

CLARITY SINGAPORE LIMITED

[UEN. 201021634E]

[IPC No. IPC000714]

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

[Incorporated in the Republic of Singapore]

**AUDITED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
30 SEPTEMBER 2021**

CONTENTS

Directors' Statement	2
Independent Auditor's Report	4
Statement of Financial Activities	7
Statement of Financial Position	8
Statement of Changes in Funds	9
Statement of Cash Flows	10
Notes to the Financial Statements	11

Fiducia LLP

(UEN. T10LL0955L)

Public Accountants and

Chartered Accountants of Singapore

71 Ubi Crescent
#08-01 Excalibur Centre
Singapore 408571
T: (65) 6846.8376
F: (65) 6491.5218

DIRECTORS' STATEMENT

The directors present their statement to the members together with the audited financial statements of **Clarity Singapore Limited** (the "Company") for the financial year ended 30 September 2021.

In the opinion of the directors,

- a) the financial statements are drawn up so as to give a true and fair view of the financial position of the Company as at 30 September 2021 and the financial performance, changes in funds and cash flows of the Company for the financial year then ended; 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.

Directors

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

Staes Paul E	
Koh Ngiap Hern Peter Kenson	(Appointed on 01 January 2022)
Lam Kok Wai, Peter (Lin Guowei, Peter)	
Chan Pee Teck, Peter	
Phua Siok Gek Cynthia	
Yeo Yul Chuan, Benjamin (Yang Yaoquan)	
Elizabeth Chia Wei Ling	(Appointed on 01 August 2021)
Lim Mei Ying Theresa	(Appointed on 01 August 2021)
Jerome Yuen Ka Lok	(Appointed on 01 August 2021)

Arrangements to enable directors to acquire shares and debentures

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

Other matters

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

DIRECTORS' STATEMENT (CONT'D)

Independent Auditor

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

For and on behalf of the Board of Directors,

DocuSigned by:



5B47DD03D1F84FC...
Lam Kok Wai, Peter
Director

DocuSigned by:



646027006C0B470...
Chan Pee Teck, Peter
Director

Singapore, 3 March 2022

Fiducia LLP

Public Accountants and
Chartered Accountants of Singapore

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Independent auditor's report to the members of:

CLARITY SINGAPORE LIMITED

[UEN. 201021634E]
[IPC No. IPC000714]
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Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Clarity Singapore Limited** (the "Company"), which comprise the statement of financial position as at 30 September 2021, and the statement of financial activities, statement of changes in funds and statement of cash flows of the Company for the financial 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 Singapore Companies Act, Chapter 50 (the "Companies Act"), the Charities Act, Chapter 37 and other relevant regulations (the "Charities Act and Regulations") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the Company as at 30 September 2021, and of the financial performance, changes in the funds and cash flows of the Company 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 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 (set out on page 2 and 3), 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 and will 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 on the other information that we obtained prior to the date of this auditor's report, 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.

Fiducia LLPPublic Accountants and
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(CONT'D)

Independent auditor's report to the members of:

CLARITY SINGAPORE LIMITED[UEN. 201021634E]
[IPC No. IPC000714]
[A company limited by guarantee and not having a share capital]
[Incorporated in the Republic of Singapore]**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 FRs, 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.

Those charged with governance comprises the directors. Their 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.

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.

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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 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 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 Company 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 Company 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 Company has not complied with the requirements of Regulation 15 of the Charities (Institutions of a Public Character) Regulations.

DocuSigned by:


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Fiducia LLP
Public Accountants and
Chartered Accountants

Singapore, 3 March 2022

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

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2021**

		Unrestricted Fund	Restricted Funds	Total Funds
2021	Note	S\$	S\$	S\$
INCOME				
Income from generating funds		600,190	915,240	1,515,430
Income from charitable activities		24,455	78,270	102,725
Other income		157,421	0	157,421
TOTAL INCOME	4	<u>782,066</u>	<u>993,510</u>	<u>1,775,576</u>
LESS: EXPENDITURE				
Cost of charitable activities		140,644	679,400	820,044
Governance and other administrative costs		302,637	240,810	543,447
TOTAL EXPENDITURE	4	<u>443,281</u>	<u>920,210</u>	<u>1,363,491</u>
(DEFICIT)/ SURPLUS FOR THE FINANCIAL YEAR		<u>338,785</u>	<u>73,300</u>	<u>412,085</u>
		Unrestricted Fund	Restricted Funds	Total Funds
2020	Note	S\$	S\$	S\$
INCOME				
Income from generating funds		439,499	1,196,587	1,636,086
Income from charitable activities		5,000	43,025	48,025
Other income		212,430	4,323	216,753
TOTAL INCOME	4	<u>656,929</u>	<u>1,243,935</u>	<u>1,900,864</u>
LESS: EXPENDITURE				
Cost of charitable activities		133,188	608,292	741,480
Governance and other administrative costs		69,782	442,724	512,506
TOTAL EXPENDITURE	4	<u>202,970</u>	<u>1,051,016</u>	<u>1,253,986</u>
SURPLUS FOR THE FINANCIAL YEAR		<u>453,959</u>	<u>192,919</u>	<u>646,878</u>

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

STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2021

	Note	2021 S\$	2020 S\$
ASSETS			
Current assets			
Cash and bank balances	9	2,713,849	2,570,666
Trade and other receivables	10	449,938	185,862
		<u>3,163,787</u>	<u>2,756,528</u>
Non-current assets			
Property, plant and equipment	11	42,689	31,142
		<u>42,689</u>	<u>31,142</u>
Total assets		<u>3,206,476</u>	<u>2,787,670</u>
LIABILITIES			
Current liabilities			
Other payables	13	89,303	67,318
Lease liabilities	14	10,511	16,059
		<u>99,814</u>	<u>83,377</u>
Non-current liabilities			
Lease liabilities	14	3,104	12,820
		<u>3,104</u>	<u>12,820</u>
Total liabilities		<u>102,918</u>	<u>96,197</u>
NET ASSETS		<u>3,103,558</u>	<u>2,691,473</u>
FUNDS			
Unrestricted fund			
General fund	15	2,842,673	2,503,888
		<u>2,842,673</u>	<u>2,503,888</u>
Restricted funds			
Better and Happier Youth	16	21,863	26,538
Care and Share Matching Grant	16	0	0
Comit@Central	16	46,371	0
Comit@North	16	105,472	110,004
Community Care Training Grant	16	0	0
Community Chest Charity Support Fund	16	86,730	50,000
NCSS Comchest Covid-19	16	0	1,554
Pledge It Forward Campaign	16	449	449
#StrongerTogether Staff Appreciation Fund	16	0	(960)
		<u>260,885</u>	<u>187,585</u>
TOTAL FUNDS		<u>3,103,558</u>	<u>2,691,473</u>

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

**STATEMENT OF CHANGES IN FUNDS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2021**

	Beginning of the year S\$	Net (deficit)/ surplus S\$	Transfer S\$	Balance at end of year S\$
2021				
Unrestricted fund				
General fund	2,503,888	338,785	0	2,842,673
Restricted funds				
Better and Happier Youth	26,538	(4,675)	0	21,863
Comit@Central	0	46,371	0	46,371
Comit@North	110,004	(4,532)	0	105,472
Community Chest Charity Support Fund	50,000	36,730	0	86,730
NCSS Comchest Covid-19	1,554	(1,554)	0	0
Pledge It Forward Campaign	449	0	0	449
#StrongerTogether Staff Appreciation Fund	(960)	960	0	0
	187,585	73,300	0	260,885
	2,691,473	412,085	0	3,103,558

