



Audited Financial Statements

Suncare SG Limited

(Formerly known as Suncare Foundation Limited)

(UEN. No. 202032617M)

As a Company Limited by Guarantee

For the year ended 31 December 2022

General Information

Directors

Lei Ming	(Appointed 15 October 2020)
David Ong Keng Huang	(Appointed 15 October 2020)
Peh Peng Xiang Jacky	(Appointed 14 November 2022)
Wang Yi	(Appointed 15 October 2020 and resigned 14 November 2022)

Secretaries

Ng Chee Hao
Yap Yong Sheng

Independent Auditor

HLB Atrede LLP

Contents

	Page
Directors' Statement	1
Independent Auditor's Report	3
Statement of Balance Sheet	7
Statement of Comprehensive Income	8
Statement of Changes in Fund	8
Statement of Cash Flows	9
Notes to the Financial Statements	10

Directors' Statement

The directors present their statement to the members together with the audited financial statements of Suncare SG Limited (the "Company") for the financial year ended 31 December 2022.

1. OPINION OF THE DIRECTORS

In the opinion of the directors,

- (a) the accompanying financial statements are drawn up so as to give a true and fair view of the financial position of the Company as at 31 December 2022 and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

2. DIRECTORS

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

Lei Ming
David Ong Keng Huang
Peh Peng Xiang Jacky

3. CHANGE OF COMPANY NAME

With effect from 23 June 2022, the Company changed its name from Suncare Foundation Limited to Suncare SG Limited.

4. DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

As the Company is a company limited by guarantee and has no share capital, the statutory information required to be disclosed is not applicable by the directors set out in the Twelfth Schedule of the Companies Act 1967.

5. SHARE OPTIONS

The share options are not applicable as the Company is limited by guarantee and not having share capital.

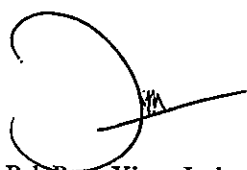
Suncare SG Limited
(UEN. No. 202032617M)

Directors' Statement – continued

6. INDEPENDENT AUDITOR

The independent auditor, HLB Atrede LLP, has expressed its willingness to accept re-appointment as auditor of the Company.

On behalf of the board of directors,

A handwritten signature in black ink, consisting of a large, stylized 'P' followed by a horizontal line.

Peh Peng Xiang Jacky
Director

A handwritten signature in black ink, featuring a stylized 'D' and 'O' followed by a horizontal line.

David Ong Keng Huang
Director

Singapore
10 May 2023

**Independent Auditor's Report
to the members of Suncare SG Limited
(UEN. No. 202032617M)**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Suncare SG Limited (the "Company"), which comprise the balance sheet as at 31 December 2022, and the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act"), the Charities 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 Company as at 31 December 2022 and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company 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 but does not include the financial statements and our auditor's report thereon.

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

**Independent Auditor's Report
to the members of Suncare SG Limited – continued**
(UEN. No. 202032617M)

Other Information (continued)

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

Responsibilities of Management and Directors for the Financial Statements

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

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

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

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.

**Independent Auditor's Report
to the members of Suncare SG Limited – continued
(UEN. No. 202032617M)**

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

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

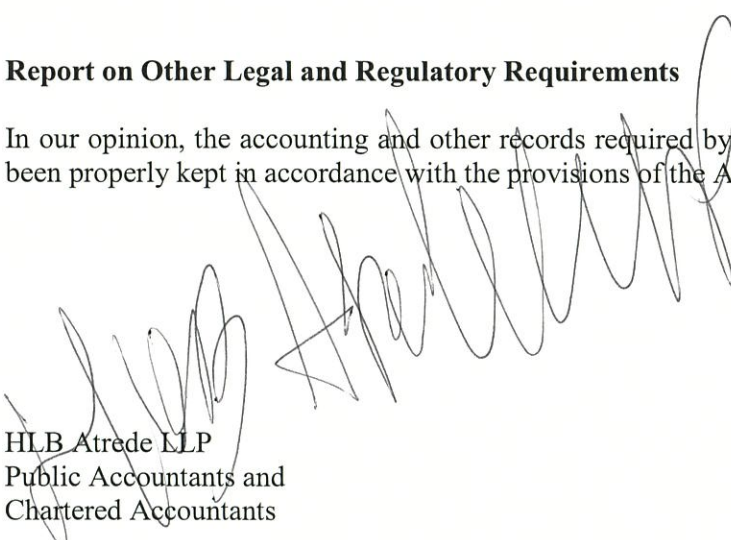
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting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

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

**Independent Auditor's Report
to the members of Suncare SG Limited – continued
(UEN. No. 202032617M)**

Report on Other Legal and Regulatory Requirements

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

A large, stylized handwritten signature in black ink, written over the signature block.

