SSVP Ltd

Affiliate of
Society of St Vincent de Paul
National Council of Singapore

Annual Report for Financial Year Ended
28 February 2019 to
31 December 2019
("FYE 2019")

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1. About SSVP Ltd.

1.1 Legal status

SSVP Ltd. is a company limited by guarantee incorporated under the Companies Act (Cap. 50 of Singapore) on 28 February 2019. It is also registered as a charity under the Charities Act (Cap. 37 of Singapore) on 20 August 2019.

Company Registration No.	:	201906514D
Governing Instrument	:	Constitution
Registered Address	:	501 Geylang Road, Singapore (389459)
Auditors	:	Veronica L & Associates
Bankers	:	DBS Bank Ltd.

SSVP Ltd. is an affiliate of the Society of St Vincent de Paul (National Council of Singapore) (the "**Society**"), a Singapore registered charity.

1.2 Our Vision

That the poor and marginalised whom we serve become self-reliant and lead fulfilling and dignified lives.

1.3 Our Mission

To serve and journey with the poor and marginalised, regardless of their race, nationality and religion, bringing them hope for a better life and a better future.

1.4 Our Objects

SSVP Ltd's objects, as set out in its constitution are:

(a) To seek out and find those in need, and the forgotten, the marginalized, the victims of exclusion or adversity in Singapore (collectively the "poor"); and

(b) To serve the poor by providing any form of assistance, care, guidance, support, relief and/or training that may alleviate suffering or deprivation and promote human dignity and personal integrity in all their dimensions,

with compassion and for the benefit of all the poor who are resident in Singapore regardless of creed, ethnic or social background, health, gender or political opinion.

2. Message from the Chairperson

We are pleased to submit our first Annual Report to you.

SSVP Ltd. was established in February 2019 to collaborate with and supplement the mission of the Society of St Vincent de Paul (National Council of Singapore) in serving and journeying with the less privileged in Singapore. Together, we are working closely to alleviate the dire plight of our FINs (Friends in Need), helping them to achieve self-reliance and to lead fulfilling and dignified lives.

We have started by focusing our efforts on the Milk and Diaper Program in the provision of free milk and diapers to babies and infants up to 3 years. By providing the needy with proper nourishment and hygiene basics, we are helping the next generation at this critical stage of their lives to break out of the poverty cycle.

Our FINs face complex social, medical and family issues. The social workers of SSVP Ltd's Community Services Office offer counselling and assistance with development programs to address these important issues.

From this humble beginning, we plan to undertake other significant initiatives in the years to come to do more for the needy and vulnerable people in Singapore.

We take this opportunity to thank our generous benefactors and our tireless volunteers and staff for their support and in journeying with us.

We pray for God's guidance and enlightenment for our mission - of sharing His Love for our FINs and in giving them Hope for a better future and the fullness of life ahead.

With the Lord's Peace, Love and Blessing.

Yours truly

Dr. Michael Thio
Chairperson
SSVP Ltd.

3. Governance & Organisational Structure

3.1 Board of Directors

SSVP Ltd. is governed by a board of directors ("**Board**"), the body responsible for overseeing and managing the company. For the financial year ended 31 December 2019 ("**FYE 2019**"), the Board comprised:

NAME	CURRENT DESIGNATION	DATE OF FIRST APPOINTMENT IN CURRENT DESIGNATION	DATE OF LAST RE-ELECTION
Thio Yauw Beng Michael	Chairperson Non-Executive Director Past appointment as other relevant officer: Not Applicable Occupation: Business Consultant	28 February 2019	Not Applicable
Tan Mon Ching Florence	Non-Executive Director Past appointment as other relevant officer: Not Applicable Occupation: Business Consultant	28 February 2019	Not Applicable
Philip Seah Cheng Chua	Non-Executive Director Past appointment as other relevant officer: Not Applicable Occupation: Business Consultant	28 February 2019	Not Applicable
Lim Keng Soon Stanley	Non-Executive Director Past appointment as other relevant officer: Not Applicable	28 February 2019	Not Applicable

NAME	CURRENT DESIGNATION	DATE OF FIRST APPOINTMENT IN CURRENT DESIGNATION	DATE OF LAST RE-ELECTION
	Occupation: Financial Services Manager		
Chan Yuen Leng	Non-Executive Director Past appointment as other relevant officer: Not Applicable Occupation: Advocate & Solicitor, Singapore	28 February 2019	Not Applicable

3.2 Treasurer

Our Treasurer is Foo Mow Chuan Patrick, a key volunteer appointed by the Board to be in charge of financial matters of SSVP Ltd.

