

Audited Financial Statements

Suncare SG Limited

(UEN. No. 202032617M)

As a Company Limited by Guarantee

For the year ended 31 December 2023

Suncare SG Limited
(UEN. No. 202032617M)

General Information

Directors

Lei Ming
David Ong Keng Huang
Peh Peng Xiang Jacky
Chong Yap Seng (Appointed on 16 August 2023)

Secretary

Ng Chee Hao

Independent Auditor

HLB Atrede LLP

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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 2023.

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 2023 and of the financial performance, changes in fund 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:

Chong Yap Seng (Appointed on 16 August 2023)
Lei Ming
David Ong Keng Huang
Peh Peng Xiang Jacky

3. 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.

4. SHARE OPTIONS

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

5. INDEPENDENT AUDITOR

HLB Atrede LLP has expressed its willingness to accept re-appointment as auditor.

On behalf of the board of directors,



Chong Yap Seng
Director



David Ong Keng Huang
Director

Singapore
28 June 2024

**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 statement of financial position as at 31 December 2023, and the statement of comprehensive income, statement of changes in fund and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

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 2023 and of the financial performance, changes in fund 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.

Our opinion on the financial statements does not cover the other information and we do 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, the Charities Act and Regulations and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

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

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

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, and the Charities Act and Regulations.

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

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

HLB Atrede LLP

HLB Atrede LLP
Public Accountants and
Chartered Accountants

Singapore
28 June 2024

Suncare SG Limited
(UEN. No. 202032617M)

Statement of Financial Position as at 31 December 2023

	Note	2023 \$	2022 \$
Non-current asset			
Plant and equipment	4	487,214	15,930
Current assets			
Other receivables	5	2,098	4,400
Cash and cash equivalents		872,392	126,452
		874,490	130,852
Current liability			
Other payables	6	245,345	3,401
		245,345	3,401
Net current assets		629,145	127,451
Non-current liability			
Deferred capital funds	7	469,858	—
		469,858	—
Net assets		646,501	143,381
Funds			
Members' fund		200,100	200,100
Restricted funds	8	—	—
Accumulated fund		446,401	(56,719)
Total funds		646,501	143,381

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

Suncare SG Limited
(UEN. No. 202032617M)

Statement of Comprehensive Income for the financial year ended 31 December 2023

	Note	2023 \$	2022 \$ (Reclassified)
Donation income	9	760,436	100,000
Amortisation of deferred capital fund		27,639	–
Other income	10	6,265	12,113
Consultancy expense		(99,361)	–
Depreciation on plant and equipment		(35,321)	(6,788)
Event expense	11	(73,870)	(13,994)
Employee benefits	12	(154,701)	(57,302)
Expenditure	13	(30,470)	(20,478)
Surplus before tax		400,617	13,551
Income tax expense	14	–	–
Surplus for the year		400,617	13,551
Other comprehensive income		–	–
Total comprehensive income for the year		400,617	13,551

Statement of Changes in Fund
For the year ended 31 December 2023

	Members fund \$	Restricted funds \$	Accumulated fund \$	Total funds \$
Balance at 1 January 2022	200,000	–	(70,270)	129,730
Members' initial contributions	100	–	–	100
Total comprehensive income for the year	–	–	13,551	13,551
Balance at 31 December 2022	200,100	–	(56,719)	143,381
Donation received	–	600,000	–	600,000
Payment for capital expenditure	–	(497,497)	–	(497,497)
Utilisation for operational costs	–	(102,503)	102,503	–
Total comprehensive income for the year	–	–	400,617	400,617
Balance at 31 December 2023	<u>200,100</u>	<u>–</u>	<u>446,401</u>	<u>646,501</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 2023

