOR THE YEAR 2020

99.99% had voted to approve the Estimates of the Expenditure for the year 2020. As this forms a simple majority, the Estimate Expenditure for the year 2020 was declared as approved.

Results:

For: 1,170,024

Against: 0

Abstain: 1

PRIVATE & CONFIDENTIAL

9. TO GIVE MANDATE TO THE BOARD OF DIRECTORS TO APPOINT THE INTERNAL AUDITORS FOR THE YEAR 2020 IF NEED ARISES

99.99% had voted to appoint Internal Auditors for SecureGuard for the year 2020 if the need arises. As this forms a simple majority, the mandate to appoint an internal Auditors if need arises for year 2020 is declared as duly approved.

Results:

For: 1,170,024

Against: 0

Abstain: 1

10. TO APPOINT EXTERNAL AUDITORS FOR SECUREGUARD FOR THE YEAR 2020

99.99% had voted to appoint Stamford Assurance PAC Chartered Accountants and Public Accountants to be SecureGuard External Auditors for the Year 2020. As this forms a simple majority, the appointment of the said External Auditors was declared as duly approved.

Results:

For: 1,170,023

Against: 0

Abstain: 1

11. RESIGATION OF DIRECTORS

The meeting was informed that resignations of Dr. R. Theyvendran and Ms. Shoba Gunasekaran due to ill health and being overseas respectively were duly accepted by the Board of Directors.

12. TO ELECT / RE-ELECT MEMBERS TO SERVE THE BOARD

Since there were no contest as at close of Nomination date, the following Candidates have been elected/re-elected unopposed as Directors of the Board of SecureGuard Security Services Co-operative Limited for a further term of three (3) years.

(a) Re-elected:

1. Mr. Shareef Bin Abdul Jaffar (PBS)
2. Mr. M. Lukshumayeh
3. Mr. Daniel Cher Choong Kiak (PBM)
4. Mr. Hamzah Bin Hj. Abdul Karim
5. Ms. Maria Bte Amri
6. Mr. Eugene Wong

(b) Elected:

1. Mr. Tan Geok Seng
2. Mr. Joshua Benjamin (PBM)
3. Mr. Santhanaram Jayaram
4. Mr. Baskaradas Manikam

13. TO CONSIDER AND APPROVE THE AMMENDMENTS TO THE BY-LAWS OF THE CO-OPERATIVE AS PER "PROPOSED AMENDMENTS TO BY- LAWS"

99.99% had voted to approve the amendments to the By-Laws of the Co-operative as per the "Proposed Amendments to By-Laws". As these forms no less than two thirds of total number of proxy votes, the amendments to the By-Laws of the Co-operative as per "Proposed Amendments to the By-Laws" was declared as being duly accepted.

Results:

For: 1,170,024
Against: 0
Abstain: 1

14. TO CONSIDER ANY OTHER BUSINESS

The meeting was informed that there were no resolutions or questions received by the Secretariat within the stipulated period pursuant to SecureGuard's By-Laws.

15. CONCLUSION

On behalf of the Board of Directors, the Chairman thanked all members present for their everlasting support, loyalty and faith in SecureGuard.

There being no other matters, the meeting ended at 6.20 pm.

Recorded By:



Mr. M. Baskaradas
General Manager

Verified By:



Mr. M. Lukshumayeh
Secretary / Director

Date:

Confirmed By



Mr. Shareef Bin Abdul Jaffar (PBS)
Chairman

Date:

SECUREGUARD'S 2020 OPERATIONAL REPORT

The Covid-19 has taken a heavy toll, challenging all lives in Singapore. It was another tough and uphill task for SecureGuard. Despite the global catastrophe, it continued to operate through the Covid-19 pandemic situation and also embraced the rising cost of security officers' salary and Police Licensing Regulatory Department (PLRD) additional training requirements.

The Covid-19 coronavirus pandemic has been an extremely expensive experience for all of us. Certainly, 2020 has not been an easy year. One year later, it is evident that there are many lessons to be learned from this once-in-generation phenomenon, lessons that can conceivably better equip SecureGuard to face the future calamities of a similar scale.

Unarmed Security Services is still classified as essential services by Ministry of Trade and Industry (MTI). All our security officers are compulsorily required to be deployed at all work sites to protect, control situations, enforcing and ensuring strict compliance of security control and safety measures.

During this challenging pandemic situation, our management staff were steadfast and worked closely together with the Operations team and the ground security officers to meet all the operational needs to move forward.

Annual Salary Review For 2020

Arising from the annual performance review, basic wages and yearly salary increments for security officers were adjusted for maintaining a good work record performance throughout the year.

Upgrading Security Officers

In recognition of the hard work and loyal service 3 security officers were promoted from the post of Security Officer (SO) to Senior Security Officers (SSO).

Our Achievements

SecureGuard team worked tirelessly to fulfil all the stringent requirements and regulations stipulated by the Police Licensing Regulatory Department (PLRD) and Ministry of Manpower (MOM) which saw SecureGuard being awarded the "A" Grading for the Year 2020 in the annual grading exercise.

Moving forward, SecureGuard will further improve in the following areas:

a) Manpower

- To provide more job opportunities for Singaporean security officers
- To retain our existing security officers with additional security trainings and incentives/benefits.

- To employ more permanent security officers and reduce the relief security officers.

b) Security Training

- To send our security officers for 'Recognize Terrorist Threats' (RTT), First Aid and Fire Incident at workplace training and advanced functional security courses in order to keep them relevant in security industry and also to meet the requirements of the PLRD and MOM.
- To equip the security officers with advance and specialized skills to enhance the officer's work performance.

c) Technology

- To process and incorporate new security technology and security solutions to upgrade the SecureGuard Command Centre.
- To incorporate security approach in line with PLRD mandatory training requirements and also to meet security agencies grading exercise assessment.