3.3 Our Employees

SSVP Ltd. has two full-time employees who are trained social workers. They head SSVP Ltd.'s Community Services Office. The Community Services Office assesses and evaluates the circumstances and problems faced by SSVP Ltd's beneficiaries (known as our "Friends-in-Need") objectively and develop appropriate assistance plans for them.

3.4 Volunteers

SSVP Ltd's programs are run by its team of dedicated volunteers, reporting to the Board. At the time of this report it has 180 volunteers.

4. Review of Financial Statements and Explanation of Major Financial Transactions in FYE 2019

4.1 Summary Consolidated Financial Performance

Total Revenue $ $151,583

Total Expenditure: $39,587.00

A total of $151,583 was raised through donations during the financial year. $118,423 was raised by Milk and Diaper volunteers through their network of friends and family. $3160 was donation from the general public and $30,000 was a grant from the Society to SSVP Ltd.

4.2 Major Financial Transactions

The only major expenditure was $34,388 being purchases of milk powder and diaper for our Milk & Diaper Programme.

4.3 Principal Sources of Funds

SSVP Ltd. was supported entirely through generous donations from the public and a $30,000 grant from the Society.

5. Our Programmes & Activities

5.1 Milk & Diaper Programme ("MaD")

The Board approved the MaD in October 2019. MaD provides free milk and diaper to children up to 3-year old from needy families across Singapore. Infant milk powder and diapers are very expensive and parents of low income families struggle to provide proper nourishment for infants and toddlers during this crucial stage of their growth and development. The MaD aims to alleviate the hardships of these families by providing milk powder and diaper to infants and toddlers as well as children with special needs.

Through the MaD, our volunteers befriend and journey with the families to provide the necessary support to mitigate the social isolation experienced by families with complex needs.

In FYE 2019, SSVP Ltd provided milk and diaper to about 166 babies.

5.2 Community Services Office

SSVP Ltd took over management of the social office of the Society on 1 November 2020.

Many Friends-in-Need face complex social, medical and family issues. Our professional social workers handle such complex cases referred to them from the Society. They assess and evaluate the circumstances and problems faced by these Friends-in-Need objectively and develop an appropriate assistance plan for them. Such plans often require a multi-agency approach that requires a co-ordinated response from various agencies such as the Ministry of Social & Family Development, Housing and Development Board, Social Service Offices, Family Service Centres and Catholic Welfare Services. Without such professional help, our Friends-in-Need may not be aware of or be able to assess the network of social safety nets that are available to them.

In FYE 2019, SSVP Ltd's Community Services Office attended to 238 cases.

6. Looking Forward

SSVP Ltd plans to collaborate with the Society of St Vincent de Paul (National Council of Singapore) in identifying strategic priorities with respect to new areas and services that can be delivered to the poor in response to the changing beneficiary and client needs.

7. Governance

7.1 Board of Directors

The Board determines SSVP Ltd.'s strategic goals and direction, oversee its management and operations with the assistance of the Treasurer, as well as manage and administer all organizational funds.

The Board has a collective responsibility for the following:

(a) Provide leadership, set strategic directions and goals for SSVP Ltd. to meet its objectives;

(b) Formulate policies and establish a framework of effective controls for risk assessment and management; and

(c) Safeguard SSVP Ltd's core values, ethics and culture.

7.2 Term Limits

Under the SSVP Ltd. Constitution, one-third of the directors or, if their number is not three or a multiple of three, then the number nearest one-third, must retire from office at each annual general meeting. A retiring director is eligible for re-election.

The Treasurer (or the equivalent appointment like a Finance Committee Chairman or a director responsible for overseeing the finances of SSVP Ltd.) shall not hold the same office for more than four consecutive years. Re-appointment of an outgoing Treasurer (or equivalent appointment) may only be considered after a lapse of at least 2 years.

7.3 Board Meetings and Attendance

A total of two Board meetings were held during FYE 2019. The following sets out each director's attendance at Board meetings:

NAME OF Director	PERCENTAGE OF ATTENDANCE
Thio Yauw Beng Michael	100%
Tan Mon Ching Florence	100%
Philip Seah Cheng Chua	0*%
Lim Keng Soon Stanley	100%
Chan Yuen Leng	100%

* *Was outstation on both occasions.*

7.4 Disclosure of Remuneration and Benefits received by directors

No director was paid any remuneration for their services as Board member in FYE 2019.

7.5 Disclosure of Remuneration of Staff

None of the staff of SSVP Ltd. received an annual remuneration of $100,000 or more in FYE 2019.

