

**MAKE-A-WISH FOUNDATION
(SINGAPORE) LIMITED**

[UEN. 200201965D]

[A company limited by guarantee and not
having share capital]

[Incorporated in the Republic of Singapore]

**AUDITED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
31 DECEMBER 2021**

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Fiducia LLP

(UEN. T10LL0955L)

Public Accountants and

Chartered Accountants of Singapore

71 Ubi Crescent

#08-01 Excalibur Centre

Singapore 408571

T: (65) 6846.8376

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DIRECTORS' STATEMENT

The directors present their statement to the members together with the audited financial statements of **Make-A-Wish Foundation (Singapore) Limited** (the "Foundation") for the financial year ended 31 December 2021.

In the opinion of the directors,

- a) the financial statements of the Foundation are drawn up so as to give a true and fair view of the financial position of the Foundation as at 31 December 2021 and the financial performance, changes in fund and cash flows of the Foundation for the financial year then ended; and
- b) at the date of this statement, there are reasonable grounds to believe that the Foundation will be able to pay its debts as and when they fall due.

Directors

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

Chang Weilong Ivan
Lin Bingyuan, Jeremy
Claire Tan Lee Fang
Ong Kok Yeong David
Anastasia Ling Yew Lin
Nuraliza Binte Mohamed Osman
Rajendra Nandakumar Pai

Arrangements to enable directors to acquire shares and debentures

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

Other matters

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

Independent auditor

The independent auditor, Messrs. Fiducia LLP, Public Accountants and Chartered Accountants of Singapore, has expressed its willingness to accept re-appointment.

On behalf of the Board of Directors,



Chang Weilong Ivan
Director



Ong Kok Yeong David
Director

Singapore,

12 MAY 2022

Fiducia LLP

Public Accountants and
Chartered Accountants of Singapore

71 Ubi Crescent
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Singapore 408571
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Independent auditor's report to the members of:

MAKE-A-WISH FOUNDATION (SINGAPORE) LIMITED

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Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Make-A-Wish Foundation (Singapore) Limited** (the "Foundation"), which comprise the statement of financial position as at 31 December 2021, and the statement of financial activities, statement of changes in fund and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Companies Act"), the Charities Act 1994 and other relevant regulations (the "Charities Act and Regulations") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the Foundation as at 31 December 2021 and of the financial performance, changes in the fund and cash flows of the Foundation for the financial 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 Foundation 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 Directors' Statement (as set out on page 2) but does not include the financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report, and the annual report, which is expected to be made available to us after that date.

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.

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(CONT'D)

Independent auditor's report to the members of:

MAKE-A-WISH FOUNDATION (SINGAPORE) LIMITED

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Responsibilities of Management and Those Charged with Governance 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 Companies 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 Foundation'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 Foundation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance comprises the directors. Their responsibilities include overseeing the Foundation'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 Foundation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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Independent auditor's report to the members of:

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Foundation'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 Foundation 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

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

During the course of our audit, nothing has come to our attention that causes us to believe that during the financial year:

- a) the Foundation has not used the donation moneys in accordance with the objectives as required under Regulation 11 of the Charities (Institutions of a Public Character) Regulations; and
- b) the Foundation has not complied with the requirements of Regulation 15 of the Charities (Institutions of a Public Character) Regulations.



Fiducia LLP
Public Accountants and
Chartered Accountants
Singapore,

12 MAY 2022

Partner-in-charge: Gan Chek Huat
PAB No.: 01939

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FINANCIAL YEAR ENDED DECEMBER 2021

		2021			2020		
		Unrestricted fund	Restricted fund		Unrestricted fund	Restricted fund	
		General fund	Care and Share fund	Total funds	General fund	Care and Share fund	Total funds
Note	S\$	S\$	S\$	S\$	S\$	S\$	S\$
INCOME							
Income from generating funds							
<u>Voluntary income</u>							
Donations in cash	17	735,283	0	735,283	369,727	0	369,727
Donations in kind	17	35,591	0	35,591	71,700	0	71,700
Amortisation of deferred Care and Share Matching Grant for operating expenses	15	0	202,973	202,973	0	343,801	343,801
		<u>770,874</u>	<u>202,973</u>	<u>973,847</u>	<u>441,427</u>	<u>343,801</u>	<u>785,228</u>
<u>Income from fund-raising activities</u>							
Charity Golf		125,215	0	125,215	0	0	0
Christmas Tree		11,450	0	11,450	5,215	0	5,215
Other fund-raising activities		278,294	0	278,294	347,352	0	347,352
Santa Run and Swish-A-Wish		352,858	0	352,858	277,889	0	277,889
YMCA Youth For Causes		52,654	0	52,654	35,679	0	35,679
	17	<u>820,471</u>	<u>0</u>	<u>820,471</u>	<u>666,135</u>	<u>0</u>	<u>666,135</u>
Investment income							
Interest income		<u>33,763</u>	<u>0</u>	<u>33,763</u>	<u>50,747</u>	<u>0</u>	<u>50,747</u>
Other income							
Special Employment Credit		558	0	558	565	0	565
Jobs credit and other subsidies		58,999	0	58,999	144,427	0	144,427
BCF and other grants		394,482	0	394,482	400,000	0	400,000
Amortisation of deferred Care and Share Matching Grant for capital expenditure	15	0	29,468	29,468	0	31,696	31,696
		<u>454,039</u>	<u>29,468</u>	<u>483,507</u>	<u>544,992</u>	<u>31,696</u>	<u>576,688</u>
TOTAL INCOME		<u>2,079,147</u>	<u>232,441</u>	<u>2,311,588</u>	<u>1,703,301</u>	<u>375,497</u>	<u>2,078,798</u>

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONT'D)**

		2021			2020		
		Unrestricted fund	Restricted fund		Unrestricted fund	Restricted fund	
		General fund	Care and Share fund	Total funds	General fund	Care and Share fund	Total funds
Note	S\$	S\$	S\$	S\$	S\$	S\$	S\$
EXPENDITURE							
Cost of generating funds and charitable activities							
Affiliate fee		21,232	0	21,232	25,351	0	25,351
Amortisation of intangible assets	11	0	10,606	10,606	0	10,606	10,606
Conference and meeting		4	0	4	755	0	755
Depreciation	10	33,559	1,179	34,738	33,644	2,072	35,716
General expenses		1,930	0	1,930	1,551	0	1,551
Insurance		1,513	0	1,513	1,454	0	1,454
Interns and contract staff		1,080	0	1,080	1,200	0	1,200
IT support		0	10,251	10,251	6	21,648	21,654
Management and sinking fund		7,939	0	7,939	7,939	0	7,939
Medical fee		0	0	0	355	0	355
Office supplies		0	0	0	93	0	93
Outreach and communication		0	128,185	128,185	0	271,303	271,303
Postage and courier		1,041	0	1,041	444	0	444
Printing and stationery		618	0	618	630	0	630
Publication		1,626	0	1,626	1,639	0	1,639
Repair and maintenance		301	0	301	715	0	715
Staff costs	18	377,295	0	377,295	436,617	0	436,617
Staff training and development		797	0	797	858	0	858
Staff welfare		4,229	0	4,229	4,570	0	4,570
Storage rental		(164)	0	(164)	0	0	0
Telecommunication		1,878	0	1,878	1,997	0	1,997
Transportation		668	0	668	1,628	0	1,628
Utilities		436	0	436	495	0	495
Wish granting and support expenses		548,775	0	548,775	381,772	0	381,772
Wish granters training		1,250	0	1,250	140	0	140
Wish granters' handbook		0	0	0	0	0	0
Wish impact studies		0	49,164	49,164	0	18,378	18,378
World Wish day		1,378	0	1,378	2,590	0	2,590
Wish year end party		51	0	51	0	0	0
Other wish granting expenses		0	0	0	504	0	504
Volunteers appreciation party		99	0	99	2,339	0	2,339
Volunteer development and recognition		748	0	748	214	0	214
		1,008,283	199,385	1,207,668	909,500	324,007	1,233,507