M. Baskaradas
General Manager

BOARD OF DIRECTORS FOR SECUREGUARD

- | | | |
|--------------------------------------|---|----------------------|
| 1. Mr. Shareef Bin Abdul Jaffar, PBS | - | Chairman |
| 2. Mr. Tan Geok Seng | - | Vice-Chairman |
| 3. Mr. Mahadevan Lukshumayeh | - | Director / Secretary |
| 4. Mr. Daniel Cher Choong Kiak, PBM | - | Director / Treasurer |
| 5. Mr. Eugene Wong | - | Director |
| 6. Ms. Maria Bte Amri | - | Director |
| 7. Mr. Hamzah Bin Hj Abdul Karim | - | Director |
| 8. Mr. Joshua Benjamin, PBM | - | Director |
| 9. Mr. Santhanaram Jayaram | - | Director |
| 10. Mr. Baskaradas Manikam | - | Director |

SECUREGUARD SECURITY SERVICES CO-OPERATIVE LTD.
Co-operative Registration No. S99CS0230J

**Management Committee's statement and audited financial statements
for the financial year ended 31 December 2020**

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SECUREGUARD SECURITY SERVICES CO-OPERATIVE LTD.

**MANAGEMENT COMMITTEE'S STATEMENT
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

The Management Committee is pleased to present this statement to the members together with the audited financial statements of Secureguard Security Services Co-operative Limited (the "Co-operative") for the financial year ended 31 December 2020 ("financial year").

1. Opinion of Management Committee


In the opinion of the Management Committee of the Co-operative,

- i) The accompanying statement of financial position, statement of comprehensive income, statement of changes in equity and funds and statement of cash flows together with notes thereto are drawn up so as to give a true and fair view of the financial position of Secureguard Security Services Co-operative Limited (the "Co-operative") as at 31 December 2020 and of the financial performance, changes in equity and funds and cash flows of the Co-operative for the year then ended;
- ii) at the date of this statement, there are reasonable grounds to believe that the Co-operative will be able to pay its debts as and when they fall due; and
- iii) the receipt, expenditure, investment of monies and the acquisition and disposal of assets by the Co-operative during the financial year ended 31 December 2020 are, in all material respects, in accordance with the provisions of the Co-operative Societies Act, Chapter 62 and the By-Laws of the Co-operative;

2. Management Committee

The Management Committee of the Co-operative in office at the date of this statement is:

Mr. Shareef Bin Abdul Jaffar	Chairman	(Appointed on 24 February 2020)
Mr. Tan Geok Seng	Vice chairman	(Appointed on 24 August 2020)
Mr. Mahadevan Lukshumayeh	Director/Secretary	
Mr. Daniel Cher Choong Kiak	Director/Treasurer	
Ms. Maria Bte Amri	Director	
Mr. Hamzah Bin Haji Abdul Karim	Director	
Mr. Eugene Wong	Director	
Mr. Joshua Benjamin	Director	(Appointed on 24 August 2020)
Mr. Santhanaram Jayaram	Director	(Appointed on 24 August 2020)
Mr. Baskaradas Manikam	Director	(Appointed on 24 August 2020)
Dr. R. Theyvendran, PBM	Chairman	(Resigned on 24 February 2020)


Mr. Shareef Bin Abdul Jaffar
Chairman


Mr. Daniel Cher Choong Kiak
Treasurer

Singapore 17 May 2021



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SECUREGUARD SECURITY SERVICES
CO-OPERATIVE LTD.**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Secureguard Security Services Co-operative Ltd. (the "Co-operative"), which comprise the statement of financial position of the Co-operative as at 31 December 2020, the statement of comprehensive income, statement of changes in equity and funds and statement of cash flows of the Co-operative 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 Co-operative Societies Act ("the Act"), and Singapore Financial Reporting Standards ("FRSs") so as to present fairly, in all material respects, the state of affairs of the Co-operative as at 31 December 2020 and the results, changes in equity and funds, and cash flows of the Co-operative for the year ended on that date.

Basis of Opinion

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

Other Information

Management is responsible for the other information. The other information comprises the Management Committee's Statement set out on page 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 on the financial statement, 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 material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Stamford Assurance

Public Accounting Corporation

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SECUREGUARD SECURITY SERVICES CO-OPERATIVE LTD.

Report on the Audit of the Financial Statements (Continued)

Responsibilities of Management and Director 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 FRSSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

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

The director's responsibilities include overseeing the Co-operative's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Co-operative's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



Stamford Assurance

Public Accounting Corporation

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SECUREGUARD SECURITY SERVICES CO-OPERATIVE LTD.

Report on the Audit of the Financial Statements (Continued)

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

- 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 Management committee's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Co-operative to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance 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

Opinion

In our opinion:

- (a) the receipts, expenditure, investment of money and the acquisition and disposal of assets by the Co-operative during the year are, in all material respects, in accordance with the provisions of the Act; and
- (b) proper accounting and other records have been kept, including records of all assets of the Co-operative whether purchased, donated or otherwise.

Basis of Opinion

We conducted our audit in accordance with SSAs. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Compliance Audit section of our report. We are independent of the Co-operative in accordance with the ACRA Code together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on management's compliance.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SECUREGUARD SECURITY SERVICES
CO-OPERATIVE LTD.**

Report on Other Legal and Regulatory Requirements (Continued)

Responsibilities of Management for Compliance with Legal and Regulatory Requirements

Management is responsible for ensuring that the receipts, expenditure, investment of money and the acquisition and disposal of assets, are in accordance with the provisions of the Act. This responsibility includes implementing accounting and internal controls as management determines are necessary to enable compliance with the provisions of the Act.

Auditor's Responsibilities for the Compliance Audit

Our responsibility is to express an opinion on management's compliance based on our audit of the financial statements. We planned and performed the compliance audit to obtain reasonable assurance about whether the receipts, expenditure, investment of moneys and the acquisition and disposal of assets, are in accordance with the provisions of the Act.

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

The engagement partner on the audit resulting in this independent auditor's report is Chinnu Palanivelu.