	Balance as at 01 October 2019, as previously reported S\$	Effect of adopting FRS 116 Leases S\$	Balance as at 1 October 2019, after adopting FRS 116 S\$	Net surplus/ (deficit) S\$	Transfer S\$	Balance at end of year S\$
2020						
Unrestricted fund						
General fund	2,052,110	(1,335)	2,050,775	453,959	(846)	2,503,888
Restricted funds						
Better and Happier Youth	33,116	0	33,116	(6,578)	0	26,538
Care and Share Matching Grant	(134,437)	0	(134,437)	133,591	846	0
Comit@North	93,000	(32)	92,968	17,036	0	110,004
Community Chest Charity Support Fund	0	0	0	50,000	0	50,000
NCSS Comchest Covid-19	0	0	0	1,554	0	1,554
Pledge It Forward Campaign	2,173	0	2,173	(1,724)	0	449
#StrongerTogether Staff Appreciation Fund	0	0	0	(960)	0	(960)
	(6,148)	(32)	(6,180)	192,919	846	187,585
	2,045,962	(1,367)	2,044,595	646,878	0	2,691,473

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

**STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2021**

	Note	2021 S\$	2020 S\$
Cash flows from operating activities			
Surplus for the financial year		412,085	646,878
Adjustments for:			
- COVID-19 related rent concessions		(2,161)	(7,242)
- Depreciation	11	40,330	46,582
- Interest income		(2,233)	(9,270)
- Interest expenses		1,041	1,904
Operating cash flow before working capital changes		<u>449,062</u>	<u>678,852</u>
Changes in working capital			
- Trade and other receivables		(262,319)	(9,780)
- Other payables		24,146	14,710
Net cash generated by operating activities		<u>210,889</u>	<u>683,782</u>
Cash flows from investing activities			
Interest received		476	10,584
Placement of fixed deposits with maturity over 3 months		(347,597)	(102,403)
Purchases of property, plant and equipment	11	<u>(51,877)</u>	<u>(18,005)</u>
Net cash used in investing activities		<u>(398,998)</u>	<u>(109,824)</u>
Cash flows from financing activities			
Interest paid on lease liabilities	14	(1,041)	(1,904)
Payment of principal portion of lease liabilities		<u>(15,264)</u>	<u>(16,250)</u>
Net cash used in financing activities		<u>(16,305)</u>	<u>(18,154)</u>
Net (decrease) / increase in cash and cash equivalents		(204,414)	555,804
Cash and cash equivalents at beginning of financial year		<u>1,918,263</u>	<u>1,362,459</u>
Cash and cash equivalents at end of financial year	9	<u>1,713,849</u>	<u>1,918,263</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2021**

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

1. General information

Clarity Singapore Limited (the "Company") was incorporated on 10 October 2010 as a company limited by guarantee and not having a share capital. Every member of the Company undertakes to contribute to the assets of the Company, in the event of the same being wound up while he is a member, or within one year after he ceases to be member, for payment of the debts and liabilities of the Company contracted before he ceases 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 may be require not exceeding the sum of Singapore Dollars Ten Only (S\$10.00). As at 30 September 2021, the Company have 9 members (2020: 10 members).

The Company registered as a Charity under the Charities Act, Chapter 37 on 03 December 2010. It has been accorded an Institutions of a Public Character ("IPC") status from 03 December 2010 to 31 August 2020 and has been renewed from 01 September 2020 to 31 August 2023.

Company's registered office is at 12 Tannery Road, #10-01 HB Centre 1, Singapore 347722. The principal places of business are as follows:

- at Block 854, #01-3511, Yishun Ring Road, Singapore 760854.
- at Agape Village, 7A Lorong 8 Toa Payoh, #04-01 Singapore 319264.
- At Mount Alvernia, 820 Thomson Road, #01-21 Mount Alvernia Medical Centre B, Singapore 574623. (The Company close the office on 31 May 2021)

The principal activities of the Company are:

- To provide support and therapy for people with mental health conditions in the Republic of Singapore, in particular those who are poor, regardless of race, religion, gender or citizenship; and
- To better and more effectively serve the poor, the needy with mental health conditions by researching, analysing the needs and developing various strategies and activities.

2. Significant accounting policies**2.1 Basis of preparation**

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards in Singapore ("FRS") and the disclosure requirements of the Companies Act, Chapter 50 and Charities Act, Chapter 37. The 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 Company's functional and presentation currency. Functional currency is the currency of the primary economic environment in which the Company operates. All financial information presented are denominated in S\$ unless otherwise stated.

The preparation of these financial statements in conformity with FRSs requires management to exercise its judgement in the process of applying the Company'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 assumptions and estimates are significant to the financial statements are disclosed in Note 3.

2. Significant accounting policies (Cont'd)

2.1 Basis of preparation (Cont'd)

Interpretations and amendments to published standards effective in 2021

In the current financial year, the Company adopted the new or amended FRSs and Interpretations of FRSs ("INT FRSs") that are relevant and mandatory to its operations and effective on 1 October 2020. Changes to the Company's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRSs and INT FRSs.

Except for the adoption of amendments to FRS 116 Leases as described below, the adoption of these new or amended FRSs and INT FRSs did not result in substantial changes to the Company's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

Early adoption of Amendments to FRS 116 Leases – COVID-19 Related Rent Concessions

The Company has elected to early adopt the amendments to FRS 116 which introduced a practical expedient for a lessee to elect not to assess whether a rent concession is a lease modification, if all the following conditions are met:

- (a) the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
- (b) any reduction in lease payments affects only payments originally due on or before 30 June 2022; and
- (c) there is no substantive change to other terms and conditions of the lease.

The Company has elected to apply this practical expedient to all property leases. As a result of applying the practical expedient, rent concessions of S\$2,161 was recognised as negative variable lease payments in the profit or loss during the year.

Standards issued but not yet effective

The Company 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: <ul style="list-style-type: none"> - 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: <ul style="list-style-type: none"> - 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 expects that the adoption of the revised standards and interpretations will have no material impact on the financial statements in the period of initial application.

2. Significant accounting policies (Cont'd)**2.2 Income recognition**

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

Income is recognised when the Company satisfies a performance obligation by transferring a promised service to the customer, which is when the client utilised our service (e.g: obtain control of the 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-in-kind are recognised when the fair value of the assets received can be reasonably ascertained.

2.2.2 Rendering of services

Revenue from services is recognised at a point in time in which the services are rendered.

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

Grants from the government are recognised as a receivable at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions. Where the grants relates to an asset, the fair value is recognised as restricted funds on the statement of financial position and is amortised to the statement of financial activities over the expected useful lives of the relevant asset by equal annual instalments.

Government grants receivable are recognised as income in the statement of financial activities over the periods necessary to match them with the related costs which they intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately as other income.

2.4 Expenditure recognition

All expenses are accounted for on an 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 charitable activities

Cost of charitable activities comprises all costs incurred in the pursuit of the charitable objects of the Company. The total cost of charitable activities comprises of direct cost and apportionment of overhead and shared costs.

2. Significant accounting policies (Cont'd)

2.4 Expenditure recognition (Cont'd)

2.4.2 Governance and administrative costs

Governance costs include the costs of governance arrangement, which relate to the general running of the Company, providing governance infrastructure and ensuring public accountability. These costs include costs related to constitutional and statutory requirements and an apportionment of overhead and shared costs.

2.5 Property, plant and equipment

2.5.1 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 initially recognised includes its purchase price and any cost that is 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.

2.5.2 Depreciation

Depreciation is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

	Useful Lives
Computers	1 year
Furniture	5 years
Fixtures and Fittings	3 years
Office equipment	3 years
Renovation	3 years
Rights of use assets – Office Units	Over the remaining lease term
Rights of use assets – Copier	Over the remaining lease term

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 statement of financial activities when the changes arise.