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONT'D)**

		2021			2020		
		Unrestricted fund	Restricted fund	Total funds	Unrestricted fund	Restricted fund	Total funds
		General fund	Care and Share fund		General fund	Care and Share fund	
Note		S\$	S\$	S\$	S\$	S\$	S\$
EXPENDITURE (CONT'D)							
Fund-raising expenses							
		159	0	159	0	0	0
		8,493	0	8,493	10,140	0	10,140
				</			

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONT'D)**

		2021			2020		
		Unrestricted fund	Restricted fund	Total funds	Unrestricted fund	Restricted fund	Total funds
		General fund	Care and Share fund		General fund	Care and Share fund	
Note	S\$	S\$	S\$	S\$	S\$	S\$	S\$
EXPENDITURE (CONT'D)							
Governance costs							
Affiliate fee		12,739	0	12,739	15,210	0	15,210
Amortisation of intangible assets	11	0	6,364	6,364	0	6,482	6,482
Audit fee		6,000	0	6,000	5,605	0	5,605
Bank charges		551	0	551	469	0	469
Conference and meeting		2	0	2	462	0	462
Depreciation	10	20,625	722	21,347	20,557	1,267	21,824
General expenses		1,181	0	1,181	948	0	948
Insurance		925	0	925	889	0	889
IT support		0	6,264	6,264	3	13,227	13,230
Interns and contract staff		660	0	660	733	0	733
Management and sinking fund		4,851	0	4,851	4,851	0	4,851
Medical fee		0	0	0	217	0	217
Office supplies		0	0	0	57	0	57
Postage and courier		636	0	636	271	0	271
Printing and stationery		378	0	378	385	0	385
Professional fees		107,317	0	107,317	8,952	0	8,952
Publication		994	0	994	1,002	0	1,002
Repairs and maintenance		184	0	184	437	0	437
Recruitment expenses		230	0	230	0	0	0
Staff costs	18	87,617	0	87,617	108,573	0	108,573
Staff training and development		487	0	487	524	0	524
Staff welfare		2,585	0	2,585	2,793	0	2,793
Storage rental		(100)	0	(100)	0	0	0
Telecommunication		1,148	0	1,148	1,221	0	1,221
Transportation		408	0	408	995	0	995
Utilities		266	0	266	303	0	303
Volunteer development and recognition		457	0	457	131	0	131
		<u>250,141</u>	<u>13,350</u>	<u>263,491</u>	<u>175,588</u>	<u>20,976</u>	<u>196,564</u>
Other resources expended							
Fair value loss in financial assets		10,116	0	10,116	0	0	0
Interest on lease liabilities		124	0	124	191	0	191
Interest of CPF late payment		81	0	81	0	0	0
		<u>10,321</u>	<u>0</u>	<u>10,321</u>	<u>191</u>	<u>0</u>	<u>191</u>
TOTAL EXPENDITURE		<u>1,555,596</u>	<u>232,441</u>	<u>1,788,037</u>	<u>1,373,789</u>	<u>375,497</u>	<u>1,749,286</u>
NET SURPLUS FOR THE FINANCIAL YEAR							
		<u>523,551</u>	<u>0</u>	<u>523,551</u>	<u>329,512</u>	<u>0</u>	<u>329,512</u>

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

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2021

	Note	2021 S\$	2020 S\$
ASSETS			
Current assets			
Cash and cash equivalents	6	680,922	928,280
Fixed deposits	7	3,053,752	2,795,525
Financial assets, at FVPL	8	753,270	263,386
Other receivables	9	54,332	88,172
		<u>4,542,276</u>	<u>4,075,363</u>
Non-current assets			
Property, plant and equipment	10	3,348,937	3,435,782
Intangible assets	11	0	26,513
		<u>3,348,937</u>	<u>3,462,295</u>
Total assets		<u>7,891,213</u>	<u>7,537,658</u>
LIABILITIES			
Current liabilities			
Trade and other payables	12	281,093	216,721
Lease liabilities	13	1,934	1,955
Deferred Care and Share Matching Grant	15	2,174	29,464
		<u>285,201</u>	<u>248,140</u>
Non-current liabilities			
Lease liabilities	13	747	2,656
Care and Share matching Grant	14	919,330	1,122,304
Deferred Care and Share Matching Grant	15	0	2,174
		<u>920,077</u>	<u>1,127,134</u>
Total liabilities		<u>1,205,278</u>	<u>1,375,274</u>
NET ASSETS		<u>6,685,935</u>	<u>6,162,384</u>
FUNDS			
Unrestricted fund			
General fund	16	<u>6,685,935</u>	<u>6,162,384</u>

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

STATEMENT OF CHANGES IN FUND
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

	Balance at beginning of financial year S\$	Net surplus for the financial year S\$	Balance at end of financial year S\$
2021			
Unrestricted Fund			
General fund	<u>6,162,384</u>	<u>523,551</u>	<u>6,685,935</u>
	Balance at beginning of financial year S\$	Net surplus for the financial year S\$	Balance at end of financial year S\$
2020			
Unrestricted Fund			
General fund	<u>5,832,872</u>	<u>329,512</u>	<u>6,162,384</u>

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

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

	Note	2021 S\$	2020 S\$
Cash flows from operating activities			
Net surplus		523,551	329,512
Adjustments for:			
- Fair value loss in financial assets	8	10,116	0
- Interest income		(33,763)	(50,747)
- Amortisation of intangible assets	11	26,513	26,515
- Depreciation of property, plant and equipment	10	86,845	89,292
- Interest expense		0	0
- Interest on lease liabilities		124	191
Operating cash flow before working capital changes		613,386	394,763
Changes in operating assets and liabilities:			
- Other receivables		33,840	10,885
- Trade and other payables		(168,066)	488,427
Net cash generated from operating activities		<u>479,160</u>	<u>894,075</u>
Cash flows from investing activities			
Placement of fixed deposits		(258,227)	(59,246)
Purchase of investments in financial assets, at FVPL	8	(500,000)	(263,386)
Purchase of property, plant and equipment	10	0	(3,777)
Interest received		33,763	50,747
Net cash used in investing activities		<u>(724,464)</u>	<u>(275,662)</u>
Cash flows from financing activities			
Interest paid on lease liabilities		(124)	(191)
Payment of principal portion of lease liabilities		(1,930)	(1,863)
Net cash used in financing activities		<u>(2,054)</u>	<u>(2,054)</u>
Net (decrease) / increase in cash and cash equivalents		(247,358)	616,359
Cash and cash equivalents at beginning of financial year		<u>928,280</u>	<u>311,921</u>
Cash and cash equivalents at end of financial year	6	<u>680,922</u>	<u>928,280</u>

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

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

1. General information

The Foundation is incorporated and domiciled in Singapore. The Foundation's registered address and principal place of activities is at 1 Coleman Street, #04-18, The Adelphi, Singapore 179803.