STAMFORD ASSURANCE PAC

Public Accountants and Chartered Accountants

Singapore

Date: 17 May 2021

SECUREGUARD SECURITY SERVICES CO-OPERATIVE LTD.**STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

	Note	<u>2020</u> S\$	<u>2019</u> S\$
Service income	4	<u>2,649,105</u>	<u>2,418,373</u>
Other income	5	480,522	101,163
Less:			
Staff expenses	6	(2,314,803)	(2,127,223)
Operating expenses	7	(197,321)	(222,276)
Depreciation of plant and equipment	8	<u>(15,117)</u>	<u>(13,615)</u>
Surplus before contribution		602,386	156,422
Contribution to Central Co-operative Fund	16	(45,477)	-
Surplus after contribution, representing total comprehensive income for the year		<u>556,909</u>	<u>156,422</u>

SECUREGUARD SECURITY SERVICES CO-OPERATIVE LTD.

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020**

	Note	<u>2020</u> S\$	<u>2019</u> S\$
ASSETS			
Non-current assets			
Plant and equipment	8	40,794	40,383
Investment in subsidiary	9	<u>2,810,808</u>	<u>2,852,700</u>
		<u>2,851,602</u>	<u>2,893,083</u>
Current assets			
Trade receivables	10	395,698	286,076
Other receivables	11	38,512	36,322
Cash and cash equivalent	12	<u>1,383,175</u>	<u>1,243,627</u>
		<u>1,817,385</u>	<u>1,566,025</u>
Total assets		<u>4,668,987</u>	<u>4,459,108</u>
EQUITY AND LIABILITIES			
Equity			
Share capital	13	1,174,250	1,174,190
Reserve fund	14	74,030	74,030
Accumulated surplus		<u>2,322,335</u>	<u>1,912,810</u>
Equity attributable to owners of the Co-operative		<u>3,570,615</u>	<u>3,161,030</u>
Current liabilities			
Deferred contingent consideration payable	9.1	26,120	1,218,453
Other payables and accruals	15	159,084	79,625
Amount due to a subsidiary	9.2	867,691	-
Central Co-operative Fund Contribution	16	<u>45,477</u>	<u>-</u>
		<u>1,098,372</u>	<u>1,298,078</u>
Total equity and liabilities		<u>4,668,987</u>	<u>4,459,108</u>

SECUREGUARD SECURITY SERVICES CO-OPERATIVES LTD.

**STATEMENT OF CHANGES IN EQUITY AND FUNDS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

	Note	Share capital S\$	Reserve Fund S\$	Accumulated surplus S\$	Total equity S\$
At 1 January 2019		174,190	74,030	1,795,774	2,043,994
Surplus for the year		-	-	156,422	156,422
Addition during the year	13	1,000,000	-	-	1,000,000
Honorarium		-	-	(22,000)	(22,000)
Dividend paid	23	-	-	(17,386)	(17,386)
At 31 December 2019		<u>1,174,190</u>	<u>74,030</u>	<u>1,912,810</u>	<u>3,161,030</u>
At 1 January 2020		1,174,190	74,030	1,912,810	3,161,030
Surplus for the year		-	-	556,909	556,909
Addition during the year	13	60	-	-	60
Honorarium		-	-	(30,000)	(30,000)
Dividend paid	23	-	-	(117,384)	(117,384)
At 31 December 2020		<u>1,174,250</u>	<u>74,030</u>	<u>2,322,335</u>	<u>3,570,615</u>

SECUREGUARD SECURITY SERVICES CO-OPERATIVES LTD.

**STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

	Note	<u>2020</u> S\$	<u>2019</u> S\$
Cash flows from operating activities			
Surplus before contribution		602,386	156,422
Adjustments for:			
Depreciation of plant and equipment	8	15,117	13,615
		<u>617,503</u>	<u>170,037</u>
Changes in working capital:			
Trade receivables		(109,622)	153,574
Other receivables		(2,190)	2,143
Other payables and accruals		<u>79,459</u>	<u>(12,325)</u>
Cash generated from operations		<u>585,150</u>	<u>313,429</u>
Central Co-operative Fund paid	16	-	(13,884)
Honorarium paid to Management Committee		<u>(30,000)</u>	<u>(22,000)</u>
Net cash generated from operating activities		<u>555,150</u>	<u>277,545</u>
Cash flows from investing activity			
Investment in subsidiary	9.1	(1,150,441)	(1,634,247)
Purchase of plant and equipment	8	<u>(15,528)</u>	<u>(5,726)</u>
Net cash used in investing activity		<u>(1,165,969)</u>	<u>(1,639,973)</u>
Cash flows from financing activity			
Proceed from issue of additional share	13	60	1,000,000
Amount due to a subsidiary	9.2	867,691	-
Dividend paid	24	<u>(117,384)</u>	<u>(17,386)</u>
Net cash generated from financing activity		<u>750,367</u>	<u>982,614</u>
Net (decreased)/increase in cash and cash equivalent		<u>139,548</u>	<u>(379,814)</u>
Cash and cash equivalent at beginning of financial year		<u>1,243,627</u>	<u>1,623,441</u>
Cash and cash equivalent at end of financial year	12	<u>1,383,175</u>	<u>1,243,627</u>

SECUREGUARD SECURITY SERVICES CO-OPERATIVE LTD.

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

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

1. General

Secureguard Security Services Co-operative Ltd. (the "Co-operative") is a Co-operative society which is incorporated and domiciled in Singapore with its registered office of the Co-operative is located at 16 Arumugam Road, #02-03 LTC Building D, Singapore 409961. The Co-operative's Registration Number is S99CS0230J.

The principal activity of the Co-operative is to provide security related services. There have been no significant changes in the nature of these activities during the financial year. The immediate and ultimate holding Co-operative is TCC Credit Co-operative Ltd. which is also incorporated in Singapore. The principal activities of the subsidiary is disclosed in Note 9.