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

2. Significant accounting policies (Cont'd)**2.5 Property, plant and equipment (Cont'd)****2.5.3 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 Company and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in the statement of financial activities when incurred.

2.5.4 Disposal

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

2.6 Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever there is any indication that these assets may be impaired. If any such indication exists, the recoverable amount (i.e. the higher of the fair value less cost to sell and value in use) of the assets is estimated to determine the amount of impairment loss.

For the purpose of impairment testing of the assets, recoverable amount 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, 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 (or CGU) is reduced to its recoverable amount. The impairment loss is recognised in the statement of financial performance.

An impairment loss for an asset is reversed 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 an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods. A reversal of impairment loss for an asset is recognised in the statement of comprehensive income.

2. Significant accounting policies (Cont'd)**2.7 Financial assets****(a) Classification and measurement**

The Company classifies its financial assets into the amortised cost measurement category.

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

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

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

At initial recognition

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 statement of financial activities, transaction costs that are directly attributable to the acquisition of the financial assets.

At subsequent measurement

Debt instruments of the Company mainly comprise of "Cash and cash equivalents" and "Trade and other receivables".

Debt instruments that are held for collection of contractual cash flow where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in statement of financial activities when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.

(b) Impairment

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

For trade receivables, the Company applied the simplified approach by the FRS 109, which requires expected lifetime losses to be recognised from the initial recognition of the trade receivables.

For cash and bank balances 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. Significant accounting policies (Cont'd)**2.7 Financial assets (Cont'd)**

(c) Recognition and derecognition

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

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

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in the statement of financial activities.

2.8 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.

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

2.9 Financial liabilities

Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual agreements of the financial instrument and are classified according to the substance of the contractual arrangements entered into. All interest related charges are recognised in profit or loss. 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 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 expires. 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)**2.10 Other payables**

Other payables excluding accruals, are recognised at their transaction price, excluding transaction cost, if any, both at initial recognition and at subsequent measurement. Transaction costs are recognised as expenditure in the statement of comprehensive income as incurred. Accruals are recognised at the best estimate of the amount payable.

2.11 Provisions for other liabilities and charges

Provisions for other liabilities and charges are recognised when the Company 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.

2.12 Borrowing costs

All borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in the statement of financial activities in the period in which they are incurred. Borrowing costs are recognised in the statement of financial activities using the effective interest method. Borrowing costs may include interest in respect of lease liability recognised in accordance with FRS 116.

2.13 Borrowings

Borrowings are presented as current liabilities unless the Company has an unconditional right to defer settlement for at least 12 months after the reporting date, in which case they are presented as non-current liabilities.

Borrowings, including lease liabilities, are initially recognised at fair values (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

2.14 Leases

At the inception of the contract, the Company assesses if the contract contains a lease. A contract contains a lease if the contract conveys 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.

When the Company is the lessee:

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company 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. Significant accounting policies (Cont'd)**2.14 Leases (Cont'd)**When the Company is the lessee: (Cont'd)

- Right-of-use assets

The Company recognises a right-of-use asset and lease liabilities at the date which the underlying asset is available for use. Right-of-use assets are measured at cost which comprises the initial measurement of lease liabilities adjusted of any lease payments made at or before the commencement date and lease incentive received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

These right-of-use assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The accounting policy for impairment is disclosed in Note 2.6.

The Company's right-of-use assets are presented within property, plant and equipment as disclosed in Note 11.

If ownership of the leased asset transfers to the Company 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.

- 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 Company 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 is reasonably certain to exercise the option; and
- Payment of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

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

2. Significant accounting policies (Cont'd)**2.14 Leases (Cont'd)***When the Company is the lessee: (Cont'd)*

- Lease liabilities (Cont'd)

Lease liability is measured at amortised cost using the effective interest method. Lease liability shall be remeasured when:

- There is a change in future lease payments arising from changes in an index or rate;
- There is a changes in the Company's assessment of whether it will exercise an extension option; or
- There is modification in the scope or the consideration of the lease that was not part of the original term.

Lease liability is remeasured with a corresponding adjustment to the right-of-use asset, or is recorded in the statement of financial activities if the carrying amount of the right-of-use asset has been reduced to zero.

The Company's lease liabilities are disclosed in Note 14.

The Company has applied the amendment to FRS 116 Leases: COVID-19-Related Rent Concessions. The Company applies the practical expedient allowing it not to assess whether a rent concession related to COVID-19 is a lease modification. The Company applies the practical expedient consistently to contracts with similar characteristics and in similar circumstances. For rent concessions in leases to which the Company chooses not to apply the practical expedient, or that do not qualify for the practical expedient, the Company assesses whether there is a lease modification.

- Short-term and low-value leases

The Company has elected to not recognised right-of-use assets and lease liabilities for short-term leases that have lease term of 12 months or less from the commencement date and do not contain a purchase option and leases of low value leases, except for sublease arrangements. Lease payments relating to short term leases and leases of low-value assets are expensed to the statement of financial activities on a straight-line basis over the lease term.

- Variable lease payments

Variable lease payments that are not based on an index or a rate are not included as part of the measurement and initial recognition of the lease liability. The Company shall recognise those lease payments in the statement of financial activities in the periods that triggered those lease payments.

2. Significant accounting policies (Cont'd)**2.15 Funds**

Fund balances 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 for any of the Company's purposes.

2.16 Employee compensationDefined contribution plans

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

Employee leave entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. A provision 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. Where the possibility of an outflow of resources is not remote, the Company shall disclose for each class of contingent liability at the reporting date, a brief description of the nature of the contingent liability and, where practicable:

- a) an estimate of its financial effect;
- b) an indication of the uncertainties relating to the amount or timing of any outflow; and
- c) the possibility of any reimbursement.

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

Events after the reporting period that provide additional information about the Company's position at the reporting date (adjusting events) are reflected in the financial statements. Events after the reporting period 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 Company 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 Estimated useful lives of property, plant and equipment

The Company reviews annually the estimated useful lives of property, plant and equipment 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. The carrying amount of property, plant and equipment and the depreciation charge for the financial year are disclosed in Note 10.

3.1.2 Impairment of property, plant and equipment

Property, plant and equipment 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 year and a suitable discount rate.

3.2 Critical judgements in applying the entity's accounting policies

In the process of applying the Company's accounting policies, the management has made certain judgements, apart from those involving estimations, which have significant effect on the amounts recognised in the financial statements.

3.2.1 Government grants

Government grants to meet operating expenses are recognised as income in the statement of comprehensive income on the accrual basis in the financial year these operating expenses were incurred and there is reasonable assurance that the Company 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 Company if the conditions are not met.