The principal activity of the Foundation is to grant the wishes of children with life threatening illnesses.

The Foundation was incorporated on 13 March 2002 as a company limited by guarantee and not having a share capital. Every member undertakes to contribute to the assets of the Foundation, in the event it is being wound up while they are a member, or within one year after they cease to be a member, payment of the debts and liabilities of the Foundation contracted before they cease to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves, such amount as maybe required not exceeding the sum of S\$100 only. As at 31 December 2021, the Foundation has 7 (2020: 7) members.

The Foundation was registered as a charity under the Charities Act 1994 since 8 July 2002. The Foundation has been accorded an Institute of a Public Character ("IPC") status for the period from 1 September 2017 to 29 February 2020. The Foundation has renewed its TPC status from 1 March 2020 to 28 February 2023.

2. Significant accounting policies

2.1 Basis of preparation

The financial statements have been prepared in accordance with Financial Reporting Standards in Singapore ("FRSs") and the disclosure requirements of the Charities Act 1994. These financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

These financial statements are presented in Singapore Dollar ("S\$"), which is the Foundation's functional currency.

The preparation of these financial statements in conformity with FRSs requires management to exercise its judgement in the process of applying the Foundation's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where estimates and assumptions are significant to the financial statements are disclosed in Note 3.

2.1.1 Interpretations and amendments to published standards effective in 2021

In the current financial year, the Foundation adopted the new or amended FRSs and Interpretations to FRSs ("INT FRSs") that are mandatory for application for the financial year. Changes to the Foundation's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRSs and INT FRSs.

The adoption of these new or amended FRS and INT FRS did not result in substantial changes to the Foundation's accounting policies and had no material effect on the amounts reported for the current or prior financial year.

2. Significant accounting policies (Cont'd)

2.1 Basis of preparation (Cont'd)

2.1.2 Standards issued but not yet effective

The Foundation has not adopted the following relevant new/revised FRSs, INT FRSs and amendments to FRSs that were issued but not yet effective:

Descriptions	Annual periods commencing on
Amendments to: - FRS 103 : Reference to the Conceptual Framework - FRS 16 : Property, Plant and Equipment – Proceeds before Intended Use - FRS 37 : Onerous Contracts – Cost of Fulfilling a Contract Annual Improvements to FRSs 2018-2020	1 January 2022
Amendments to: - FRS 1 : Classification of Liabilities as Current or Non-current - FRS 1 : Disclosure of Accounting Policies - FRS 8 : Definition of Accounting Estimates - FRS 12 : Deferred tax related to Assets and Liabilities arising from a single transaction	1 January 2023
Amendments to FRS 110 and FRS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

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

2.2 Income recognition

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

Income is recognised when the Foundation satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of income recognised is the amount allocated to the satisfied performance obligation.

Income is recognised as follows:

2.2.1 Donations

Donations are recognised in the statement of financial activities upon receipt. Donations subject to donor-imposed conditions that specify the time period in which the expenditure can take place are accounted for as deferred income and recognised as a liability until the financial year in which the Foundation is allowed by the condition to expend the income. Donations-in-kinds are recognised when the fair value of the assets received can be reasonably ascertained.

2. Significant accounting policies (Cont'd)

2.2 Income recognition (Cont'd)

Income is recognised as follows: (cont'd)

2.2.2 Fund-raising income

Fund raising income is recognised in the period in which the event takes place.

2.2.3 Interest income

Interest income is recognised on a time-proportion basis using the effective interest method.

2.2.4 Other income

Other income is recognised when earned.

2.3 Government grants

Government grants are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Foundation will comply with all the attached conditions.

Grants that compensate the Foundation for expenses incurred are recognised as income in the statement of financial activities on a systematic basis in the same periods in which the expenses are incurred.

Grants related to assets is presented in the statement of financial position by recognising the grant as deferred capital grants that is recognised in statement of financial activities on a systematic basis over the useful life of the asset and in the proportions in which depreciation expense on those assets is recognised.

2.4 Expenditure recognition

All expenditure are accounted for on accrual basis, aggregated under the respective areas. Direct costs are attributed to the activity where possible. Where costs are not wholly attributable to an activity, they are apportioned on a basis consistent with the use of resources.

2.4.1 Cost of generating funds

The cost of generating funds are those costs attributable to generating income for the Foundation other than those costs incurred in undertaking charitable activities.

2.4.2 Charitable activities

Costs of charitable activities comprise all costs incurred in the pursuit of the charitable objects of the Foundation. Such cost include the direct costs of the charitable activities of the Foundation together with any support costs incurred that enable these activities to be undertaken.

2.4.3 Governance costs

Governance costs comprise all costs attributable to the general running of the Foundation in providing the governance infrastructure and in ensuring public accountability. These costs include costs related to constitutional and statutory requirements, and include an apportionment of overhead and support costs.

2. Significant accounting policies (Cont'd)

2.5 Leases

At the inception of the contract, the Foundation assesses if the contract contains a lease. A contract contains a lease if the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

As a lessee

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

2.5.1 Right-of-use assets

The Foundation 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 Foundation 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 2.9. The Foundation's right-of-use assets are presented within property, plant and equipment as disclosed in Note 10.

2.5.2 Lease liabilities

The initial measurement of lease liability is measured at the present value of the lease payments discounted using the implicit rate in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Foundation shall use its incremental borrowing rate.

Lease payments include the following:

- Fixed payment (including in-substance fixed payments), less any lease incentives receivables;
- Variable lease payment that are based on an index or rate, initially measured using the index or rate as at the commencement date;
- Amount expected to be payable under residual value guarantees;
- The exercise price of a purchase option if it is reasonably certain to exercise the option; and
- Payment of penalties for terminating the lease, if the lease term reflects the Foundation exercising that option.

For contract that contain both lease and non-lease components, the Foundation allocates the consideration to each lease component on the basis of the relative stand-alone price of the lease and non-lease component. The Foundation has elected to not separate lease and non-lease component for property leases and account these as one single lease component.

2. Significant accounting policies (Cont'd)

2.5 Leases (Cont'd)

As a lessee (Cont'd)

2.5.3 Short-term leases and leases of low-value assets

The Foundation applies the short-term lease recognition exemption to its short-term leases of equipment (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.