SSVP Ltd. has no paid staff who are close members of the family of any director.

7.6 Conflict of Interests Policy

SSVP Ltd. requires all directors to submit an annual conflict of interest declaration in the form provided by SSVP Ltd. at the end of each financial year.

SSVP Ltd directors are also required to declare, as soon as they are aware, that they have any conflict of interest or potential conflict of interest in relation to any transaction or matter involving SSVP Ltd.

Directors are not allowed to vote on any matters in which they have a conflict of interest. They are also not allowed to participate in any discussion on matters in which they are personally interested. A director is required to recuse himself or herself from any meeting where such discussion takes place. The reason for how a final decision is made on the matter is also required to be recorded in the minutes of meeting.

For and on behalf of the Board of Directors

Dr. Michael Thio
Chairperson
18 July 2020

SSVP LTD.

Company's Registration: 201906514D
(Incorporated in the Republic of Singapore)

DIRECTORS' STATEMENT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM
28 FEBRUARY 2019 (DATE OF INCORPORATION) TO 31 DECEMBER 2019

VLA Veronica L & Associates
Chartered Accountants of Singapore

General Information

Directors	:	Chan Yuen Leng (Appointed on 28.02.2019) Lim Keng Soon Stanley (Appointed on 28.02.2019) Philip Seah Cheng Chua (Appointed on 28.02.2019) Tan Mon Ching Florence (Appointed on 28.02.2019) Thio Yauw Beng Michael (Appointed on 28.02.2019)
Secretary	:	Chan Yuen Leng (Appointed on 28.02.2019)
Registered office	:	501 Geylang Road Singapore 389459
Banker	:	DBS Bank Ltd

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Directors' Statement

For the financial year ended 31 December 2019

The directors present the statement to the members together with the audited financial statements of the Company for the financial period from 28 February 2019, the date of incorporation to 31 December 2019.

Opinion of the Directors

In the opinion of the Board of Directors,

(a) the accompanying financial statements of the Company are drawn up so as to give a true and fair view of the financial position of the Company as at 31 December 2019 and the financial performance, changes in accumulated fund and cash flows of the Company for the financial period 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.

The Board of Directors has, on the date of this statement, authorized these financial statements for issue.

Directors

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

Chan Yuen Leng (Appointed on 28.02.2019)
Lim Keng Soon Stanley (Appointed on 28.02.2019)
Philip Seah Cheng Chua (Appointed on 28.02.2019)
Tan Mon Ching Florence (Appointed on 28.02.2019)
Thio Yauw Beng Michael (Appointed on 28.02.2019)

Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial period was the Company a party to any arrangement 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 and does not have a share capital, matters relating to the issue of shares or share options are not applicable.

Independent Auditor

The independent auditor, Veronica L & Associates, has expressed willingness to accept re-appointment.

On behalf of the Board of Directors

TAN MON CHING FLORENCE	**THIO YAUW BENG MICHAEL**
Director	Director

Date: 20 JUL 2020

VLA Veronica L & Associates (T10PF8000G)
Public Accountants and Chartered Accountants Singapore
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廖桂蔼会计公司
（特许会计师）

Independent Auditor's Report to the Members of
SSVP Ltd. (Registration No: 201906514D)

Report on the Audit of the Financial Statements

Opinion
We have audited the accompanying financial statements of SSVP Ltd. (the "Company"), which comprise the statement of financial position of the Company as at 31 December 2019, and the statement of comprehensive income, statement of changes in equity and statement of cash flows of the Company for the period 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 Charities Act, Chapter 37 and other relevant regulations (the "Charities Act and Regulations"), the Companies Act, Chapter 50 (the "Act") 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 2019 and of the financial performance, changes in accumulated fund and cash flows of the Company for the period 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 pages 1 to 2.

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

In connection with our audit 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 audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 Charities Act and Regulations, the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorized use or disposition; and transactions are properly authorized 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.

Independent Auditor's Report to the Members of
SSVP Ltd. (Registration No: 201906514D)

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 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.

- 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.

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 Charities Act.