2. Summary of significant accounting policies

2.1 Basis of preparation

The financial statements of the Co-operative 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 ("S\$"), which is the Co-operative's functional currency. All financial information presented in Singapore Dollars has been rounded to the nearest dollar, unless otherwise indicated.

2.2 Adoption of new and revised standards

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Co-operative has adopted all the new and revised standards which are relevant to the Co-operative and are effective for annual financial periods beginning on or after 1 January 2020. The adoption of these standards did not have any material effect on the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

2. Summary of significant accounting policies (Continued)

2.3 Standards issued but not yet effective

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

Description	Effective for annual periods beginning on or after
Amendment to FRS 116 <i>Leases: Covid-19-Related Rent Concessions</i>	1 June 2020
Amendments to FRS 109 <i>Financial Instruments</i> , FRS 39 <i>Financial Instruments: Recognition and Measurement</i> , FRS 107 <i>Financial Instruments: Disclosures</i> , FRS 104 <i>Insurance Contracts</i> , FRS 116 <i>Leases: Interest Rate Benchmark Reform – Phase 2</i>	1 January 2021
Amendments to FRS 16 <i>Property, Plant and Equipment: Proceeds before Intended Use</i>	1 January 2022
Amendments to FRS 37 <i>Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts – Cost of Fulfilling a Contract</i>	1 January 2022
Annual Improvements to FRSs 2018-2020	1 January 2022
Amendments to FRS 1 <i>Presentation of Financial Statements: Classification of Liabilities as Current or Non-current</i>	1 January 2023
Amendments to FRS 110 <i>Consolidated Financial Statements and FRS 28 Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Date to be determined

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

2.4 Foreign currency transactions and balances

Transactions in foreign currencies are measured in the functional currency of the Co-operative and are recorded on initial recognition in the functional currency at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting period are recognised in profit or loss.

2. Summary of significant accounting policies (Continued)

2.5 Plant and equipment

All items of plant and equipment are initially recorded at cost. Subsequent to recognition, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of 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 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>
Computer	5 years
Furniture	3 years

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

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 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 derecognition of the asset is included in profit or loss in the year the asset is derecognised.

2.6 Investment in subsidiary

Subsidiary is entity over which the Co-operative has power to govern the financial and operating policies, generally accompanied by a shareholding giving rise to the majority of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Co-operative controls another entity.

Investment in subsidiary is carried at cost less accumulated impairment losses, if any, in the Co-operative's statement of financial position. On disposal of investment in subsidiary, the differences between disposal proceeds and the carrying amounts of the investments are recognised in the profit or loss.

2. Summary of significant accounting policies (Continued)

2.7 Impairment of non-financial assets

The Co-operative 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 Co-operative 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 from 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.

2.8 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 Co-operative measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Co-operative expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on 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)

2.8 Financial instruments

(a) Financial assets

Subsequent measurement

Investments in debt instruments

Subsequent measurement of debt instruments depends on the Co-operative'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, FVOCI and FVPL. The Co-operative 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.

Investments in equity instruments

On initial recognition of an investment in equity instrument that is not held for trading, the Co-operative may irrevocably elect to present subsequent changes in fair value in other comprehensive income which will not be reclassified subsequently to profit or loss. Dividends from such investments are to be recognised in profit or loss when the Co-operative's right to receive payments is established. For investments in equity instruments which the Co-operative has not elected to present subsequent changes in fair value in other comprehensive income, changes in fair value are recognised in profit or loss.

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.

2. Summary of significant accounting policies (Continued)

2.8 Financial instruments

(b) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Co-operative becomes a party to the contractual provisions of the financial instrument. The Co-operative determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at FVPL, directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at FVPL are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

Derecognition

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

2.9 Impairment of financial assets

The Co-operative recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at FVPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Co-operative expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

2. Summary of significant accounting policies (Continued)

2.9 Impairment of financial assets (Continued)

For trade receivables, the Co-operative applies a simplified approach in calculating ECLs. Therefore, the Co-operative does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Co-operative has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment which could affect debtors' ability to pay.

The Co-operative considers a financial asset in default when contractual payments are 60 days past due. However, in certain cases, the Co-operative may also consider a financial asset to be in default when internal or external information indicates that the Co-operative is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Co-operative. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

The Co-operative assesses at each reporting date whether there is any objective evidence that a financial asset is impaired.

2.10 Cash and cash equivalent

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

2.11 Provision

General

Provisions are recognised when the Co-operative 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 the 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 the provision due to the passage of time is recognised as a finance cost.

2.12 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)

2.13 Employee benefits

(a) Defined contribution plans

The Co-operative 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 Co-operative 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.

(c) Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated undiscounted liability for annual leave expected to be settled wholly within 12 months after the end of reporting period as a result of services rendered by employees up to the end of the reporting period.

2.14 Leases

The Co-operative 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 lessee

The Co-operative applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Co-operative recognises lease liabilities representing the obligations to make lease payments and right-of-use assets representing the right to use the underlying leased assets.

Right-of-use assets

The Co-operative recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Co-operative at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in Note 2.7.

2. Summary of significant accounting policies (Continued)

2.14 Leases (Continued)

As lessee (Continued)

Lease liabilities

At the commencement date of the lease, the Co-operative recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Co-operative and payments of penalties for terminating the lease, if the lease term reflects the Co-operative exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Co-operative uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Co-operative's lease liabilities are low value, so rental is expensed off under FRS 116.

Short-term leases and leases of low-value assets

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

2. Summary of significant accounting policies (Continued)

2.15 Revenue

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

Revenue is recognised when the Co-operative satisfies a performance obligation by transferring a promised service to the customer, which is when the customer obtains control of the service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue is the amount allocated to the satisfied performance obligation.

Services rendered

Revenue from rendering of security services is recognised in the period in which the services are rendered.

Interest income

Interest income is recognised using the effective interest method.