2.6 Borrowing costs

All borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in statement of financial activities in the year in which they are incurred.

2.7 Property, plant and equipment

2.7.1 Measurement

All property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of property, plant and equipment includes its purchase price and any costs that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by Management.

Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal and restoration is included as a consequence of acquiring or using the property, plant and equipment.

2.7.2 Depreciation

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

	<u>Useful life</u>
Leasehold improvements	5 years
Leasehold properties	50 years
Office equipment and furniture	5 years
Right-of-use asset	Over the remaining useful life

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each reporting date. The effects of any revision are recognised in the statement of financial activities for the financial year in which the changes arise.

Fully depreciated assets are retained in the financial statements until they are no longer in use.

2. Significant accounting policies (Cont'd)

2.7 Property, plant and equipment (Cont'd)

2.7.3 Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Foundation and the cost of the item can be measured reliably. Other subsequent expenditure is recognised as repair and maintenance expenses in the statement of financial activities during the financial year in which it is incurred.

2.7.4 Disposal

On disposal of an item of property, plant and equipment, the difference between the net disposals proceeds and its carrying amount is taken to the statement of financial activities.

2.8 Intangible assets

Intangible assets which comprise of software development is initially capitalised at cost which includes the purchase price (net of any discounts and rebates) and other indirectly attributable costs of preparing the assets for its intended use. Intangible assets are subsequently carried at cost less accumulated amortisation and accumulated impairment losses.

These costs are amortised to statement of financial activities using the straight-line method over their estimated useful live of five years. The amortisation period and amortisation method of intangible assets other than goodwill are reviewed at least at each reporting date. The effects of any revision are recognised in statement of financial activities when the changes arise.

2.9 Impairment of non-financial assets

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

For the purpose of impairment testing of assets, recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the cash-generating unit (CGU) to which the asset belongs.

If the recoverable amount of the asset or (CGU) is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in statement of financial activities, unless the asset is carried at revalued amount, in which case, such impairment loss is treated as a revaluation decrease.

An impairment loss for an asset is reversed only if, there has been a change in the estimates used to determine the assets recoverable amount since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of accumulated depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset is recognised in statement of financial activities.

2. Significant accounting policies (Cont'd)

2.10 Financial assets

2.10.1 Classification and measurement

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

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

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

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

At initial recognition

At initial recognition, the Foundation measures a financial asset at its fair value plus, in case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the statement of financial activities.

At subsequent measurement

(i) Debt instrument

Debt instruments of the Foundation mainly comprise of cash and cash equivalents, fixed deposits, and other receivables.

There are three prescribed subsequent measurement categories, depending on the Foundation's business model in managing the assets and the cash flow characteristic of the assets. The Foundation managed these group of financial assets by collecting the contractual cash flow and these cash flows represents solely payment of principal and interest. Accordingly, these group of financial assets are measured at amortised cost subsequent to initial recognition.

A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in statement of financial activities when the asset is derecognised or impaired. Interest income from these financial assets are recognised using the effective interest rate method.

(ii) Equity investments

FVPL: Financial 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 the statement of financial activities in the period in which it arises and presented in "other gains and losses"

2. Significant accounting policies (Cont'd)

2.10 Financial assets (Cont'd)

2.10.2 Impairment

The Foundation assesses on a forward looking basis the expected credit losses associated with its debt financial assets carried at amortised cost.

For cash and cash equivalents, fixed deposits and other receivables, the general 3 stage approach is applied. Credit loss allowance is based on 12-month expected credit loss if there is no significant increase in credit risk since initial recognition of the assets. If there is a significant increase in credit risk since initial recognition, lifetime expected credit loss will be calculated and recognised.

2.10.3 Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Foundation 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 Foundation has transferred 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 the statement of financial activities. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to the statement of financial activities.

2.11 Cash and cash equivalents

Cash and cash equivalents include cash on hand, and deposits with financial institutions, which are subject to an insignificant risk of change in value. Cash and cash equivalents are carried at cost.

Fixed deposits that have short maturities of three months or less from the date of acquisition are reported as cash and cash equivalent. All other fixed deposits are reported separately in the statement of financial position.

2.12 Financial liabilities

Financial liabilities are recognised when the Foundation becomes a party to the contractual agreements of the instrument and are classified according to the substance of the contractual arrangements entered into. All interest related charges are recognised in statement of financial activities. Financial liabilities include "Other payables" and "Lease liabilities" in the statement of financial position.

Financial liabilities which are due to be settled within 12 months after the reporting date are presented as current liabilities in the statement of financial position even though the original term was for a period longer than 12 months and an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the reporting date and before the financial statements are authorised for issue. Other financial liabilities due to be settled more than 12 months after the reporting date are presented as non-current liabilities in the statement of financial position.

Financial liabilities are derecognised when the obligations under the liability are discharged, cancelled or expired. When existing financial liabilities are replaced by another from the same lender on substantially different terms of an existing liability or are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognised in statement of financial activities.

2. Significant accounting policies (Cont'd)

2.13 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Foundation prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities.

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost, using the effective interest method.

Accruals are recognised at the best estimate of the amount payable.

2.14 Provisions for other liabilities and charges

Provisions for other liabilities and charges are recognised when the Foundation has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

2.15 Funds

Fund balances are restricted by outside sources are so indicated and are distinguished from unrestricted funds allocated to specific purposes, if any, by action of the Board of Directors. Externally restricted funds may only be utilised in accordance with the purposes for which they are established. The Board of Directors retains full control over the use of unrestricted funds in furtherance of the Foundation's objects. Care and Share Matching Fund is classified as restricted fund.

2.16 Employee compensation

2.16.1 Defined contribution plans

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

2.16.2 Employee leave entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. An accrual is made for the estimated liability for annual leave as a result of services rendered by employees up to the reporting date.

2.17 Contingencies

Contingent liabilities are not recognised in the financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is not recognised in the financial statements but disclosed when an inflow of economic benefit is probable.

2.18 Events after the reporting date

Post year-end events that provide additional information about the Foundation's position at the reporting date (adjusting events) are reflected in the financial statements. Post year-end events that are not adjusting events are disclosed in the notes to the financial statements when material.

3. Critical accounting estimates, assumptions and judgements

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3.1 Critical accounting estimates and assumptions

The Foundation makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

3.1.1 Impairment of property, plant and equipment and intangible assets

Property, plant and equipment and intangible assets are reviewed for impairment whenever there is any indication that the assets are impaired. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and value in use) of the assets is estimated to determine the impairment loss. The key assumptions for the value in use calculation are those regarding the growth rates, and expected change to selling price and direct costs during the financial year and a suitable discount rate.

3.1.2 Estimated useful lives of property, plant and equipment and intangible assets

The Foundation reviews annually the estimated useful lives of property, plant and equipment and intangible assets based on factors such as business plans and strategies, expected level of usage and future technological developments. It is possible that future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned.