4. Detailed statement of financial activities

	Note	Unrestricted fund	Restricted funds										Total unrestricted and restricted funds S\$	
		General fund S\$	Better and Happier Youth S\$	Comit@ North S\$	Comit@ Central S\$	Community Silver Trust S\$	Community Chest Charity Support Fund S\$	Community Care Day Celebration Fund S\$	Pristine Fund S\$	NCSS Comchest COVID-19 S\$	The Sayang Sayang Fund S\$	# Stronger together Staff Appreciation Fund S\$		Total Restricted funds S\$
2021 INCOME														
Income from generating funds														
Donations														
- Tax exempt		75,089	0	0	0	0	0	0	0	0	0	0	0	75,089
- Non-tax exempt		15,903	0	0	0	0	0	0	0	0	0	0	0	15,903
Grants														
- AIC - CCTG		9,198	0	0	0	0	0	1,000	300	0	0	2,000	3,300	12,498
- MSF - Care & Share		0	0	0	0	0	0	0	0	0	0	0	0	0
- Caritas		100,000	0	0	0	0	0	0	0	0	0	0	0	100,000
- MOH - CST		0	0	0	0	93,958	0	0	0	0	0	0	93,958	93,958
- NCSS - Comchest		0	0	0	0	0	50,000	0	0	0	0	0	50,000	50,000
- MOH - Comit		0	0	663,367	104,615	0	0	0	0	0	0	0	767,982	767,982
- MCCY - BCF		400,000	0	0	0	0	0	0	0	0	0	0	0	400,000
		<u>600,190</u>	<u>0</u>	<u>663,367</u>	<u>104,615</u>	<u>93,958</u>	<u>50,000</u>	<u>1,000</u>	<u>300</u>	<u>0</u>	<u>0</u>	<u>2,000</u>	<u>915,240</u>	<u>1,515,430</u>
Income from charitable activities														
Counselling fees		5,620	0	74,870	3,400	0	0	0	0	0	0	0	78,270	83,890
Placement admin fee revenue		600	0	0	0	0	0	0	0	0	0	0	0	600
Psycho-education sessions		10,810	0	0	0	0	0	0	0	0	0	0	0	10,810
Clinical supervision fee		7,425	0	0	0	0	0	0	0	0	0	0	0	7,425
		<u>24,455</u>	<u>0</u>	<u>74,870</u>	<u>3,400</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>78,270</u>	<u>102,725</u>
Other income														
Job growth incentive (JGI)		31,821	0	0	0	0	0	0	0	0	0	0	0	31,821
Interest income		2,233	0	0	0	0	0	0	0	0	0	0	0	2,233
Job Support Scheme COVID-19 related rent concessions		97,264	0	0	0	0	0	0	0	0	0	0	0	97,264
		2,161	0	0	0	0	0	0	0	0	0	0	0	2,161
SingTel Sponsorship Scheme (NCSS)		540	0	0	0	0	0	0	0	0	0	0	0	540
Other government grants		23,402	0	0	0	0	0	0	0	0	0	0	0	23,402
		<u>157,421</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>157,421</u>
TOTAL INCOME	5	<u>782,066</u>	<u>0</u>	<u>738,237</u>	<u>108,015</u>	<u>93,958</u>	<u>50,000</u>	<u>1,000</u>	<u>300</u>	<u>0</u>	<u>0</u>	<u>2,000</u>	<u>993,510</u>	<u>1,775,576</u>

4. Detailed statement of financial activities (Cont'd)

	Unrestricted fund	Restricted funds										Total unrestricted and restricted funds S\$		
		General fund S\$	Better and Happier Youth S\$	Comit@ North S\$	Comit@ Central S\$	Community Silver Trust S\$	Community Chest Charity Support Fund S\$	Community Care Day Celebration Fund S\$	Pristine Fund S\$	NCSS Comchest COVID-19 S\$	The Sayang Sayang Fund S\$		# Stronger together Staff Appreciation Fund S\$	Total Restricted funds S\$
2021 (CONT'D)														
EXPENDITURE	Note													
Cost of charitable activities														
Brave conference fee		0	2,350	0	0	0	0	0	0	0	0	0	2,350	2,350
Contractor fee		0	0	5,958	0	0	0	0	0	0	0	0	5,958	5,958
C&S - Psychoeducation		2,207	0	0	0	0	0	0	0	0	0	0	2,207	2,207
CFS YES!		0	1,782	0	0	0	0	0	0	0	0	0	1,782	1,782
Provision for unutilised leaves		14,111	0	0	0	0	0	0	0	0	0	0	14,111	14,111
Psycho-education session expenses		303	0	0	0	0	0	0	0	0	0	0	303	303
Staff costs	8	124,023	0	547,124	57,441	64,745	0	0	0	0	0	0	669,310	793,333
		140,644	4,132	553,082	57,441	64,745	0	0	0	0	0	0	679,400	820,044
Governance and other administrative costs														
Accounting/Payroll System Subscription		0	0	2,623	0	0	0	0	0	0	0	0	2,623	2,623
Audit fee		8,881	0	0	0	0	0	0	0	0	0	0	8,881	8,881
Depreciation of property, plant and equipment		14,393	0	10,471	2,196	0	13,270	0	0	0	0	0	25,937	40,330
Internet		0	0	2,655	0	0	0	0	0	0	0	0	2,655	2,655
Interest expense on lease liabilities		69	0	845	127	0	0	0	0	0	0	0	972	1,041
Reinstatement cost		6,375	0	0	0	0	0	0	0	0	0	0	6,375	6,375
Operating lease expenses - rental of premises		0	0	12,968	0	0	0	0	0	0	0	0	12,968	12,968
Repairs and maintenance		0	0	1,236	0	0	0	0	0	0	0	0	1,236	1,236
Secretarial fee		1,875	0	0	0	0	0	0	0	0	0	0	1,875	1,875
Service & conservancy charges		0	0	178	0	0	0	0	0	0	0	0	178	178
Software subscriptions		0	69	3,061	0	0	0	0	0	0	0	0	3,130	3,130
Staff costs	8	254,449	0	131,007	0	29,213	0	1,000	0	1,554	0	1,040	163,814	418,263
Staff Supervision fee		7,997	0	15,283	1,650	0	0	0	0	0	0	0	16,933	24,930
Telephone		820	0	5,921	0	0	0	0	0	0	0	0	5,921	6,741
Utilities		80	0	2,543	0	0	0	0	0	0	0	0	2,543	2,623
Other expenses		7,698	474	896	230	0	0	300	0	0	0	0	1,900	9,598
		302,637	543	189,687	4,203	29,213	13,270	1,000	300	1,554	0	1,040	240,810	543,447
TOTAL EXPENDITURE		443,281	4,675	742,769	61,644	93,958	13,270	1,000	300	1,554	0	1,040	920,210	1,363,491
(DEFICIT) / SURPLUS FOR THE FINANCIAL YEAR		338,785	(4,675)	(4,532)	46,371	0	36,730	0	0	(1,554)	0	960	73,300	412,085

4. Detailed statement of financial activities (Cont'd)

	Unrestricted fund	Restricted fund											Total unrestricted and restricted funds S\$		
		General fund S\$	Community Care Training Grant S\$	Better and Happier Youth S\$	Care & Share S\$	Comit@ North S\$	Community Silver Trust S\$	Community Chest Charity Support Fund S\$	Community Care Day Celebration Fund S\$	NCSS Comchest COVID-19 S\$	Pledge It Forward Campaign S\$	The Sayang Sayang Fund S\$		# Stronger together Staff Appreciation Fund S\$	Total Restricted funds S\$
2020															
INCOME															
Income from generating funds	Note														
Donations															
- Tax exempt		110,027	0	0	0	0	0	0	0	0	0	0	0	0	110,027
- Non-tax exempt		29,472	0	0	0	0	0	0	0	0	0	0	0	0	29,472
Grants															
- AIC - CCTG		0	2,526	0	0	0	0	0	500	0	0	1,000	0	4,026	4,026
- MSF - Care & Share		0	0	0	133,591	0	0	0	0	0	0	0	0	133,591	133,591
- Caritas		300,000	0	0	0	0	0	0	0	0	0	0	0	0	300,000
- MOH - CST		0	0	0	0	0	326,430	0	0	0	0	0	0	326,430	326,430
- NCSS - ComChest		0	0	0	0	0	0	50,000	0	3,000	0	0	0	53,000	53,000
- MOH - Comit		0	0	0	0	679,540	0	0	0	0	0	0	0	679,540	679,540
		439,499	2,526	0	133,591	679,540	326,430	50,000	500	3,000	0	1,000	0	1,196,587	1,636,086
Income from charitable activities															
Counselling fees		2,140	0	0	0	43,025	0	0	0	0	0	0	0	43,025	45,165
Placement admin fee revenue		600	0	0	0	0	0	0	0	0	0	0	0	0	600
Psycho-education sessions		2,260	0	0	0	0	0	0	0	0	0	0	0	0	2,260
		5,000	0	0	0	43,025	0	0	0	0	0	0	0	43,025	48,025
Other income															
Interest income		9,270	0	0	0	0	0	0	0	0	0	0	0	0	9,270
Job Support Scheme		170,896	0	0	0	0	0	0	0	0	0	0	0	0	170,896
COVID-19 related rent concessions		2,919	0	0	0	4,323	0	0	0	0	0	0	0	4,323	7,242
SingTel Sponsorship Scheme (NCSS)		540	0	0	0	0	0	0	0	0	0	0	0	0	540
Other government grants		28,805	0	0	0	0	0	0	0	0	0	0	0	0	28,805
		212,430	0	0	0	4,323	0	0	0	0	0	0	0	4,323	216,753
TOTAL INCOME	5	656,929	2,526	0	133,591	726,888	326,430	50,000	500	3,000	0	1,000	0	1,243,935	1,900,864