HLB Atrede LLP
Public Accountants and
Chartered Accountants

Singapore
10 May 2023

Suncare SG Limited
(UEN. No. 202032617M)

Balance Sheet as at 31 December 2022

	Note	2022 \$	2021 \$
Non-current asset			
Plant and equipment	4	15,930	—
Current assets			
Other receivables	5	4,400	4,000
Cash and cash equivalents		<u>126,452</u>	<u>141,932</u>
		<u>130,852</u>	<u>145,932</u>
Current liability			
Other payables	6	<u>3,401</u>	<u>16,202</u>
		<u>3,401</u>	<u>16,202</u>
Net current assets		<u>127,451</u>	<u>129,730</u>
Net assets		<u>143,381</u>	<u>129,730</u>
Funds			
Members' fund		200,100	200,000
Accumulated fund		<u>(56,719)</u>	<u>(70,270)</u>
Total funds		<u>143,381</u>	<u>129,730</u>

The accompanying accounting policies and explanatory notes form an integral part of financial statements.

Statement of Comprehensive Income for the financial year ended 31 December 2022

	Note	1.1.2022 to 31.12.2022 \$	15.10.2020 to 31.12.2021 \$
Income	7	100,000	—
Other income	8	12,113	8,000
Expenditure	9	<u>(98,562)</u>	<u>(78,270)</u>
Surplus/(deficit) for the year/period		13,551	(70,270)
Other comprehensive income		<u>—</u>	<u>—</u>
Total comprehensive income/(loss) for the year/period		<u>13,551</u>	<u>(70,270)</u>

**Statement of Changes in Fund
Year ended 31 December 2022**

	Members fund \$	Accumulated fund \$	Total funds \$
Members' initial contributions	200,000	—	200,000
Total comprehensive loss for the period	<u>—</u>	<u>(70,270)</u>	<u>(70,270)</u>
Balance at 31 December 2021	200,000	(70,270)	129,730
Member's contribution	100	—	100
Total comprehensive income for the year	<u>—</u>	<u>13,551</u>	<u>13,551</u>
Balance at 31 December 2022	<u>200,100</u>	<u>(56,719)</u>	<u>143,381</u>

The accompanying accounting policies and explanatory notes form an integral part of financial statements.

Statement of Cash Flows for the financial year ended 31 December 2022

	1.1.2022 to 31.12.2022 \$	15.10.2020 to 31.12.2021 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Surplus/(deficit) for the year	13,551	(70,270)
Adjustment for:		
Depreciation – plant and equipment	6,788	–
Operating profit before working capital changes	<u>20,339</u>	<u>(70,270)</u>
Increase in other receivables	(400)	(4,000)
(Decrease)/Increase in other payables	<u>(12,801)</u>	<u>16,202</u>
Net cash flows from/(used in) operating activities	<u>7,138</u>	<u>(58,068)</u>
CASH FLOWS FROM INVESTING ACTIVITY		
Purchase of plant and equipment	<u>(22,718)</u>	<u>–</u>
Net cash flows used in investing activity	<u>(22,718)</u>	<u>–</u>
CASH FLOWS FROM FINANCING ACTIVITY		
Proceeds from members' contribution	<u>100</u>	<u>200,000</u>
Net cash flows from financing activity	<u>100</u>	<u>200,000</u>
Net (decrease)/increase in cash and cash equivalents	(15,480)	141,932
Cash and cash equivalents at beginning of year/period	<u>141,932</u>	<u>–</u>
Cash and cash equivalents at end of year/period	<u>126,452</u>	<u>141,932</u>

The accompanying accounting policies and explanatory notes form an integral part of financial statements.

Notes to the Financial Statements – 31 December 2022

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

1. CORPORATE INFORMATION

The Company is a public company limited by guarantee, incorporated and domiciled in Singapore, and has no share capital. The members of the Company undertake to contribute to meet the debts and liabilities of the Company in the event of its winding up to an amount not exceeding \$1 each.

The Company was registered as a charity under the Charities Act 1994 on 17 October 2022. The Company has 3 (2021: 2) members at the end of reporting period.

The registered office of the Company is located at 30 Cecil Street, #19-08 Prudential Tower, Singapore 049712.

The principal activities of the Company are those of a not-for-profit organisation relating to promote community spirit and lifelong learning for people from all walks of life including charitable humanitarian work.

With effect from 23 June 2022, the Company changed its name from Suncare Foundation Limited to Suncare SG Limited.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) *Basis of preparation*

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (“FRS”).

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 Dollar (“SGD” or “\$”) and all values are rounded to the nearest one-dollar unless otherwise stated.