3.2 Critical judgements in applying the entity's accounting policies

The critical judgements in applying the entity's accounting policies at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

3.2.1 Government grants

Government grants to meet operating expenses are recognised as income in the income and expenditure statement on the accrual basis in the year these operating expenses were incurred and there is reasonable assurance that the Foundation will comply with the conditions attached to it. For certain grants, the government agencies reserve the right to withdraw, withhold or reduce the amount of any funds approved but not yet disbursed or to call for the refund of all funds which have been disbursed to the Foundation if the conditions are not met.

4. Income tax

The Foundation is a charity registered under the Charities Act 1994 since 8 July 2002. Consequently, the income of the Foundation is exempted from income tax under the provisions of Section 13 of the Income Tax Act Chapter 134.

5. Tax deductible receipts

During the financial year, the Foundation issued tax-exempt donations amounting to S\$1,307,787 (2020: S\$801,812). They are recorded as follows:

	2021 S\$	2020 S\$
<u>Statement of financial activities</u>		
General fund:		
- Charity golf	123,287	0
- Santa run	425,011	199,657
- Monthly donation (Individual)	155,086	131,660
- Monthly donation (Corporate)	3,000	4,050
- General donation (Individual)	419,347	12,714
- General donation (Corporate)	60,480	148,384
- Supported events	114,896	303,380
- Others	6,680	1,967
	<u>1,307,787</u>	<u>801,812</u>

6. Cash and cash equivalents

	2021 S\$	2020 S\$
Cash on hand	500	500
Cash at banks	<u>680,422</u>	<u>927,780</u>
	<u>680,922</u>	<u>928,280</u>

At the reporting date, the carrying amounts of cash and cash equivalents approximated their fair values.

7. Fixed deposits

	2021 S\$	2020 S\$
Fixed deposits	<u>3,053,752</u>	<u>2,795,525</u>

Fixed deposits at the reporting date had an average maturity of 12 months (2020: 12 months) from that date and had a weighted average effective interest rate of 0.44% (2020: 0.90%) per annum.

Fixed deposit amounting to S\$23,106 (2020: S\$23,094) is pledged to the credit facility with a financial institution.

At the reporting date, the carrying amounts of fixed deposits approximated their fair values.

8. Financial assets, at FVPL

	2021 S\$	2020 S\$
<u>At fair value</u>		
Quoted security bond	753,270	263,386
	<u>753,270</u>	<u>263,386</u>

Quoted security bond consist of Singapore Dollar bond of 3.65% per annum and maturity date of 23 August 2027 amounting to \$253,995 as of 31 December 2021.

The movement of financial assets, at FVPL are as follows:

	2021 S\$	2020 S\$
Beginning of financial year	263,386	0
Additions	500,000	263,386
Fair value gain / (loss)	(10,116)	0
Disposals	0	0
End of financial year	<u>753,270</u>	<u>263,386</u>

The fair value of quoted shares is based on the quoted closing market price on the last market day of the financial year and is classifies as level 1 fair value in the fair value hierarchy.

9. Other receivables

	2021 S\$	2020 S\$
Donation receivables	49,995	65,570
Deposits	10	260
Grant receivables – Jobs Support Scheme	0	14,844
Prepayments	4,327	7,479
Other receivables	0	19
	<u>54,332</u>	<u>88,172</u>

Donation receivables relate to the donation to be received from the donors, Giving.sg or credit card companies for the activities or event held during the financial year.

The Jobs Support Scheme (JSS) provides wage support to employers to help them retain their local employees (Singapore citizens and Permanent Residents) during this period of economic and pandemic uncertainty. JSS pay-outs are intended to offset local employees' wages and help protect their jobs.

At the reporting date, the carrying amounts of other receivables approximated their fair values.

10. Property, plant and equipment

	Balance at 01.01.2021 S\$	Additions S\$	Balance at 31.12.2021 S\$
2021			
Cost			
Leasehold improvements	102,713	0	102,713
Leasehold properties	4,076,673	0	4,076,673
Office equipment and furniture	129,502	0	129,502
Right-of-use assets: Copier machine	8,273	0	8,273
	<u>4,317,161</u>	<u>0</u>	<u>4,317,161</u>
	Balance at 01.01.2021 S\$	Depreciation S\$	Balance at 31.12.2021 S\$
Accumulated depreciation			
Leasehold improvements	102,713	0	102,713
Leasehold properties	652,267	81,534	733,801
Office equipment and furniture	122,581	3,402	125,983
Right-of-use assets: Copier machine	3,818	1,909	5,727
	<u>881,379</u>	<u>86,845</u>	<u>968,224</u>
	Balance at 01.01.2021 S\$		Balance at 31.12.2021 S\$
Carrying amount			
Leasehold improvements	0		0
Leasehold properties	3,424,406		3,342,872
Office equipment and furniture	6,921		3,519
Right-of-use assets: Copier machine	4,455		2,546
	<u>3,435,782</u>		<u>3,348,937</u>

10. Property, plant and equipment (Cont'd)

2020	Balance at 01.01.2020 S\$	Additions S\$	Balance at 31.12.2020 S\$
Cost			
Leasehold improvements	102,713	0	102,713
Leasehold properties	4,076,673	0	4,076,673
Office equipment and furniture	125,725	3,777	129,502
Right-of-use assets: Copier machine	8,273	0	8,273
	<u>4,313,384</u>	<u>3,777</u>	<u>4,317,161</u>
	Balance at 01.01.2020 S\$	Depreciation S\$	Balance at 31.12.2020 S\$
Accumulated depreciation			
Leasehold improvements	102,713	0	102,713
Leasehold properties	570,734	81,533	652,267
Office equipment and furniture	116,731	5,850	122,581
Right-of-use assets: Copier machine	1,909	1,909	3,818
	<u>792,087</u>	<u>89,292</u>	<u>881,379</u>
	Balance at 01.01.2020 S\$		Balance at 31.12.2020 S\$
Carrying amount			
Leasehold improvements	0		0
Leasehold properties	3,505,939		3,424,406
Office equipment and furniture	8,994		6,921
Right-of-use assets: Copier machine	6,364		4,455
	<u>3,521,297</u>		<u>3,435,782</u>

The depreciation expenses were allocated as follows:

	2021 S\$	2020 S\$
Cost of generating funds and charitable activities	34,738	35,716
Fund raising expenses	30,760	31,752
Governance costs	21,347	21,824
	<u>86,845</u>	<u>89,292</u>

10. Property, plant and equipment (Cont'd)

The following property, plant and equipment were purchased through the Care and Share Matching Grant as disclosed in Note 16.