2.16 Taxes

The Co-operative is exempt from income tax under Income Tax Act Cap. 134 section 13(1)(f)(ii).

2.17 Related parties

A party is related to an entity if:

(a) A person or a close member of that person's family is related to the Co-operative if that person:

- (i) Has control or joint control over the Co-operative;
- (ii) Has significant influence over the Co-operative; or
- (iii) Is a member of the key management personnel of the Co-operative or of parent of the Co-operative;

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

2. Summary of significant accounting policies (Continued)

2.17 Related parties (Continued)

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

- (i) The entity and the Co-operative are members of the same Group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a Co-operative of which the other entity is a member);
- (iii) Both entities are joint ventures of the same third party;
- (iv) One entity is a joint venture of a third party and the other entity is an associate of the third entity;
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Co-operative or an entity related to the Co-operative. If the Co-operative is itself such a plan, the sponsoring employers are also related to the Co-operative;
- (vi) The entity is controlled or jointly controlled by a person identified in (a);
- (vii) A person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

3. Significant accounting judgements and estimates

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

(a) Judgements made in applying accounting policies

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

(b) Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the financial year, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities and the reported amounts of revenue and expenses within the next financial year, are discussed below.

SECUREGUARD SECURITY SERVICES CO-OPERATIVE LTD.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

3. Significant accounting judgements and estimates (Continued)

(b) Key sources of estimation uncertainty (Continued)

Impairment of trade and receivables

The impairment of trade receivables is based on the ageing analysis and management's continuous evaluation of the recoverability of the outstanding receivables. In assessing the ultimate realisation of these receivables, management considers, among other factors, the creditworthiness and the past collection history of each customer. If the financial conditions of these customers were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required. The carrying amounts of the Co-operative's trade receivables as at 31 December 2020 were S\$395,698 (2019: S\$ 286,076).

Impairment of investments in subsidiary

The Co-operative follows the guidance of FRS 36 in determining whether an investment is impaired. This determination requires significant judgement. The Co-operative evaluate, among other factors, the duration and extent to which the recoverable amount of investments is less than their carrying amount and the financial health of and near-term business outlook for the investment, including factors such as industry and sector performance and operational and financing cash flow. The carrying amount of the Co-operative's investments in subsidiary as at 31 December 2020 was S\$2,810,808 (31 December 2019: S\$2,852,700).

4. Service income

Service income represents income from supplying of manpower.

	<u>2020</u> S\$	<u>2019</u> S\$
Service income from:		
- Related parties (Note 17)	786,831	783,056
- Third party	<u>1,862,274</u>	<u>1,635,317</u>
	<u>2,649,105</u>	<u>2,418,373</u>
<u>Timing of transfer of service</u>		
At a point in time	-	-
Over time	<u>2,649,105</u>	<u>2,418,373</u>

The Co-operative does not have variable consideration, refund or provide warranty. All are fixed contracts.

SECUREGUARD SECURITY SERVICES CO-OPERATIVE LTD.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

5. Other income

	<u>2020</u> S\$	<u>2019</u> S\$
Interest income	5,495	12,166
Government grant	455,027	87,997
Reversal of expected credit loss	20,000	-
Miscellaneous income	-	1,000
	<u>480,522</u>	<u>101,163</u>

6. Staff expenses

	<u>2020</u> S\$	<u>2019</u> S\$
Salaries, CPF and bonus	2,200,841	1,956,103
Foreign worker levy	83,244	129,021
Staff insurance	13,722	13,738
Staff training	13,703	26,547
Staff welfare	13	30
Uniform	3,280	1,784
	<u>2,314,803</u>	<u>2,127,223</u>

7. Operating expense

	<u>2020</u> S\$	<u>2019</u> S\$
Consultancy service	25,840	20,640
Management fee from holding Co-operative (Note 17)	36,000	36,000
Investigation expense	-	800
Provision for credit loss for 3 rd party (Note 10)	-	1,221
Provision for credit loss for related party (Note 10)	-	51,800
Medical fee	3,533	3,620
Car rental	19,200	19,200
Telephone	15,281	15,311
Office rent from 3 rd party	35,161	32,742
Office rent from holding Co-operative (Note 17)	10,615	-
Printing expense	1,979	2,315
Sponsorship	150	3,000
Software subscription	1,962	1,385
Legal fee	1,500	-
Travelling expense	5,032	5,634
Utility	3,133	2,975
Others	37,935	25,633
	<u>197,321</u>	<u>222,276</u>

SECUREGUARD SECURITY SERVICES CO-OPERATIVE LTD.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

8. Plant and equipment

	<u>Furniture</u> S\$	<u>Computer</u> S\$	<u>Total</u> S\$
Cost			
As at 1 January 2019	144,330	88,246	232,576
Additions	700	5,026	5,726
As at 31 December 2019	145,030	93,272	238,302
Accumulated depreciation			
As at 1 January 2019	121,295	63,009	184,304
Depreciation for the year	5,318	8,297	13,615
As at 31 December 2019	126,613	71,306	197,919
Net book value:			
At end of year	18,417	21,966	40,383
	<u>Furniture</u> S\$	<u>Computer</u> S\$	<u>Total</u> S\$
Cost			
As at 1 January 2020	145,030	93,272	238,302
Write off	(116,819)	(54,851)	(171,670)
Additions	2,560	12,968	15,528
As at 31 December 2020	30,771	51,389	82,160
Accumulated depreciation			
As at 1 January 2020	126,613	71,306	197,919
Write off	(116,819)	(54,851)	(171,670)
Depreciation for the year	5,604	9,513	15,117
As at 31 December 2020	15,398	25,968	41,366
Net book value:			
At end of year	15,373	25,421	40,794

9. Investment in subsidiary

	2020 S\$	2019 S\$
Cost of investment		
At beginning of year	2,852,700	-
Decrease in contingent consideration (Note 9.1)	(41,892)	-
Additions	-	2,852,700
At end of the year	2,810,808	2,852,700

Details of the subsidiary is as follow:

Name of subsidiaries	Place of incorporation	Principal activities	Percentage of equity held 2020 %
Security Masters Pte Ltd	Singapore	Security services	100

Refer to Note 9.1 for detail of consideration of subsidiary.