4. Detailed statement of financial activities (Cont'd)

	Unrestricted fund	Restricted fund											Total unrestricted and restricted funds S\$	
	General fund S\$	Community Care Training Grant S\$	Better and Happier Youth S\$	Care & Share S\$	Comit@ North S\$	Community Silver Trust S\$	Community Chest Charity Support Fund S\$	Community Care Day Celebration Fund S\$	NCSS Comchest COVID-19 S\$	Pledge It Forward Campaign S\$	The Sayang Sayang Fund S\$	# Stronger together Staff Appreciation Fund S\$		Total Restricted funds S\$
2020 (CONT'D)														
EXPENDITURE														
Cost of charitable activities														
- C&S – Better and Happier	292	0	0	0	0	0	0	0	0	0	0	0	0	292
- C&S - Psychoeducation	(6)	0	0	0	0	0	0	0	0	0	0	0	0	(6)
CFS YES!	0	0	4,753	0	0	0	0	0	0	0	0	0	4,753	4,753
Contractor fee	0	0	0	0	6,471	0	0	0	0	0	0	0	6,471	6,471
Financial and transport assistance	118	0	0	0	0	0	0	0	0	0	0	0	0	118
Holy cross fundraising event	164	0	0	0	0	0	0	0	0	0	0	0	0	164
OCD Networking	0	0	0	0	0	0	0	0	1,724	0	0	0	1,724	1,724
Provision for unutilised leave	6,817	0	0	0	0	0	0	0	0	0	0	0	0	6,817
Psycho-education session expenses	9,453	0	0	0	0	0	0	0	0	0	0	0	0	9,453
PTSD expenses	0	0	1,825	0	0	0	0	0	0	0	0	0	1,825	1,825
Staff costs	8 116,350	2,526	0	0	506,984	81,549	0	500	0	0	1,000	960	593,519	709,869
	133,188	2,526	6,578	0	513,455	81,549	0	500	0	1,724	1,000	960	608,292	741,480
Governance and other administrative costs														
Accounting/Payroll System														
Subscription	0	0	0	0	2,228	0	0	0	0	0	0	0	2,228	2,228
Audit fee	8,881	0	0	0	0	0	0	0	0	0	0	0	0	8,881
Depreciation of property, plant and equipment	41,816	0	0	0	4,766	0	0	0	0	0	0	0	4,766	46,582
Internet	1,292	0	0	0	1,068	0	0	0	0	0	0	0	1,068	2,360
Interest expense on lease liabilities	1,547	0	0	0	357	0	0	0	0	0	0	0	357	1,904
Operating lease expenses - rental of premises	0	0	0	0	12,968	0	0	0	0	0	0	0	12,968	12,968
Repairs and maintenance	80	0	0	0	3,116	0	0	0	0	0	0	0	3,116	3,196
Secretarial fee	1,200	0	0	0	0	0	0	0	0	0	0	0	0	1,200
Service & conservancy charges	0	0	0	0	173	0	0	0	0	0	0	0	173	173
Software subscriptions	10	0	0	0	1,534	0	0	0	0	0	0	0	1,534	1,544
Staff costs	8 5,361	0	0	0	142,430	240,344	0	0	0	0	0	0	382,774	388,135
Staff Supervision fee	245	0	0	0	17,718	4,537	0	0	0	0	0	0	22,255	22,500
Telephone	3,151	0	0	0	2,503	0	0	0	0	0	0	0	2,503	5,654
Utilities	219	0	0	0	4,292	0	0	0	0	0	0	0	4,292	4,511
Other expenses	5,980	0	0	0	3,244	0	0	0	1,446	0	0	0	4,690	10,670
	69,782	0	0	0	196,397	244,881	0	0	1,446	0	0	0	442,724	512,506
TOTAL EXPENDITURE	202,970	2,526	6,578	0	709,852	326,430	0	500	1,446	1,724	1,000	960	1,051,016	1,253,986
SURPLUS / (DEFICIT) FOR THE FINANCIAL YEAR	453,959	0	(6,578)	133,591	17,036	0	50,000	0	1,554	(1,724)	0	(960)	192,919	646,878

5. Revenue from contracts with customers

Disaggregation of revenue from contracts with customer:

	Note	2021 S\$	2020 S\$
<u>Revenue from</u>			
Donations		90,992	139,499
Clinical supervision fee		7,425	0
Counselling fees		83,890	45,165
Placement admin fee revenue		600	600
Psycho-education sessions		10,810	2,260
Other incoming resources		2,701	7,782
		<u>196,418</u>	<u>195,306</u>
<u>Timing of transfer of services:</u>			
At a point in time		<u>196,418</u>	<u>195,306</u>

6. Tax deductible donations

During the financial year, the Company issued tax-deductible receipts for donations totalling S\$75,089 (2020: S\$110,027) pursuant to its Institution of a Public Character ("IPC") status. They are recorded as follows:

	2021 S\$	2020 S\$
Statement of financial activities		
General fund:		
Donations - tax exempt	<u>75,089</u>	<u>110,027</u>

7. Income tax

The Company is registered as a charity under the Charities Act since 3 December 2010. Consequently, the income of the Company is exempted from tax under the provisions of Section 13 of the Income Tax Act, Chapter 134.

8. Staff costs

	Note	2021 S\$	2020 S\$
- Salaries		945,625	800,892
- AWS/Bonus		65,536	117,455
- Employer CPF		161,928	142,959
- SDF		2,241	1,919
- Medical		8,114	9,009
- Dental		879	464
- Staff insurance		6,853	8,155
- Staff welfare		7,095	5,935
- Training and development		13,325	11,216
		<u>1,211,596</u>	<u>1,098,004</u>

Staff costs were allocated into the following:

		2021 S\$	2020 S\$
Cost of charitable activities	4	793,333	709,869
Governance and other administrative costs	4	418,263	388,135
		<u>1,211,596</u>	<u>1,098,004</u>

9. Cash and bank balances

	2021 S\$	2020 S\$
Cash on hand	770	770
Cash at bank	328,909	817,493
Fixed deposits	2,384,170	1,752,403
	<u>2,713,849</u>	<u>2,570,666</u>

For the purpose of presenting the statement of cash flows, cash and cash equivalents comprise the following:

	2021 S\$	2020 S\$
Cash and bank balances (as above)	2,713,849	2,570,666
Less: fixed deposits with maturity over 3 months	(1,000,000)	(652,403)
	<u>1,713,849</u>	<u>1,918,263</u>

Fixed deposits at the reporting date had maturity dates ranging from 1 month to 6 months from the reporting date (2020: 1 month to 9 months) and had a weighted average effective interest rate of 0.15% (2020: 0.36%) per annum.

At the reporting date, the carrying amounts of cash and bank balances approximate their fair values.