	Leasehold Improvements S\$	Office equipment and furniture S\$	Total S\$
2021			
Cost			
Beginning of financial year	102,713	63,969	166,682
Additions	0	0	0
End of financial year	<u>102,713</u>	<u>63,969</u>	<u>166,682</u>
Accumulated depreciation			
Beginning of financial year	102,713	58,844	161,557
Depreciation charge	0	2,951	2,951
End of financial year	<u>102,713</u>	<u>61,795</u>	<u>164,508</u>
Carrying amount at end of financial year	<u>0</u>	<u>2,174</u>	<u>2,174</u>
	Leasehold Improvements S\$	Office equipment and furniture S\$	Total S\$
2020			
Cost			
Beginning of financial year	102,713	62,436	165,149
Additions	0	1,533	1,533
End of financial year	<u>102,713</u>	<u>63,969</u>	<u>166,682</u>
Accumulated depreciation			
Beginning of financial year	102,713	53,663	156,376
Depreciation charge	0	5,181	5,181
End of financial year	<u>102,713</u>	<u>58,844</u>	<u>161,557</u>
Carrying amount at end of financial year	<u>0</u>	<u>5,125</u>	<u>5,125</u>

11. Intangible assets

<u>Software</u>	Note	2021 S\$	2020 S\$
Cost			
Beginning and end of financial year		132,573	132,573
Accumulated amortisation			
Beginning of financial year		106,060	79,545
Amortisation		26,513	26,515
End of financial year		132,573	106,060
Carrying amount	16	0	26,513

The amortisation expenses were allocated as follows:

	2021 S\$	2020 S\$
Cost of generating funds and charitable activities	10,606	10,606
Fund raising expenses	9,545	9,427
Governance costs	6,362	6,482
	<u>26,513</u>	<u>26,515</u>

The software was purchased through the Care and Share Matching Grant (Note 16).

12. Trade and other payables

	2021 S\$	2020 S\$
Trade payables	54,564	0
Accrued affiliate fee	55,160	46,914
Accrued expenses	173,369	134,003
Deferred grant income – Jobs Support Scheme	0	35,804
	<u>283,093</u>	<u>216,721</u>

The deferred grant income – Jobs Support Scheme (JSS) will be recognised as a grant income, on a systematic basis, over the estimated 17 months of economic uncertainty until August 2021 in which the entity recognises the related salary costs.

At the reporting date, the carrying amounts of trade and other payables approximated their fair values.

13. Lease liabilities

	2021 S\$	2020 S\$
Current	1,934	1,955
Non-current	747	2,656
	<u>2,681</u>	<u>4,611</u>

13. Lease liabilities (Cont'd)

The amount recognised in statement of financial activities is as follow:

	Note	2021 S\$	2020 S\$
Amortisation of right-of-use assets	10	1,909	1,909
Interest expense on lease liabilities		124	191
Operating lease expense – Storage rental		0	14,396
		<u>2,033</u>	<u>16,496</u>

The Foundation had total cash outflows for leases of S\$2,054 respectively for financial year ended 2021 and 2020.

A reconciliation of liabilities arising from financing activities is as follows:

	1 January 2021 S\$	Cash flows S\$	Non-cash changes		31 December 2021 S\$
			Accretion of interests S\$	Other S\$	
Current	1,955	(2,054)	124	1,909	1,934
Non-current	2,656	0	0	(1,909)	747
	<u>4,611</u>	<u>(2,054)</u>	<u>124</u>	<u>0</u>	<u>2,681</u>

	1 January 2020 S\$	Cash flows S\$	Non-cash changes		31 December 2020 S\$
			Accretion of interests S\$	Other S\$	
Current	1,909	(2,054)	191	1,909	1,955
Non-current	4,565	0	0	(1,909)	2,656
	<u>6,474</u>	<u>(2,054)</u>	<u>191</u>	<u>0</u>	<u>4,611</u>

14. Care and Share Matching Grant

	Note	2021 S\$	2020 S\$
Balance at beginning of financial year		1,122,304	597,637
Grant received during the year		0	870,000
Utilised during the year	15	(202,973)	(345,333)
Balance at end of financial year	16	<u>919,331</u>	<u>1,122,304</u>

15. Deferred Care and Share Matching Grant

	Note	2021 S\$	2020 S\$
Balance at beginning of financial year		31,638	61,802
Grant utilised during the year	14	202,973	345,333
Amortisation during the year			
- Operating expenses		(202,970)	(343,801)
- Capital expenditure		(29,467)	(31,696)
	16	<u>2,174</u>	<u>31,638</u>

Presented in statement of financial position as follows:

	2021 S\$	2020 S\$
Current	2,174	29,464
Non-current	<u>0</u>	<u>2,174</u>
	<u>2,174</u>	<u>31,638</u>

Deferred Care and Share Matching Grant is amortised over the period necessary to match the depreciation of the property, plant and equipment purchased with these related grants.

16. Funds

Funds comprise of unrestricted and restricted fund.

Unrestricted fund

This fund represents accumulated surplus and is for the purpose of meeting operating expenses incurred by the Foundation.

Restricted fund

Fund balances restricted by outside sources are indicated and are distinguished from unrestricted funds allocated to specific purposes, if any, by action of the management, externally restricted funds may only be utilised in accordance with the purpose established by the source of such funds or through the terms of an appeal and are in contrast with unrestricted funds over which management retains full control to use in achieving any of its Foundation purposes.

Restricted fund comprise:

Care and Share Matching Fund

Care and Share Matching Grant is a grant from Ministry of Social and Family Development ("MSF"), based on qualifying donations, to develop the charitable Foundation's capabilities and capacity in the provision of social services and programmes for its beneficiaries. The unused funds for projects that are withdrawn or terminated prematurely may be clawed back if the new proposed projects were not being approved by MSF.

16. Funds (Cont'd)

Restricted fund (Cont'd)

Care and Share Matching Fund (Cont'd)

The Care and Share Matching Grant is restricted and is to be utilised for the following purposes:

(a) Capability building

(i) Organisational development:

Examples include engaging consultants or developing training in areas of strategic planning, business contingency planning, business process re-design, workplace health, research, improving organisation models to ensure financial viability and fund raising capacity.

(ii) Manpower development:

Examples include the awarding of scholarships to the Foundation's staff, manpower training, human resource management and development like leadership management, learning needs analysis for Foundation staff and talent development.

(b) Capacity building

Examples include the purchase of additional equipment to enhance social service delivery (E.g. wheelchairs), investment in technology (E.g. the purchase of electronic devices for staff to boost productivity so as to better serve the Foundation's beneficiaries) and physical infrastructure developments (e.g. renovation of the Foundation's premises, expansion of physical space).

(c) New programmes to meet emerging or unmet needs and enhancements / expansion of existing services. Examples include inter-agency projects to meet specific needs in the community or enhanced services to provide more upstream intervention.

(d) Critical existing needs

Examples include the Foundation's recurring operating costs and costs that are crucial to the continued operations of the Foundation.