SECUREGUARD SECURITY SERVICES CO-OPERATIVE LTD.**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020****9.1 Deferred contingent consideration payable**

	2020 S\$	2019 S\$
At beginning of year	1,218,453	2,852,700
Decrease in contingent consideration	(41,892)	-
Payment during the year	<u>(1,150,441)</u>	<u>(1,634,247)</u>
At end of the year	<u>26,120</u>	<u>1,218,453</u>

On 31 August 2019, the Co-operative acquired all shares in Security Masters Pte Ltd for a total consideration of S\$2,852,700. The Co-Operative paid \$1,150,441 (2019: \$1,634,247) during the financial year and the remaining amount \$26,120 (2019: \$1,218,453) is a deferred consideration payable which will be paid based on the collection of the trade receivable. It will be paid within next 12 months hence there is no discounting for time value of money. The Co-Operative was unable to collect the trade receivables amounting to \$41,892 hence contingent consideration reduced by \$41,892.

9.2 Amount due to a subsidiary

	2020 S\$	2019 S\$
Amount due to a subsidiary	<u>867,691</u>	<u>-</u>

The amount is non-trade in nature, non-interest bearing and repayable on demand.

10. Trade receivables

	<u>2020</u> S\$	<u>2019</u> S\$
Trade receivables:		
- External parties	240,983	200,271
- Related parties	<u>186,515</u>	<u>138,826</u>
	<u>427,498</u>	<u>339,097</u>
Provision for credit loss for 3 rd party	(31,800)	(1,221)
Provision for credit loss for related party	<u>-</u>	<u>(51,800)</u>
	<u>395,698</u>	<u>286,076</u>

Trade receivables are unsecured and non-interest bearing and are generally on 30 (2019: 30) days' term. They are recognised at their original invoice amounts which represents their fair values on initial recognition.

SECUREGUARD SECURITY SERVICES CO-OPERATIVE LTD.**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020****10. Trade receivables (Continued)**Receivables that are past due but not impaired

The Co-operative had trade receivables amounting to S\$207,708 (2019: S\$18,700) that were past due at the reporting date but not impaired. These receivables were unsecured and the analysis of their aging at the reporting date was as follows:

	<u>2020</u> S\$	<u>2019</u> S\$
Trade receivables past due:		
- Less than 30 days	-	15,000
- 31 to 60 days	124,298	3,700
- 60 to 90 days	35,500	-
- More than 90 days	47,910	-
	<u>207,708</u>	<u>18,700</u>

Receivables that are impaired

The Co-operative had trade receivables that are impaired at the end of the reporting period and the movement of the provision accounts are as follows.

	<u>2020</u> S\$	<u>2019</u> S\$
Movement in the provision		
At beginning of the year	53,021	-
- Bad debts recovered (Note 5)	(20,000)	-
- Bad debts written off	(1,221)	-
- Allowance for credit loss (Note 7)	-	53,021
At end of the year	<u>31,800</u>	<u>53,021</u>

Trade receivables that are individually determined to be impaired at the end of the financial year relate to debtors that are in significant financial difficulties and have defaulted on payments.

As at 31 December 2020, the Co-operative has provided provision of S\$31,800 (2019: S\$53,021) for trade receivables to related party and third party. This amount has been outstanding for over at least 60 days.

Trade receivables are denominated in Singapore Dollar.

SECUREGUARD SECURITY SERVICES CO-OPERATIVE LTD.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

11. Other receivables

	<u>2020</u> S\$	<u>2019</u> S\$
Other receivables	8,834	21,079
Prepayment	13,984	-
Deposits	9,900	9,900
Others	5,794	5,343
	<u>38,512</u>	<u>36,322</u>

Other receivables are non-trade in nature, unsecured, interest free and with no fixed term of repayment.

Other receivables and deposits are denominated in Singapore Dollar.

12. Cash and cash equivalent

	<u>2020</u> S\$	<u>2019</u> S\$
Cash on hand	370	508
Cash at bank	753,450	308,761
Fixed deposit	629,355	934,358
	<u>1,383,175</u>	<u>1,243,627</u>

Cash and cash equivalent are denominated in Singapore Dollar.

The fixed deposit has an average maturity of 12 months (2019: 12 months). The approximate annual effective interest rates applicable for the financial year is 0.40% (2019: 1.12%).

13. Share capital

	<u>2020</u>		<u>2019</u>	
	Number of ordinary shares	S\$	Number of ordinary shares	S\$
<u>Issued and fully paid, ordinary shares</u>				
At 1 January	1,174,190	1,174,190	174,190	174,190
Addition during the financial year	60	60	1,000,000	1,000,000
At 31 December	<u>1,174,250</u>	<u>1,174,250</u>	<u>1,174,190</u>	<u>1,174,190</u>

The holders of ordinary shares are entitled to receive dividends as and when declared by the Co-operative. All ordinary shares carry one vote per share without restrictions. The ordinary shares have no par value.

SECUREGUARD SECURITY SERVICES CO-OPERATIVE LTD.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

14. Reserve fund

	<u>2020</u> S\$	<u>2019</u> S\$
At 1 January and 31 December	<u>74,030</u>	<u>74,030</u>

Reserve fund is denominated in Singapore Dollar.

15. Other payables and accruals

	<u>2020</u> S\$	<u>2019</u> S\$
Accruals	6,924	6,459
Honorarium payable	30,000	28,000
Central Provident Fund payable	32,666	24,514
Foreign worker levy	6,400	8,994
Salary payable	78,649	4,600
Other	4,445	7,058
	<u>159,084</u>	<u>79,625</u>

Other payables are non-trade in nature, unsecured, interest free and with no fixed term of repayment. Other payables and accruals are denominated in Singapore Dollar.