10. Trade and other receivables

	2021 S\$	2020 S\$
Fee receivables	450	0
Other receivables		
- Deposits	3,912	6,184
- Interest receivables	223	1,980
- Prepayments	10,851	4,264
- Other debtors	3,891	767
Grant receivables		
- MOH - Comit	425,256	172,667
- AIC – Community Care Training Grant	5,355	0
	<u>449,938</u>	<u>185,862</u>

Fee receivables are unsecured and non-interest bearing of the Company.

At the reporting date, the carrying amounts of trade and other receivables approximate their fair values.

11. Property, plant and equipment

2021	Balance at 01.10.2020 S\$	Additions S\$	Written off S\$	Balance at 30.09.2021 S\$
At cost				
Computers	78,817	9,157	0	87,974
Furniture	11,681	331	0	12,012
Fixtures and fittings	700	0	0	700
Office equipment	10,015	7,737	0	17,752
Renovation	222,277	34,652	0	256,929
Rights of use assets – Premises	54,199	0	(19,057)	35,142
Rights of use assets – Copier	7,811	0	0	7,811
	<u>385,500</u>	<u>51,877</u>	<u>(19,057)</u>	<u>418,320</u>
	Balance at 01.10.2020 S\$	Additions S\$	Written off S\$	Balance at 30.09.2021 S\$
Accumulated depreciation				
Computers	78,782	9,153	0	87,935
Furniture	9,272	1,060	0	10,332
Fixtures and fittings	466	234	0	700
Office equipment	8,955	3,407	0	12,362
Renovation	221,935	11,893	0	233,828
Rights of use assets – Premises	33,126	13,020	(19,057)	27,089
Rights of use assets – Copier	1,822	1,563	0	3,385
	<u>354,358</u>	<u>40,330</u>	<u>(19,057)</u>	<u>375,631</u>
	Balance at 01.10.2020 S\$			Balance at 30.09.2021 S\$
Carrying amount				
Computers	35			39
Furniture	2,409			1,680
Fixtures and fittings	234			0
Office equipment	1,060			5,390
Renovation	342			23,101
Rights of use assets – Premises	21,073			8,053
Rights of use assets – Copier	5,989			4,426
	<u>31,142</u>			<u>42,689</u>

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

2020	Balance at 01.10.2019 (as previously reported) S\$	Effect of adopting FRS 116 Leases S\$	Balance at 01.10.2019 (as restated) S\$	Additions S\$	Balance at 30.09.2020 S\$
At cost					
Computers	61,509	0	61,509	17,308	78,817
Furniture	11,681	0	11,681	0	11,681
Fixtures and fittings	700	0	700	0	700
Office equipment	9,318	0	9,318	697	10,015
Renovation	222,277	0	222,277	0	222,277
Rights of use assets - Office units	0	54,199	54,199	0	54,199
Rights of use assets - Copier	0	7,811	7,811	0	7,811
	<u>305,485</u>	<u>62,010</u>	<u>367,495</u>	<u>18,005</u>	<u>385,500</u>

	Balance at 01.10.2019 (as previously reported) S\$	Effect of adopting FRS 116 Leases S\$	Balance at 01.10.2019 (as restated) S\$	Additions S\$	Balance at 30.09.2020 S\$
Accumulated depreciation					
Computers	61,477	0	61,477	17,305	78,782
Furniture	8,110	0	8,110	1,162	9,272
Fixtures and fittings	233	0	233	233	466
Office equipment	7,491	0	7,491	1,464	8,955
Renovation	212,217	0	212,217	9,718	221,935
Rights of use assets - Office units	0	17,988	17,988	15,138	33,126
Rights of use assets - Copier	0	260	260	1,562	1,822
	<u>289,528</u>	<u>18,248</u>	<u>307,776</u>	<u>46,582</u>	<u>354,358</u>

	Balance at 01.10.2019 (as previously reported) S\$	Balance as at 01.10.2019 (as restated)	Balance at 30.09.2020 S\$
Carrying amount			
Computers	32	32	35
Furniture	3,571	3,571	2,409
Fixtures and fittings	467	467	234
Office equipment	1,827	1,827	1,060
Renovation	10,060	10,060	342
Rights of use assets - Office units	0	36,211	21,073
Rights of use assets - Copier	0	7,551	5,989
	<u>15,957</u>	<u>59,719</u>	<u>31,142</u>

12. Leases – The Company as a lessee

Nature of the Company's leasing activities

The Company leases office units and copier for the purpose of office operation.

(a) Carrying amount

Right-of-use ("ROU") assets classified within Property, plant, and equipment

	2021 S\$	2020 S\$
Office units	8,053	21,073
Copier	4,426	5,989
	<u>12,479</u>	<u>27,062</u>

(b) Depreciation charged during the financial year

	2021 S\$	2020 S\$
Office units	13,020	15,138
Copier	1,563	1,562
	<u>14,583</u>	<u>16,700</u>

(c) Interest expense on lease liabilities

	2021 S\$	2020 S\$
Office units	761	1,547
Copier	280	357
	<u>1,041</u>	<u>1,904</u>

(d) Lease expense not capitalised in lease liabilities

	2021 S\$	2020 S\$
Lease expense – short term lease	<u>12,968</u>	<u>12,968</u>

(e) Total cash outflow for all the leases in 2021 was S\$29,273 (2020: S\$31,122).

13. Other payables

	2021 S\$	2020 S\$
Other payables		
- Outside parties	1,045	3,251
- Accruals	42,821	32,739
- Provision for unutilised leaves	45,437	31,328
	<u>89,303</u>	<u>67,318</u>

At the reporting date, the carrying amounts of other payables approximate their fair values.

14. Lease liabilities

	2021 S\$	2020 S\$
Current	10,511	16,059
Non-current	3,104	12,820
	<u>13,615</u>	<u>28,879</u>

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

	01.10.2020 S\$	Cash flows S\$	Non – cash change		30.09.2021 S\$
			Accretion of interest S\$	Other S\$	
Lease liabilities					
- Current	16,059	(16,305)	1,041	9,716	10,511
- Non-current	12,820	0	0	(9,716)	3,104
	<u>28,879</u>	<u>(16,305)</u>	<u>1,041</u>	<u>0</u>	<u>13,615</u>

	01.10.2019 S\$	Cash flows S\$	Non – cash change		30.09.2020 S\$
			Accretion of interest S\$	Other S\$	
Lease liabilities					
- Current	16,250	(18,154)	1,904	16,059	16,059
- Non-current	28,879	0	0	(16,059)	12,820
	<u>45,129</u>	<u>(18,154)</u>	<u>1,904</u>	<u>0</u>	<u>28,879</u>

15. Unrestricted general fund

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

16. Restricted funds

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 company purposes.

Restricted funds comprise:

Better and Happier Youth

This is a component of YES Initiative which seeks to transform philanthropy by being a trusted bridge to impact communities.

Movement of this fund is as follows:

	2021 S\$	2020 S\$
Balance at beginning of financial year	26,538	33,116
Add: Grants received	0	0
Less: Utilisation	<u>(4,675)</u>	<u>(6,578)</u>
Balance at end of financial year	<u>21,863</u>	<u>26,538</u>

Care and Share Matching Grant

Care and Share Matching Grant is a grant from Ministry of Social and Family Development ("MSF"), based on qualifying donations, to develop the charitable agency's capabilities and capacity in the provision of social services and programmes for its beneficiaries. During the financial year ended 30 September 2020, there is a transfer of S\$846 from general fund to Care and Share Matching Grant on 22 February 2021.