The accounting policies adopted are consistent with those used in the previous financial year except in current financial year, the Company has adopted all applicable new and amended standards that are relevant to its operations and effective for the current financial year. The adoption of these standards did not have any material effect on the financial position or performance of the Company for the current or prior financial years.

The following standards and interpretations are effective for the annual period beginning on or after 1 January 2022:

	Effective date (Annual periods beginning on or after)
Amendments to FRS 103: <i>Reference to the Conceptual Framework</i>	1 January 2022

Notes to the Financial Statements – 31 December 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(a) *Basis of preparation (continued)*

	Effective date (Annual periods beginning on or after)
Amendments to FRS 16: <i>Property, plant and Equipment Proceeds before Intended Use</i>	1 January 2022
Annual Improvements to FRSs 2018 – 2020 – FRS 101: <i>First-time Adoption of Financial Reporting Standards</i>	1 January 2022

Standards issued but not yet effective

The Company has not adopted the following standards and interpretations that are potentially relevant to the Company that has been issued but not yet effective:

	Effective date (Annual periods beginning on or after)
Amendments to FRS 1 and FRS Practice Statement 2: <i>Disclosure of Accounting Policies</i>	1 January 2023
Amendment to FRS 8: <i>Definition of Accounting Estimates</i>	1 January 2023
Amendment to FRS 1: <i>Conceptual classification of Liabilities as Current or Non-current</i>	1 January 2024
Amendment to FRS 1: <i>Non-current Liabilities with covenants</i>	1 January 2024

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

(b) *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 an item of plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Furniture and fittings	–	3 years
Renovation	–	3 years

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

Notes to the Financial Statements – 31 December 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) *Plant and equipment (continued)*

For acquisition and disposals of plant and equipment, depreciation is provided in the month of acquisition and no depreciation is provided in the month of disposal.

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 life and depreciation method are reviewed at each financial year-end, 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 arising on derecognition of the asset is included in the profit or loss in the year the asset is derecognised.

(c) *Financial instruments*

(i) *Financial assets*

Initial recognition and measurement

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

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

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

Subsequent measurement

Amortised cost

Subsequent to initial recognition, 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 receivables and contract assets are derecognised or impaired, and through the amortisation process.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) *Financial instruments (continued)*

(i) *Financial assets (continued)*

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

(ii) *Financial liabilities*

Initial recognition and measurement

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

(iii) *Offsetting of financial instruments*

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) *Impairment of financial assets*

The Company recognises an allowance for expected credit losses (“ECLs”) for all debt instruments not held at fair value through profit or loss and financial guarantee contracts. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company 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 required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows and credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred.

(e) *Cash and cash equivalents*

Cash and cash equivalents comprise cash at bank.

(f) *Other payables*

Other payables are non-interest bearing and are normally settled on an average term of six months.

(g) *Provisions*

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, and when 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.

Notes to the Financial Statements – 31 December 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) *Employee benefits*

Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Company pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

The Company makes contributions to the Central Provident Fund (“CPF”) scheme in Singapore, a defined contribution pension scheme. These contributions are recognised as an expense in the period in which the related service is performed.

(i) *Funds*

Unless specifically indicated, fund balances are not represented by any specific assets but are presented by all the assets of the Company.

(j) *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.

Government grant shall be recognised in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate. Grants related to income may be presented as a credit in profit or loss, either separately or under a general heading such as “Other income”. Alternatively, they are deducted in reporting the related expenses.

(k) *Income*

Income is measured at the fair value of consideration received or receivable, taking into account contractually defined terms of payment and excluded taxes or duty.

Donation income are recognized when they are received.

(l) *Taxes*

As the Company was registered as a charity under the Charities Act 1994, the Company enjoys automatic income tax exemption effective from 17 October 2022.

Notes to the Financial Statements – 31 December 2022

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets, liabilities, and disclosure of contingent liabilities at the end of each reporting period. However, 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.

(i) *Judgement made in applying accounting policies*

There were no material judgements made by management in the process of applying the Company's accounting policies that have the most significant effect on the amounts recognised in the financial statements.

(ii) *Estimates and assumptions*

There were no material key assumptions concerning the future and other key sources of estimation uncertainty 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.