	2023	2022
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Surplus for the year	400,617	13,551
Adjustment for:		
Amortisation of deferred capital fund	(27,639)	–
Depreciation – plant and equipment	35,321	6,788
Operating profit before working capital changes	408,299	20,339
Decrease/(increase) in other receivables	2,302	(400)
Increase/(decrease) in other payables	241,944	(12,801)
Net cash flows generated from operating activities	652,545	7,138
CASH FLOWS FROM INVESTING ACTIVITY		
Purchase of plant and equipment	(506,605)	(22,718)
Net cash flows used in investing activity	(506,605)	(22,718)
CASH FLOWS FROM FINANCING ACTIVITIES		
Donation received	600,000	–
Proceeds from members' contribution	–	100
Net cash flows generated from financing activities	600,000	100
Net increase/(decrease) in cash and cash equivalents	745,940	(15,480)
Cash and cash equivalents at beginning of year	126,452	141,932
Cash and cash equivalents at end of year	872,392	126,452

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

Notes to the Financial Statements – 31 December 2023

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 is registered as a charity under the Charities Act 1994 on 17 October 2022. The Company is approved as an Institution of a Public Character (“IPC”) for the period from 27 November 2023 to 26 November 2024 under the Ministry of Social and Family Development.

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

The Company has 4 (2022: 3) members at the end of reporting period.

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.

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

(a) *Basis of preparation*

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (“FRS”) and Charities Act 1994 and other relevant regulations. The financial statements have been prepared on the historical cost basis except as disclosed in the material accounting policy information below.

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

(b) *Adoption of new and amended standards and interpretations*

The accounting policies adopted are consistent with those of the previous financial year except that in current financial year, the Company has adopted all the new and amended standards which are relevant to the Company and are effective for annual financial period beginning on 1 January 2023. The adoption of these standards did not have any material effect on the financial statements of the Company.

(c) *Standards issued but not yet effective*

A number of new standards and amendments to standard that have been issued are not yet effective and have not been applied in preparing these financial statements. The directors expect that the adoption of these new and amended standards will have no material impact on the financial statements in the year of initial application.

Notes to the Financial Statements – 31 December 2023

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(d) *Functional and foreign currency*

The management has determined the currency of the primary economic environment in which the Company operates i.e. functional currency, to be SGD.

(e) *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:

Computers	–	3 years
Furniture and fittings	–	3 years
Renovation	–	3 years

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

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.

Asset under construction is stated at cost. Expenditure relating to asset under construction are capitalised when incurred. No depreciation is provided until the asset under construction is completed and ready for use.

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.

(f) *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.

Notes to the Financial Statements – 31 December 2023

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(f) *Financial instruments (continued)*

(i) *Financial assets (continued)*

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.

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.

Notes to the Financial Statements – 31 December 2023

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(f) *Financial instruments (continued)*

(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.

(g) *Cash and cash equivalents*

Cash and cash equivalents comprise cash at bank.

(h) *Other payables*

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

(i) *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.

(j) *Employee benefits*

(i) *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.

(ii) *Employee leave entitlement*

Employee entitlements to annual leave are recognised as a liability when they accrue to employees. The estimated liability for leave is recognised for services rendered by employees up to the end of the reporting period.

Notes to the Financial Statements – 31 December 2023

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(k) ***Funds***

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

(l) ***Government grants***

Grant, including government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Where the grant relates to an assets, the fair value is recognised as deferred capital grant on the balance sheet and is amortised to profit or loss over the expected useful life of the relevant asset by equal annual installments.

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.

(m) ***Revenue***

Donations income

Donation is recognised as revenue upon receipt.

Donations from fund raising activities are recognised as income upon occurrence of the fund-raising events. For donations received after the fund-raising events, they are recognised as income in the accounting period in which they are received.

(n) ***Government grants***

Grant, including government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Where the grant relates to an asset, the fair value is recognised as deferred capital grant on the balance sheet and is amortised to profit or loss over the expected useful life of the relevant asset by equal annual installments.

Government grant shall be recognised in income and expenditure accounts 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 income and expenditures. Alternatively, they are deducted in reporting the related expenses.

(o) ***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. It has been exempted for tax under section 13(1)(zm) of the Singapore Income Tax Act as a Charities.