The net assets of the Care and Share Matching Fund are as follows:

	Note	2021 S\$	2020 S\$
Total restricted fund		<u>0</u>	<u>0</u>
Represented by:			
Cash and bank balances		919,331	1,122,304
Property, plant and equipment	10	2,174	5,125
Intangible assets	11	0	26,513
Care and Share Matching Grant	14	(919,331)	(1,122,304)
Deferred Care and Share Matching Grant	15	<u>(2,174)</u>	<u>(31,638)</u>
		<u>0</u>	<u>0</u>

17. Total income

(a) Total income received for the year :

	2021 S\$	2020 S\$
Voluntary income		
- Donations in cash	735,283	369,727
- Donations in kind	35,591	71,700
	<u>770,874</u>	<u>441,427</u>
Income from fund-raising events		
- Charity Golf	125,215	0
- Christmas Tree	11,450	5,215
- Other fund-raising activities	278,294	347,352
- Santa Run and Swish-A-Wish	352,858	277,889
- YMCA Youth For Causes	52,654	35,679
	<u>820,471</u>	<u>666,135</u>
Investment income		
- Interest income	33,763	50,747
Other income		
- Special Employment Credit	558	565
- Jobs credit and other subsidies	58,999	144,427
- BCF grant	394,482	400,000
	<u>454,039</u>	<u>544,992</u>
	<u>2,079,147</u>	<u>1,703,301</u>

(b) Fund raising expenses ratio :

The percentage of fund-raising expense ratio was computed as follows:

	2021 S\$	2020 S\$
Gross proceeds	820,471	666,135
Cost of fund-raising events *	57,686	35,766
Percentage of cost of fund-raising events over gross proceeds	<u>7%</u>	<u>5%</u>

* Only included those directly and specifically incurred expenditure for those fund-raising events.

18. Staff costs

	2021 S\$	2020 S\$
CPF contributions and SDL	78,594	99,999
Staff salaries and bonuses	<u>549,267</u>	<u>633,821</u>
	<u>627,861</u>	<u>733,820</u>

The staff costs were allocated as follows:

- Cost of generating funds and charitable activities	377,295	436,617
- Fund-raising expenses	162,949	188,630
- Governance costs	<u>87,617</u>	<u>108,573</u>
	<u>627,861</u>	<u>733,820</u>

19. Related party transactions

The Foundation had no significant transactions with related parties during the financial year (2020: S\$NIL).

The Management Committee members did not receive any remuneration from the Home during the financial year (2020: S\$NIL).

There are no paid staffs who are close members of the Executive Head or Board Members during the financial year.

Key management personnel compensation for the financial year was as follows:

	2021 S\$	2020 S\$
Salaries, allowance and bonuses and other post- employment benefits	<u>135,381</u>	<u>244,999</u>

The annual remuneration of key management personnel are classified as follows:

Remuneration band (S\$)	2021 No. of personnel	2020 No. of personnel
Between S\$100,001 to S\$200,000	1	1
Below S\$100,000	<u>0</u>	<u>1</u>

Other than above, the directors are volunteers and neither they nor any immediate member of their families received any compensation or remuneration from the Foundation during the financial year.

20. Reserve position and policy

The Foundation's reserve position for financial year ended 31 December 2021 and 2020 are as follows:

		2021	2020	Increase/ (decrease)
		S\$'000	S\$'000	%
A	Unrestricted Funds			
	General Funds	6,686	6,162	8%
B	Restricted or Designated Funds			
	Designated Funds	0	0	0
	Restricted Funds	0	0	0
C	Endowment Funds	0	0	0
D	Total Funds	6,686	6,162	8%
E	Total Annual Operating Expenditure	1,788	1,749	2%
F	Ratio of Funds to Annual Operating Expenditure (A/E)	3.74	3.52	6%

Reference:

- C. An endowment fund consists of assets, funds or properties, which are held in perpetuity, which produce annual income flow for a foundation to spend as grants.
- D. Total Funds include unrestricted, restricted / designated and endowment funds.
- E. Total Annual Operating Expenditure includes expenses related to Cost of Generating Funds and Charitable Activities, Fund-raising Expenses and Governance Costs.

The reserve of the Foundation provide financial stability and the means for the development of the Foundation's activities. The Board intends to maintain the reserves at a level sufficient for its operating needs. The Foundation reviews the level of reserves regularly for the Foundation's continuing obligations.

21. Basis of apportionment of support costs

During the year ended 31 December 2021, the following support costs were allocated as follows:

Support costs	(A) Cost of generating funds and charitable activities S\$	(B) Fund raising expenses S\$	(C) Governance costs S\$	Total support costs S\$	Basis of apportionment		
					(A) %	(B) %	(C) %
Affiliate fee	21,232	8,493	12,739	42,464	50	20	30
Audit fee	0	0	6,000	6,000	0	0	100
Amortisation of intangible assets	10,606	9,545	6,364	26,515	40	36	24
Bank charges	0	551	551	1,102	0	50	50
Conference and meeting	4	4	2	10	40	40	20
Depreciation	34,738	30,760	21,347	86,845	40	35	25
General expenses	1,932	1,717	1,181	4,830	40	36	24
Insurance	1,513	1,345	925	3,783	40	36	24
Interns and contract staff	1,080	960	660	2,700	40	36	24
IT support	10,249	9,111	6,264	25,624	40	36	24
Management and sinking fund	7,939	7,057	4,851	19,847	40	36	24
Medical fee	268	238	164	670	40	36	24
Office supplies	0	0	0	0	0	0	0
Postage and courier	1,041	925	636	2,602	40	36	24
Printing and stationery	618	549	378	1,545	40	36	24
Professional fee	0	0	107,317	107,317	0	0	100
Publication	1,626	1,446	994	4,066	40	36	24
Recruitment	0	0	230	230	0	0	100
Repair and maintenance	301	267	184	752	40	36	24
Staff costs	377,295	162,949	81,617	621,861	61	26	13
Staff welfare	3,961	3,521	2,421	9,903	40	36	24
Staff training and development	797	709	487	1,993	40	36	24
Storage rental	(164)	(145)	(100)	(409)	40	36	24
Telecommunication	1,878	1,669	1,148	4,695	40	36	24
Transportation	668	594	408	1,670	40	36	24
Utilities	436	387	266	1,089	40	36	24
Volunteer development and recognition	748	665	457	1,870	40	36	24

21. Basis of apportionment of support costs (Cont'd)

In 2020, support costs were allocated as follows:

<u>Support costs</u>	(A) Cost of generating funds and charitable activities S\$	(B) Fund raising expenses S\$	(C) Governance costs S\$	Total support costs S\$	Basis of apportionment		
					(A) %	(B) %	(C) %
Affiliate fee	25,351	10,140	15,210	50,701	50	20	30
Audit fee	0	0	5,605	5,605	0	0	100
Amortisation of intangible assets	10,606	9,427	6,482	26,515	40	36	24
Bank charges	0	469	469	938	0	50	50
Conference and meeting	755	671	462	1,888	40	36	24
Depreciation	35,716	31,752	21,824	89,292	40	36	24
General expenses	1,551	1,378	948	3,877	40	36	24
Insurance	1,454	1,293	889	3,636	40	36	24
Interns and contract staff	1,200	1,067	733	3,000	40	36	24
IT support	21,654	19,250	13,230	54,134	40	36	24
Management and sinking fund	7,939	7,057	4,851	19,847	40	36	24
Medical fee	355	316	217	888	40	36	24
Office supplies	93	83	57	233	40	36	24
Postage and courier	444	395	271	1,110	40	36	24
Printing and stationery	630	560	385	1,575	40	36	24
Professional fee	0	0	8,952	8,952	0	0	100
Publication	1,639	1,457	1,002	4,098	40	36	24
Repair and maintenance	715	636	437	1,788	40	36	24
Staff costs	436,617	188,630	108,573	733,820	59	26	15
Staff welfare	4,570	4,062	2,793	11,425	40	36	24
Staff training and development	858	763	524	2,145	40	36	24
Telecommunication	1,997	1,775	1,221	4,993	40	36	24
Transportation	1,628	1,447	995	4,070	40	36	24
Utilities	495	440	303	1,238	40	36	24
Volunteer development and recognition	214	191	131	536	40	36	24

Basis for the apportionment of support costs has been reviewed and approved by the Board.