16. Central Co-operative fund

Pursuant to Section 71(2) of the Co-operative Societies Act, Chapter 62 the Group contributes 5% of the first \$500,000 of the profit from its operations and 20% of its profit in excess of \$500,000 to the Central Co-operative Fund. Contribution from operations is subject to adjustment for non-deductible amounts as per guidelines from the Registry of Co-operative Societies and the amount is due to be paid out in next financial year.

	<u>2020</u> S\$	<u>2019</u> S\$
Balance at beginning of the financial year	-	13,884
Central co-operative fund paid	-	(13,884)
Contribution for the financial year	45,477	-
Balance at end of the financial year	<u>45,477</u>	<u>-</u>

In prior year, due to the COVID-19 situation, the Minister for Culture, Community and Youth has approved the Central Co-operative Fund (CCF) Support Package for Co-operative to be revised by reducing the first tier CCF contributions payable from 5% to 0% for one year. This is applicable to the first \$500,000 surplus of a Co-operative, for financial year ending from 31 December 2019 to 30 September 2020.

SECUREGUARD SECURITY SERVICES CO-OPERATIVE LTD.**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020****17. Significant related party transactions**

In addition to the related party information disclosed elsewhere in the financial statements, the following transactions with related parties took place at terms agreed between the parties during the financial year:

	<u>2020</u> S\$	<u>2019</u> S\$
<u>With holding Co-operative:</u>		
Issue additional shares	-	1,000,000
Management service from holding Co-operative	(36,000)	(36,000)
Rental service received	(10,615)	-
Dividend paid	<u>(117,000)</u>	<u>(17,000)</u>
<u>With subsidiary:</u>		
Payment on behalf	<u>867,691</u>	<u>-</u>
<u>With related parties:</u>		
Service to related parties	<u>786,831</u>	<u>783,056</u>
<u>With Committee members/key management person:</u>		
Honorarium	(30,000)	(28,000)
Wages and Salary for Manager	(60,000)	(54,500)
Employer's contribution to Central Provident Fund	<u>(5,535)</u>	<u>(4,089)</u>

18. Commitments**Operating lease commitment – as lessee**

The Co-operative leases office space under non-cancellable operating lease agreements.

As at 31 December 2020, the future minimum lease payable under non-cancellable operating leases contracted for but not recognised as liabilities, are as follows:

	<u>2020</u> S\$	<u>2019</u> S\$
Not later than one year	-	-
Later than one year but not later than five years	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

Recognised as an expense in profit or loss for the financial year ended 31 December 2020 amounted to S\$35,161 (2019: S\$32,742).

19. Post balance sheet event

In December 2019, a novel strain of coronavirus was reported to have surfaced in China. The spread of this virus began to cause some business disruption through reduced net revenue in January 2020. While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration. However, there is no financial impact to the Co-operative as at 31 December 2020.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

20. Fair values

(a) Fair value hierarchy

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

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

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

Level 3 – Unobservable inputs for the asset or liability.

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

(b) Assets and liabilities not measured at fair value

Cash and cash equivalent and other payables

The carrying amounts of these balances approximate their fair values due to the short-term nature of these balances.

Trade receivables and trade payables

The carrying amounts of these receivables and payables approximate their fair values as they are subject to normal trade credit terms.

21. Financial risk management

The Co-operative's activities expose it to a variety of financial risks from its operations. The key financial risks include credit risk, liquidity risk and market risk (including interest rate risk and foreign currency risk).

The directors review and agree policies and procedures for the management of these risks, which are executed by the management team. It is, and has been throughout the current and previous financial year, the Co-operative's policy that no trading in derivatives for speculative purposes shall be undertaken.

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

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

21. Financial risk management

Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Co-operative. The Co-operative has adopted a policy of only dealing with creditworthy counterparties. The Co-operative performs on going credit evaluation of its counterparties' financial condition and generally do not require a collateral.

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

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

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

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

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

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

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

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

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

SECUREGUARD SECURITY SERVICES CO-OPERATIVE LTD.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

21. Financial risk management (Continued)

Credit risk (Continued)

The Co-operative's current credit risk grading framework comprises the following categories:

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

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

Co-operative	Note	12-month or lifetime ECL	Gross carrying amount S\$	Credit loss S\$	Net carrying amount S\$
31 December 2020					
Trade receivables	1	Lifetime ECL	427,498	(31,800)	395,698
Other receivables	2	Lifetime ECL	38,512	-	38,512
				-	
31 December 2019					
Trade receivables	1	Lifetime ECL	339,097	(53,021)	286,076
Other receivables	2	Lifetime ECL	36,322	-	36,322
				(53,021)	

Note 1

For trade receivables, the Co-operative has applied the simplified approach in FRS 109 to measure the loss allowance at lifetime ECL. The Co-operative determines the ECL by using a provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Accordingly, the credit risk profile of trade receivables is presented based on their past due status in terms of the provision matrix.

SECUREGUARD SECURITY SERVICES CO-OPERATIVE LTD.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

21. Financial risk management (Continued)

Credit risk (Continued)

Note 2

For other receivables, the Co-operative assessed the latest performance and financial position of the counterparties, adjusted for future outlook of the industry in which the counterparties operate in, and concluded that there has been no significant increase in the credit risk since the recognition of the financial assets. Accordingly, the Co-operative measured the importance loss allowance using lifetime ECL and determined that the ECL is insignificant.

	Trade receivables Days past due				Total S\$
	Current	Less than 30 days	31-60 days	61-90 days	
	S\$	S\$	S\$	S\$	
31 December 2020					
ECL rate	0%	0%	0%	40%	
Trade receivables	187,990	124,298	35,500	79,710	427,498
ECL	-	-	-	31,800	31,800

	Trade receivables Days past due				Total S\$
	Current	Less than 30 days	31-60 days	More than 60 days	
	S\$	S\$	S\$	S\$	
31 December 2019					
ECL rate	4%	26%	58%	100%	
Trade receivables	277,676	20,200	8,900	32,221	339,097
ECL	10,400	5,200	5,200	32,221	53,021

Information regarding loss allowance movement of trade receivables is disclosed in Note 10.