Notes to the Financial Statements – 31 December 2023

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*

The 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, are described below. The Company based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

▪ *Useful lives of plant and equipment*

The cost of plant and equipment is depreciated on a straight-line basis over the plant and equipment's estimated economic useful lives. Management estimates the useful lives of these plant and equipment to be within 2 to 12 years. These are common life expectancies applied in the industry. Changes in the expected level of usage and technological developments could impact the economic useful lives of these assets, therefore, future depreciation charges could be revised. The carrying amount of the plant and equipment at the end of each reporting period is disclosed in Note 4 to the financial statements. A 5% difference in the expected useful lives of these assets from management's estimates would result in approximately 2% (2022: 5%) variance in the surplus for the year.

Notes to the Financial Statements – 31 December 2023

4. PLANT AND EQUIPMENT

	Furniture and fittings	Renovation	Computer	Asset under construction	Total
	\$	\$	\$	\$	\$
Cost:					
At 1 January 2022	—	—	—	—	—
Additions	7,062	13,302	—	2,354	22,718
At 31 December 2022 and 1 January 2023	7,062	13,302	—	2,354	22,718
Additions	—	497,497	9,108	—	506,605
Reclassification	—	2,354	—	(2,354)	—
At 31 December 2023	7,062	513,153	9,108	—	529,323
Accumulated depreciation:					
At 1 January 2022	—	—	—	—	—
Charge for the year	2,354	4,434	—	—	6,788
At 31 December 2022 and 1 January 2023	2,354	4,434	—	—	6,788
Charge for the year	2,354	32,073	894	—	35,321
At 31 December 2023	4,708	36,507	894	—	42,109
Net carrying amount:					
At 31 December 2022	4,708	8,868	—	2,354	15,930
At 31 December 2023	2,354	476,646	8,214	—	487,214

During the financial year, the Company acquired \$497,497 (2022: \$Nil) of plant and equipment through government grant and donation from public.

5. OTHER RECEIVABLES

	2023	2022
	\$	\$
Financial asset		
Sundry receivable	—	4,400
Non-financial asset		
GST receivable	2,098	—
	<u>2,098</u>	<u>4,400</u>

6. OTHER PAYABLES

Financial liabilities		
Accrued liabilities	12,414	3,401
Accrued salaries and related costs	81,335	—
Sundry payables	151,596	—
	<u>245,345</u>	<u>3,401</u>

Notes to the Financial Statements – 31 December 2023

7. DEFERRED CAPITAL FUNDS

	2023	2022
	\$	\$
At beginning of year	—	—
Additions	497,497	—
At end of year	497,497	—
Accumulated amortisation:		
At beginning of year	—	—
Charge for the year	27,639	—
At end of year	27,639	—
Net carrying amount	469,858	—

Deferred capital funds represent designated donations received from public and government grant for purchase of plant and equipment which are amortised over the plant and equipment's useful life.

8. RESTRICTED FUND

Restricted fund represented donations and funds collected for the purpose of constructing and funding the operations of “The Lighthouse” to create a sustainable space dedicated to support the personal growth and mental well-beings of children and youth.

At beginning of year	—	—
Add: <u>Receipt</u>		
Donation received from Singapore Pool Limited	350,000	—
Enhanced fund-raising grant*	250,000	—
Less: <u>Expenditure</u>		
Capital expenditure on the Lighthouse	(497,497)	—
Operational cost for the Lighthouse	(102,503)	—
At end of year	—	—

- * The Government will provide a matching grant of one dollar for every donation dollar raised which cap at maximum amount of \$250,000. The capital expenditure of \$497,497 (2022: \$Nil) will be amortised over the plant and equipment's useful life.

Notes to the Financial Statements – 31 December 2023

9. INCOME

	2023	2022
	\$	\$ (Reclassified)
Donations – Non-deductible	164,436	100,000
Donations – Tax deductible	15,000	–
Suncare Gala Dinner – Donations – Non deductible	331,000	–
Suncare Gala Dinner – Enhanced fund-raising grant *	250,000	–
	<u>760,436</u>	<u>100,000</u>

* The Government will provide a matching grant of one dollar for every donation dollar raised which cap at maximum amount of \$250,000.