Movement of this fund is as follows:

	2021 S\$	2020 S\$
Balance at beginning of financial year	0	(134,437)
Add: Grants received	0	133,591
Less: Utilisation	0	0
Transfer from general fund	<u>0</u>	<u>846</u>
Balance at end of financial year	<u>0</u>	<u>0</u>

Care and Share Matching Grant is ended and fully utilised during the financial year ended 30 September 2020.

Comit@Central

This project aims to develop a community-based Allied Health-led, Community Intervention Team to provide psycho-social therapies, rehabilitation, counselling and case management for clients with mental health issues. The project also supports the primary care physicians in managing clients with mental health needs in the community and provides education, training and support to the clients and their caregivers to equip and enable them to live well in the community.

16. Restricted funds (Cont'd)

Comit@Central (Cont'd)

Movement of this fund is as follows:

	2021 S\$	2020 S\$
Balance at beginning of financial year	0	0
Add: Grants received	108,015	0
Less: Utilisation	(61,644)	0
Balance at end of financial year	<u>46,371</u>	<u>0</u>

Comit@North

This project aims to develop a community-based Allied Health-led, Community Intervention Team to provide psycho-social therapies, rehabilitation, counselling and case management for clients with mental health issues. The project also supports the primary care physicians in managing clients with mental health needs in the community and provides education, training and support to the clients and their caregivers to equip and enable them to live well in the community.

Movement of this fund is as follows:

	2021 S\$	2020 S\$
Balance at beginning of financial year	110,004	93,000
Effect of adopting FRS 116 Leases	0	(32)
Add: Grants received	738,237	726,888
Less: Utilisation	(742,769)	(709,852)
Balance at end of financial year	<u>105,472</u>	<u>110,004</u>

Community Care Day Celebration Fund

This fund is offered by the Agency for Integrated Care (AIC) as part of the inaugural Community Care Day. This is a Community Care Day Celebration Fund that Community Care organisations may tap on to celebrate the occasion with all colleagues in the organisation.

Movement of this fund is as follows:

	2021 S\$	2020 S\$
Balance at beginning of financial year	0	0
Add: Grants received	1,000	500
Less: Utilisation	(1,000)	(500)
Balance at end of financial year	<u>0</u>	<u>0</u>

16. Restricted funds (Cont'd)

Community Care Training Grant ("CCTG")

Offered by the Agency for Integrated Care (AIC). The CCTG provides course fee subsidy to the training and upgrading needs of staff. This grant can be used to subsidize fees of training courses, workshops and conferences. Corporate and support staff may also be funded under this grant to upgrade themselves in areas relevant to their work.

Movement of this fund is as follows:

	Note	2021 S\$	2020 S\$
Balance at beginning of financial year		0	0
Add: Grants received		0	2,526
Less: Utilisation		0	(2,526)
Balance at end of financial year		<u>0</u>	<u>0</u>

CCTG is ended and fully utilised during the financial year ended 30 September 2020.

Community Chest Charity Support Fund

Community Chest Fund is administered by NCSS - *Funding of Capital Expenditure for enhancement to premises.*

Movement of this fund is as follows:

	2021 S\$	2020 S\$
Balance at beginning of financial year	50,000	0
Add: Grants received	50,000	50,000
Less: Utilisation	<u>(13,270)</u>	<u>0</u>
Balance at end of financial year	<u>86,730</u>	<u>50,000</u>

Community Silver Trust

Trust managed by Ministry of Health (MOH) on behalf of the Board of Trustees - The objective of the CST is to encourage donations and provide additional resources for the service providers in the intermediate and long-term care ("ILTC") sector to enhance their capabilities, provide value-added services to achieve higher quality care, and enhance the affordability of step down care for service users and patients. The ILTC sector provides a variety of services that meet both medical and non-medical needs of people with chronic diseases or disability who cannot care for themselves for long periods of time.

Movement of this fund is as follows:

	2021 S\$	2020 S\$
Balance at beginning of financial year	0	0
Add: Grants received	93,958	326,430
Less: Utilisation	<u>(93,958)</u>	<u>(326,430)</u>
Balance at end of financial year	<u>0</u>	<u>0</u>

16. Restricted funds (Cont'd)

NCSS Comchest COVID-19

Comchest grant for expenses for include disinfection, cleaning, buying more personal protective equipment and safety equipment, and business continuity measures.

Movement of this fund is as follows:

	2021 S\$	2020 S\$
Balance at beginning of financial year	1,554	0
Add: Grants received	0	3,000
Less: Utilisation	(1,554)	(1,446)
Balance at end of financial year	<u>0</u>	<u>1,554</u>

Pledge It Forward Campaign

This campaign is led by The Social Co., a partner of Community Chest. The fund is designated for preventive interventions to strengthen families and individuals, for capital expenditure and for capability building for community engagements with the aim of unlocking resources for beneficiaries.

Movement of this fund is as follows:

	2021 S\$	2020 S\$
Balance at beginning of financial year	449	2,173
Add: Grants received	0	0
Less: Utilisation	0	(1,724)
Balance at end of financial year	<u>449</u>	<u>449</u>

Pristine Fund

This fund to support the centre-based providers, in turn benefitting seniors in the Community during the COVID-19 outbreak and heightened precautionary measures.

Movement of this fund is as follows:

	2021 S\$	2020 S\$
Balance at beginning of financial year	0	0
Add: Grants received	300	0
Less: Utilisation	(300)	0
Balance at end of financial year	<u>0</u>	<u>0</u>

16. Restricted funds (Cont'd)**#StrongerTogether Staff Appreciation Fund**

The #StrongerTogether Staff Appreciation Fund is offered by AIC, in collaboration with sponsors, to partners within the community care sector. This fund may be used to appreciate and support the wellbeing of staff for their dedication in service amidst the COVID-19 situation.

Movement of this fund is as follows:

	2021 S\$	2020 S\$
Balance at beginning of financial year	(960)	0
Add: Grants received	2,000	0
Less: Utilisation	<u>(1,040)</u>	<u>(960)</u>
Balance at end of financial year	<u>0</u>	<u>(960)</u>

The Sayang Sayang Fund

The Sayang Sayang Fund is a Community Impact Fund started by the Community Foundation of Singapore (CFS) to provide support for the frontline healthcare and ancillary workers, as well as the vulnerable communities such as seniors and families who are impacted by the novel coronavirus (COVID-19) outbreak and heightened precautionary measures. Community Care organisations may tap on this fund to appreciate and thank all colleagues in the organisation during this period.

Movement of this fund is as follows:

	2021 S\$	2020 S\$
Balance at beginning of financial year	0	0
Add: Grants received	0	1,000
Less: Utilisation	<u>0</u>	<u>(1,000)</u>
Balance at end of financial year	<u>0</u>	<u>0</u>

The Sayang Sayang Fund is ended and fully utilised during the financial year ended 30 September 2020.

Net assets of the restricted funds

2021	Cash and bank balances S\$	Trade and other receivables S\$	Property, plant and equipment S\$	Total S\$
Better and Happier Youth	21,863	0	0	21,863
Comit@Central	(58,244)	104,615	0	46,371
Comit@North	(215,177)	320,641	8	105,472
Community Care Training Grant	(5,355)	5,355	0	0
Community Chest Charity Support Fund	60,191	0	26,539	86,730
Pledge It Forward Campaign	449	0	0	449
	<u>(196,273)</u>	<u>430,611</u>	<u>26,547</u>	<u>260,885</u>

16. Restricted funds (Cont'd)

Net assets of the restricted funds (Cont'd)

2020	Cash and bank balances S\$	Trade and other receivables S\$	Property, plant and equipment S\$	Total S\$
Better and Happier Youth	26,538	0	0	26,538
Comit@North	(62,437)	172,218	223	110,004
Community Chest Charity Support Fund	50,000	0	0	50,000
NCSS Comchest Covid-19	1,554	0	0	1,554
Pledge It Forward Campaign	0	449	0	449
#StrongerTogether Staff Appreciation Fund	(960)	0	0	(960)
	<u>14,695</u>	<u>172,667</u>	<u>223</u>	<u>187,585</u>

17. Related party transactions

There were no related party transactions during the financial year ended 30 September 2021 and 30 September 2020.