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Co-operative's performance to developments affecting a particular industry.

Exposure to credit risk

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

SECUREGUARD SECURITY SERVICES CO-OPERATIVE LTD.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

21. Financial risk management (Continued)

Credit risk (Continued)

Financial assets that are neither past due nor impaired

Trade and other receivables that are neither past due nor impaired are with creditworthy debtors with good payment record with the Co-operative. Cash and cash equivalent are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

Financial assets that are either past due or impaired

Information regarding financial assets that are either past due or impaired is disclosed in Note 10.

Liquidity risk

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

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

	Carrying amount S\$	2020 Contractual cash flows S\$	One year or less S\$
<u>Financial assets</u>			
Trade receivables	395,698	395,698	395,698
Other receivables and deposits	38,512	38,512	38,512
Cash and cash equivalent	1,383,175	1,383,175	1,383,175
Total undiscounted financial assets	1,817,385	1,817,385	1,817,385
<u>Financial liabilities</u>			
Deferred contingent consideration payable	26,120	26,120	26,120
Other payables and accruals	159,084	159,084	159,084
Amount due to a subsidiary	867,691	867,691	867,691
Total undiscounted financial liabilities	1,052,895	1,052,895	1,052,895
Total net undiscounted financial assets	764,490	764,490	764,490

SECUREGUARD SECURITY SERVICES CO-OPERATIVE LTD.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

21. Financial risk management (Continued)

Liquidity risk (Continued)

	Carrying amount S\$	2019 Contractual cash flows S\$	One year or less S\$
Financial assets			
Trade receivables	286,076	286,076	286,076
Other receivables and deposits	36,322	36,322	36,322
Cash and cash equivalent	1,243,627	1,243,627	1,243,627
Total undiscounted financial assets	1,566,025	1,566,025	1,566,025
Financial liabilities			
Deferred contingent consideration payable	1,218,453	1,218,453	1,218,453
Other payables and accruals	79,625	79,625	79,625
Total undiscounted financial liabilities	1,298,078	1,298,078	1,298,078
Total net undiscounted financial assets	267,947	267,947	267,947

Market risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates will affect the Co-operative's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

22. Financial instruments by category

At the reporting date, the aggregate carrying amounts of fair value through profit or loss, loan and receivables and financial liabilities at amortised cost were as follows:

	2020 S\$	2019 S\$
Financial asset measured at amortised cost		
Trade receivables	395,698	286,076
Other receivables and deposits	38,512	36,322
Cash and cash equivalent	1,383,175	1,243,627
Total financial asset measured at amortised cost	1,817,385	1,566,025
Financial liabilities measured at amortised cost		
Other payables and accruals	159,084	79,625
Amount due to a subsidiary	867,691	-
Total financial liabilities measured at amortised cost	1,026,775	79,625

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

23. Capital management

The primary objective of the Co-operative's capital management is to ensure that it maintains a strong credit rating and net current asset position in order to support its business and maximise shareholder value. The capital structure of the Co-operative comprises issued share capital and retained earnings.

The Co-operative manages its capital structure and makes adjustments to it, in light of changes in economic conditions. No changes were made in the objectives, policies or processes during the financial years ended 2020 and 2019. the Co-operative is not subject to any externally imposed capital requirements. The Co-operative's overall strategy remains unchanged from 2019.

24. Dividend

On 24 August 2020, the Co-operative declared a dividend amounting to S\$117,384 (2019: S\$17,386) for the financial year ended 31 December 2019.

25. Consolidated financial statement

These financial statements are the separate financial statements of the Co-operative. The Co-operative is exempted from preparing consolidated financial statements by virtue of FRS 110 as it is a subsidiary of TCC Credit Co-operative Limited, incorporated in Singapore whose consolidated financial statements include the financial statements of the Co-operative and its subsidiaries. The consolidated financial statements can be obtained from the registered office of TCC Credit Co-operative Limited at 95 Killiney Road, Singapore 239537.

26. Authorisation of financial statements for issue

The financial statements for the financial year ended 31 December 2020 were authorised for issue in accordance with a resolution of the Director of the Co-operative on 17 May 2021.

SECUREGUARD SECURITY SERVICES CO-OPERATIVE LIMITED

ESTIMATES OF EXPENDITURE - 2021

<u>Description</u>	<u>ESTIMATED</u> <u>2021</u>	<u>ACTUAL</u> <u>2020</u>	<u>ESTIMATED</u> <u>2020</u>
	\$	\$	\$
Advertisement	17,000	3,892	10,000
AGM Expenses	2,500	1,700	600
Audit Fee	5,000	4,393	5,000
Bank Charges	500	651	200
Car Rental	19,200	19,200	19,200
Consultancy Services & Commission	25,000	28,340	25,000
Professional Fee	1,500	10,700	-
Depreciation	30,000	15,117	15,000
Foreign Workers Levy	134,000	83,244	140,000
General Expenses	15,000	14,261	25,000
Insurance	18,000	13,722	15,000
License Fee	400	475	2,000
Liquidated Damages	1,500	300	2,000
Management Fee	36,000	36,000	36,000
Medical Fee	4,000	3,533	4,000
Printing and Stationery	3,200	2,133	4,000
Rental	40,000	48,909	40,000
Salaries, CPF and Bonuses	2,965,680	2,200,854	2,100,000
Sponsorship	2,000	150	3,000
Telephone & Internet Charges	15,000	15,281	15,000
Training	25,000	13,703	30,000
Transport	8,000	7,403	10,000
Uniform	5,000	3,280	2,000
TOTAL EXPENDITURE	3,373,480	2,527,241	2,503,000