10. OTHER INCOME

	2023	2022
	\$	\$
Commission income	3,115	738
Government grant – Jobs growth incentive	–	3,875
Government grant – Wage credit scheme	3,150	1,200
Income from story books	–	4,400
Sundry income	–	1,900
	<u>6,265</u>	<u>12,113</u>

11. EVENT EXPENSE

	2023	2022
	\$	\$ (Reclassified)
Banquet expense	22,050	–
Design and decoration	11,875	1,153
Event materials	15,731	–
Food and refreshment	4,198	946
Printing and stationery	6,044	8,089
Training and instructor fees	8,944	–
Others	5,028	3,806
	<u>73,870</u>	<u>13,994</u>

12. EMPLOYEE BENEFITS

Employee benefits comprise:		
Salaries and bonus	132,563	48,876
CPF contribution	22,138	8,426
	<u>154,701</u>	<u>57,302</u>

Notes to the Financial Statements – 31 December 2023

13. EXPENDITURE

	2023	2022
	\$	\$ (Reclassified)
Auditor's remuneration	4,050	2,800
Bank charges	175	502
Cleaning expenses	4,176	–
Equipment expensed off	5,077	8,750
Insurance expense	–	2,422
Leave encashment	4,912	(718)
Miscellaneous expenses	3,235	670
Professional fees	4,192	6,052
Printing and stationery	663	–
Repair and maintenances	2,363	–
Telecommunication expenses	1,627	–
	<u>30,470</u>	<u>20,478</u>

14. INCOME TAX EXPENSE

The Company is registered under the Charities Act 1994 and is exempt from income tax under Section 13(1)(zm) of the Singapore Income Tax Act 1947 to the extent that these are applied to its charitable objects. No tax changes have arisen for the Company during the financial year.

15. KEY MANAGEMENT PERSONNEL COMPENSATION

Key management personnel of the Company are those persons having the authority and responsibility for planning, directing and controlling the activities of the Company. The Board of Directors are considered as key management personnel of the Company. The Board of Directors did not receive any form of remuneration in the financial year (2022: Nil).

16. 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.

Notes to the Financial Statements – 31 December 2023

16. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(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.

17. 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.

	2023	2022
	\$	\$
<i>Financial assets at amortised cost</i>		
Other receivables	–	4,400
Cash and cash equivalents	872,392	126,452
	<u>872,392</u>	<u>130,852</u>
<i>Financial liabilities at amortised cost</i>		
Other payables	245,345	3,401
	<u>245,345</u>	<u>3,401</u>

18. 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.

Notes to the Financial Statements – 31 December 2023

18. FAIR VALUE OF ASSETS AND LIABILITIES (continued)

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.

19. 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. No changes were made to the objectives, policies or processes during the financial years ended 31 December 2023 and 31 December 2022.

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

20. RECLASSIFICATIONS AND COMPARATIVE FIGURES

Certain reclassifications have been made to the prior year's financial statements to enhance comparability with current year's financial statements. As a result, certain line items have been amended on the face of the statement of comprehensive income and the related notes to the financial statements. Comparative figures have been adjusted to conform with current year's presentation. The reclassifications were not significant.

The items reclassified were as follows:

	Previously reported	Reclassification	After reclassification
	\$	\$	\$
<i>Statement of comprehensive income</i>			
Expenditure	(98,562)	78,084	(20,478)
Depreciation on plant and equipment	–	(6,788)	(6,788)
Event expense	–	(13,994)	(13,994)
Employee benefits	–	(57,302)	(57,302)
	<u>(98,562)</u>	<u>–</u>	<u>(98,562)</u>

21. AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements for the year ended 31 December 2023 were authorised for issue in accordance with a resolution of the directors on the date of these statements.