4. PLANT AND EQUIPMENT

	Furniture and fittings \$	Renovation \$	Asset under construction \$	Total \$
Cost:				
At 15 October 2020	–	–	–	–
Additions	–	–	–	–
At 31 December 2021 and 1 January 2022	–	–	–	–
Additions	7,062	13,302	2,354	22,718
At 31 December 2022	7,062	13,302	2,354	22,718
Accumulated depreciation:				
At 15 October 2020	–	–	–	–
Charge for the year	–	–	–	–
At 31 December 2021 and 1 January 2022	–	–	–	–
Charge for the year	2,354	4,434	–	6,788
At 31 December 2022	2,354	4,434	–	6,788
Net carrying amount:				
At 31 December 2021	–	–	–	–
At 31 December 2022	4,708	8,868	2,354	15,930

Notes to the Financial Statements – 31 December 2022

5. OTHER RECEIVABLES

	2022	2021
	\$	\$
Financial assets		
Government grant receivable	–	4,000
Sundry receivable	4,400	–
	<u>4,400</u>	<u>4,000</u>

6. OTHER PAYABLES

Financial liability		
Accrued liabilities	<u>3,401</u>	<u>16,202</u>

7. INCOME

	1.1.2022 to 31.12.2022	15.10.2020 to 31.12.2021
	\$	\$
Donation	<u>100,000</u>	<u>–</u>

8. OTHER INCOME

Government grants – Jobs growth incentive	3,875	8,000
Government grants – Wage credit scheme	1,200	–
Income from story books	4,400	–
Commission income	738	–
Sundry income	1,900	–
	<u>12,113</u>	<u>8,000</u>

9. EXPENDITURE

Auditor's remuneration	2,800	2,800
Depreciation	6,788	–
Employee benefits (Note 10)	57,302	37,520
Rent expense	–	230
Event expenses	13,994	24,010
Bank charges	502	110
Leave encashment	(718)	2,821
Miscellaneous expenses	670	–
Insurance expense	2,422	1,718
Equipment expensed off	8,750	3,955
Professional fees	6,052	4,760
Printing and stationery	–	346
	<u>98,562</u>	<u>78,270</u>

Notes to the Financial Statements – 31 December 2022

10. EMPLOYEE BENEFITS

	2022	2021
	\$	\$
Employee benefits comprise:		
Salaries and bonus	48,876	32,000
CPF contribution	8,426	5,520
	<u>57,302</u>	<u>37,520</u>

11. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk and liquidity risk. The Company's risk management policies focus on the unpredictability of financial markets and seek to, where appropriate, minimise potential adverse effects on the financial performance of the Company. The Company does not have any written financial risk management policies and guidelines and there has been no change to the Company's exposure to these financial risks or the manner in which it manages and measures the risks.

The following sections provide details regarding the Company's exposure to the financial risks associated with financial instruments held in the ordinary course of business and the objectives, policies and processes for the management of these risks.

(i) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Company's exposure to credit risk arises primarily from other receivables. For other financial assets including investment, cash and cash equivalents, the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

The Company has no significant concentration of credit risk. The maximum exposures to credit risk in relation to each class of recognised financial assets is represented by the carrying amount of each financial assets as indicated in the statement of financial position.

(ii) Liquidity risk

The Company maintains sufficient cash and cash equivalents, and internally generated cash flows to finance their activities, including maintaining a balance between continuity of funds and flexibility through the members' contributions. Committee monitors this regularly to keep its liquidity risk to an appropriate level.

The maturity profile of the Company's financial liabilities at the end of the reporting period based on contractual undiscounted repayment obligations is within one year.

Notes to the Financial Statements – 31 December 2022

12. CLASSIFICATION OF FINANCIAL ASSETS AND LIABILITIES

The following table summarises the carrying amount of financial assets and liabilities recorded at the end of the reporting period.

	2022 \$	2021 \$
<i>Financial assets at amortised cost</i>		
Other receivables	4,400	4,000
Cash and cash equivalents	126,452	141,932
	<u>130,852</u>	<u>145,932</u>
<i>Financial liabilities at amortised cost</i>		
Other payables	<u>3,401</u>	<u>16,202</u>

13. FAIR VALUE OF ASSETS AND LIABILITIES

The fair value of assets and liabilities is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The carrying amount of financial assets and liabilities are reasonable approximation of fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the end of the reporting period.

However, the Company does not anticipate that the carrying amounts recorded at the end of the reporting period would be significantly different from the values that would eventually be received or settled.

At the end of the reporting period, the Company does not have any other financial instruments carried at fair value.

14. FUND MANAGEMENT

The Company relies primarily on donations to fund its operations and principal activities.

The management manages the accumulated funds prudently and places funds that are currently in excess of the Company's needs in low-risk assets such as fixed deposits. No changes were made to the objectives, policies or processes during the financial years ended 31 December 2022 and 31 December 2021.

The Company is not subject to any externally imposed funding requirements.

Notes to the Financial Statements – 31 December 2022

15. COMPARATIVE FIGURES

The financial statements for 2021 cover the financial period from 15 October 2020 to 31 December 2021. The financial statements for 2022 cover the twelve months ended 31 December 2021. As such, the statement of comprehensive income, statement of change in equity, cash flow statement and the related notes for the current year and previous financial period are not comparable.

16. AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements for the year ended 31 December 2022 were authorised for issue in accordance with a resolution of the directors on the date of these statements.