22. Financial instruments

The financial assets and liabilities of the Foundation as at the financial reporting date are as follows:

The carrying amounts of financial assets measured at fair value (fair value through profit and loss) are disclosed on the face of the statement of financial position and in Note 8 to the financial statements.

The carrying amounts of financial assets and financial liabilities at amortised cost are as follows:

	2021 S\$	2020 S\$
Financial assets, at amortised cost		
Cash and cash equivalents	680,922	928,280
Fixed deposits	3,053,752	2,795,525
Other receivables, excluding prepayments	50,005	80,693
	<u>3,784,679</u>	<u>3,804,498</u>
Financial liabilities, at amortised cost		
Trade and other payables, excluding deferred grant income	281,093	180,917
Lease liabilities	2,681	4,611
	<u>283,774</u>	<u>185,528</u>

23. Financial risk management

The Foundation's activities expose it to minimal financial risks and overall risk management is determined and carried out by the Board of Directors on an informal basis.

Liquidity risk

Liquidity risk reflects the risk that the Foundation will have insufficient resources to meet its financial liabilities as and when they fall due.

The Foundation manages its liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate by the Board of Directors to fund the Foundation's activities. It places its cash with creditworthy institutions.

The table below summarises the maturity profile of the Foundation's financial assets and liabilities at the end of the reporting period based on the contractual undiscounted repayment obligations:

	Within one year S\$	Later than one year S\$	Total S\$
2021			
Financial assets			
Cash and cash equivalents	680,922	0	680,922
Fixed deposits	3,053,752	0	3,053,752
Financial assets, at FVPL	753,270	0	753,270
Other receivables, excluding prepayments	50,005	0	50,005
	<u>4,537,949</u>	<u>0</u>	<u>4,537,949</u>

23. Financial risk management (Cont'd)

Liquidity risk (cont'd)

	Within one year S\$	Later than one year S\$	Total S\$
2021 (Cont'd)			
Financial liabilities			
Trade and other payables, excluding deferred grant income	(281,093)	0	(281,093)
Lease liabilities	(2,054)	(685)	(2,739)
	<u>(283,147)</u>	<u>(685)</u>	<u>(283,832)</u>
Net financial assets/(liabilities)	<u>4,254,802</u>	<u>(685)</u>	<u>4,254,117</u>
2020			
Financial assets			
Cash and cash equivalents	928,280	0	928,280
Fixed deposits	2,795,525	0	2,795,525
Financial assets, at FVPL	263,386	0	263,386
Other receivables, excluding prepayments	80,693	0	80,693
	<u>4,067,884</u>	<u>0</u>	<u>4,067,884</u>
Financial liabilities			
Other payables and accruals	(180,917)	0	(180,917)
Lease liabilities	(2,054)	(2,739)	(4,793)
	<u>(182,971)</u>	<u>(2,739)</u>	<u>(185,710)</u>
Net financial assets/(liabilities)	<u>3,884,913</u>	<u>(2,739)</u>	<u>3,882,174</u>

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Foundation's financial instruments will fluctuate because of changes in market interest rates. The Foundation's exposure to interest rate risk arises primarily from their cash and cash equivalents and borrowings.

The Foundation does not expect any significant effect on the Foundation's income or expenditure arising from the effects of reasonably possible changes to interest rates on interest bearing financial instruments at the end of the financial year.

Credit risk

The Foundation has minimal exposure to credit risks due to the nature of its activities. As at the date of this report, major receivables have been collected.

The credit risk on liquid funds is limited because the counter parties are banks with high credit rating assigned by international credit agencies.

23. Financial risk management (Cont'd)

Price risk

The Foundation is exposed to equity securities price risk because of the investments held by the Foundation, which are classified as fair value through profit or loss. The sensitivity analysis below has been determined based on the exposure to equity price risks at the reporting date. If prices for equity securities changed by 10% with all other variables including tax rate being constant, the effects on other comprehensive income will be approximately S\$75,000 (2020: S\$26,000).

24. Fair values

The table below presents financial instruments measured at fair value and classified by level of the following fair value measurement hierarchy:

- (i) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- (ii) inputs other than quoted prices included (i.e. as prices) or indirectly (i.e. derived from prices)(Level 2); and
- (iii) inputs for the assets or liability that are not based on observable market data (unobservable inputs)(Level 3).

	Level 1 S\$	Level 2 S\$	Level 3 S\$
2021			
Financial assets, at FVPL (Note 8)	<u>753,270</u>	<u>00</u>	<u>0</u>
2020			
Financial assets, at FVPL (Note 8)	<u>263,386</u>	<u>0</u>	<u>0</u>

The fair value of financial instruments traded in active markets (such financial asset, at fair value through profit and loss and available-for-sale financial assets) is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in Level 1.

There were no transfers between level 1 and level 2 during the financial years ended 31 December 2021 and 31 December 2020.

Cash and cash equivalents, fixed deposits, other receivables, trade and other payables and current portion of lease liabilities

The carrying amounts of the financial assets and liabilities recorded in the financial statements of the Foundation approximated their fair values due to their short term nature.

The carrying amounts of non-current lease liabilities approximate their fair values as they are subject to interest rates close to market rate of interests for similar arrangements with financial institutions.

25. Impact of COVID-19 (Coronavirus Disease 2019)

The COVID-19 pandemic has affected almost all countries of the world, and resulted in border closures, production stoppages, workplace closures, movement controls and other measures imposed by various governments. The Foundation's significant activities are in Singapore which has been affected by the spread of COVID-19 since 2021. The nature of the Foundation's operation is to grant the wishes of children with life threatening illnesses. The impact of COVID-19 on the Foundation's financial performance reflected in this set of financial statements for the year ended 31 December 2021 are summarised below:

- i. The impact of COVID-19 on the Foundation's income are minimal with the fund raising and donations received.
- ii. The Foundation has assessed that the going concern basis of preparation for this set of financial statements remains appropriate. The Board of Directors is continuously monitoring the COVID-19 pandemic situation and will take further action as necessary in response to the service disruption, and as the situation eases, it will step up its ministry efforts.

As the global COVID-19 situation remains very fluid as at the date these financial statements were authorised for issuance, the Foundation cannot reasonably ascertain the full extent of the probable impact of the Covid-19 disruptions on its operating and financial performance for the financial year ending 31 December 2022. If the situation persists beyond management's current expectations, the Foundation's assets may be subject to further write downs in the subsequent financial years.

26. Authorisation of financial statements

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors of the Foundation on

12 MAY 2022