The Company is governed by the Board of directors who are volunteers and receive no monetary remuneration for their contributions.

A related party includes the Executive Board and key management personnel of the Company. It includes an entity or person that directly or indirectly controls, is controlled by, or is under common control or joint control with these persons. It also includes close members of the family of any individuals referred to herein and others who have the ability to control, jointly control or significantly influence by or for which significant voting power in such entity resides or indirectly any such individual. Key management personnel of the Company is Executive Director.

The remuneration of key management personnel during the financial year are as follows:

	2021 S\$	2020 S\$
Salaries and other short-term benefits	98,250	106,350
Post-employment benefits – contribution to CPF	<u>12,773</u>	<u>11,790</u>

	2021 No. of key management personnel	2020 No. of key management personnel
Remuneration band (S\$)		
Below S\$100,000	2	0
Between S\$100,001 to S\$150,000	<u>0</u>	<u>1</u>

The remuneration of key management personnel is determined by the Board of Directors.

18. Jobs support scheme

During the financial year, the Company recognised income of S\$97,264 (2020: S\$170,896) from Jobs Support Scheme (JSS). This amount is determined based on the number of eligible staff including those assigned to unrestricted fund and restricted funds. However, the Board is of the view that there is no obligation to allocate the JSS grant income to these funds. Having considered the financial position of the restricted funds, the Board decided to recognise the JSS grant income wholly under unrestricted fund and to apply it as it deemed appropriate in accordance with the Company's vision and mission.

19. Management of conflict of interest

There is no paid staff on the Company's Board of Directors.

The Board of directors are required to disclose any interest that they may have, whether directly or indirectly, that the Company may enter into or in any organisation that the Company has dealings with or is considering dealing with and any personal interests accruing to him as one of the Company's supplier, user of services or beneficiary. Should there be any potential conflict of interest, the affected member of the Board may not vote on the issue that was the subject matter of the disclosure. Detailed minutes will be taken on the disclosure as well as the basis for arriving at the final decision in relation to the issue at stake.

20. Financial instruments

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 bank balances	2,713,849	2,570,666
Trade and other receivables (excluding prepayments)	439,087	181,598
	<u>3,152,936</u>	<u>2,752,264</u>
Financial liabilities, at amortised cost		
Other payables	89,303	67,318
Lease liabilities	13,615	28,879
	<u>102,918</u>	<u>96,197</u>

21. Financial risk management

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

Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligation, resulting in financial loss to the Company.

Risk management

The Company adopts the following policy to mitigate the credit risk.

For banks and financial institutions, the Company mitigates its credit risks by transacting only with a counterparty who are rated "A" and above by independent rating agencies.

The Company has no significant concentration of credit risk.

21. Financial risk management (Cont'd)

Credit risk (Cont'd)

Impairment of financial assets

The Company does not expect to incur material credit losses on their risk management of financial assets.

Financial assets that are neither past due nor impaired are mainly deposits with banks with high credit-ratings assigned by international credit-rating agencies.

There are no credit loss allowance for financial asset at amortised cost as at 30 September 2021 and 2020.

Liquidity risk

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

The Board of Directors exercises prudent liquidity and cash flow risk management policies and aims at maintaining an adequate level of liquidity and cash flow at all times.

The table below summarises the profile of the Company's financial liabilities at the reporting date based on contractual undiscounted payments.

	Within one year S\$	Later than one year but not later than five years S\$	Total S\$
2021			
Financial liabilities, at amortised cost			
Other payables	89,303	0	89,303
Lease liabilities	11,305	3,392	14,697
	<u>100,608</u>	<u>3,392</u>	<u>104,000</u>

	Within one year S\$	Later than one year but not later than five years S\$	Total S\$
2020			
Financial liabilities, at amortised cost			
Other payables	67,318	0	67,318
Lease liabilities	16,305	14,157	30,462
	<u>83,623</u>	<u>14,157</u>	<u>97,780</u>

21. Financial risk management (Cont'd)**Interest rate risk**

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

The Company does not expect any significant effect on the Company'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.

Sensitivity analysis for interest rate risk

At the reporting date, the interest rate profile of the Company's interest-bearing financial instruments was as follows:

	2021 S\$	2020 S\$
Fixed rate instruments		
<u>Financial assets</u>		
Fixed deposits	<u>2,384,170</u>	<u>1,752,403</u>
<u>Financial liabilities</u>		
Borrowings	<u>13,615</u>	<u>28,879</u>

The sensitivity analysis is based on changes in the interest rates of variable rate financial instruments.

Sensitivity analysis for interest rate risk is not presented as the Company do not have significant exposure to market risk for changes in interest rate.

At the reporting date, the Company does not have variable rate interest-bearing financial instruments.

22. Fair values

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

The fair values of non-current lease liabilities carried at amortised cost are estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Company for similar financial liabilities.

23. Conflict of interest policy

Whenever a member of the Board of Directors is in any way, directly or indirectly, has an interest in a transaction or project or other matter to be discussed at a meeting, the member shall disclose the nature of his interests before the discussion on the matters begins.

The member concerned should not participate in the discussion or vote on the matter, and should also offer to withdraw from the meeting and the Board of Directors shall decide if this should be accepted.

24. Reserve policy and position

The Company's reserve position for financial year ended 30 September 2021 is as follows:

		2021	2020	Increase / (Decrease)
		S\$'000	S\$'000	%
A	Unrestricted funds			
	Accumulated general funds	2,841	2,504	13
B	Restricted or Designated funds			
	Designated funds	0	0	0
	Restricted funds	263	188	40
C	Endowment funds	0	0	0
D	Total funds	3,104	2,692	15
E	Average past 2 years annual operating expenditure	1,178	1,034	14
F	Ratio of funds to average past 2 years' annual operating expenditure (A/E)	2.41	2.42	

Reference:

- C. An endowment fund consists of assets, funds or properties, which are held in perpetuity, which produce annual income flow for a company 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 charitable activities and governance and other administrative costs.

The Company's Reserve Policy is as follows:

The reserves that we have set aside provide financial stability and the means for the development of our principal activity. We intend to establish our reserves at a level of 3 years of its past 2 years' average expenditure through increasing awareness of our activities, seeking more donors both private and corporate and fund raising efforts. The Board reviews yearly the amount of reserves that are required to ensure that they are adequate to fulfil our continuing obligations.

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

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 nature of the Company's business are mainly in providing therapy and psycho-education to persons in the community in need of assistance with their mental health. Since the outbreak of COVID-19, the Company has progressively adapted its operations to cater to the situation. Below is the summary of the impact of COVID-19 on the Company's financial performance reflected in the set of financial statements for the financial year ended 30 September 2021:

- i. The Company 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 environment.
- ii. In 2021, the Company received rental rebates for its office rental. The effects of such rental concessions received are disclosed in Notes 4.
- iii. The government has also implemented assistance measures which might mitigate some of the impact of COVID-19 on the Company's results and liquidity. The changes in government support and assistance will be reflected in the financial performance in Financial Year 2022.

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

As the global COVID-19 situation remains very fluid as at the date these financial statements were authorised for issuance, the Company 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 30 September 2022. If the situation persists beyond management's current expectations, there is a possibility that donation income will be negatively impacted.

26. Authorisation of financial statements

The financial statements for the financial year ended 30 September 2021 were authorised for issue in accordance with a resolution of the Board of Directors of the Company on 3 March 2022