Veronica L & Associates
Public Accountants and
Chartered Accountants
Singapore
Date: 20 JUL 2020

Statement of Financial Position
As At 31 December 2019

	Note	2019 $
ASSETS		
Current assets		
Cash and cash equivalents	4	127,854
Total current assets		127,854
Total assets		**127,854**
LIABILITIES AND FUNDS		
Current liabilities		
Other payables	5	15,858
Total current liabilities		15,858
Total Liabilities		15,858
Accumulated Funds		
General fund		28,124
Milk and diaper fund	3	83,872
Total Funds		111,996
Total liabilities and funds		**127,854**

Statement of Comprehensive Income
For the financial period ended 31 December 2019

	28.02.2019 to 31.12.2019 $
Income	
General donations	33,160
Less: Expenditure	
Bank charges	36
Printing and stationery	300
Professional fees	4,700
Total expenditure	5,036
Net surplus for the period	**28,124**

Statement of Changes in Funds

For the financial period ended 31 December 2019

	General Fund	Milk and Diaper Fund	Total
	$	$	$
At 28 February 2019 - date of incorporation	-	-	-
Net surplus for the period	28,124	83,872	111,996
At 31 December 2019	28,124	83,872	111,996

Statement of Cash Flows
For the financial period ended 31 December 2019

	Note	28.02.2019 to 31.12.2019 $
Operating Activities		
Surplus for the period		28,124
Adjustments for non-cash items		-
Operating cash flow before movements in working capital		28,124
Other payables		15,858
Net cash inflow from operating activities		43,982
Financing Activities		
Net movement in Milk and Diaper fund, representing net cash inflow from financing activities		83,872
Net cash increase in cash and cash equivalents and balance at end of period	4	127,854

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

1. General Information

The Company is incorporated and domiciled in Singapore. The registered and business address is located at 501 Geylang Road, Singapore 389459.

The principal activities of the company are to provide charitable and other supporting activities aimed at humanitarian work and to provide other social services.

The Company is limited by its member's guarantee to contribute to the assets of the Company up to $100 each member in the event of it being wound up.

The Company obtained charity status on 20 August 2019 with UEN 201906514D and registered under Singapore Charities Act, Chapter 37.

There have been no significant changes in the nature of these activities during the financial period.

2. Significant Accounting Policies

2.1 Basis of preparation

The financial statements have been drawn up in accordance with the provisions of the Charities Act, Chapter 37 and other relevant regulations, the Companies Act, Chapter 50 and Financial Reporting Standards in Singapore ("FRSs") including related interpretations of FRS (INT FRS). The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The accounting policies have been consistently applied by the Company.

The financial statements are measured and presented in the currency of the primary economic environment in which the entity operates. The financial statements of the Company are presented in Singapore Dollars, which is the functional currency of the Company.

New and Revised Standards

In the current financial year, the Company has adopted all the new and revised FRSs and Interpretations of FRSs ("INT FRSs") that are relevant to its operations and effective for the current financial year. The adoption of these new and revised FRSs and INT FRSs did not have any material effect on the financial statements.

New standards, amendments to standards and interpretations that have been issued at the end of the reporting period but are not yet effective for the financial year ended 31 December 2019 have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Company.

2.2 Significant accounting judgments and estimates

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

(i) Judgments made in applying accounting policies

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

Impairment of financial assets

The determination of whether a financial asset is impaired requires significant judgment. The Company evaluates, among other factors, the duration and extent to which the fair value of financial asset is less than its cost, and the financial health of and near-term business outlook for the financial assets, including factors such as industry performance, changes in technology and operational and financing cash flow.

(ii) Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, 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 –

Impairment of non-financial assets

The Company's assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. Non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset and choose a suitable discount rate in order to calculate the present value of those cash flows.

2.3 Financial instruments

(i) Financial assets

Initial recognition and measurement

Financial assets are recognized 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 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.

2.3 Financial instruments – continued

(i) Financial assets – continued

Subsequent measurement

Investments in debts instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are amortized cost, fair value through other comprehensive income ("FVOCI") and FVPL. The Company only has debt instruments at amortized cost.

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Financial assets are measured at amortized cost using the effective interest method, less impairment. Gains and losses are recognized in statement of comprehensive income when the assets are derecognized or impaired, and through the amortization process.

Derecognition

A financial asset is derecognized 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 recognized in other comprehensive income for debt instruments is recognized in profit or loss.

(ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognized 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 recognized 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 amortized cost using the effective interest method. Gains and losses are recognized in profit or loss when the liabilities are derecognized, and through the amortization process.

Derecognition

A financial liability is derecognized 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 recognized in profit or loss.

2.4 Cash and cash equivalents

For the purposes of statement of cash flows, cash and cash equivalents comprise cash on hand and deposits with financial institutions which are subject to an insignificant risk of change in value.

2.5 Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.6 Income taxes

The Company has been registered as a Charity under the Singapore Charities Act and is exempted from income tax under the provisions of the Income Tax Act Cap. 134.

2.7 Revenue recognition

Revenue is recognized to the extent that the Company becomes entitled to the income, when it is probable that the income will be received; and when the amount of the income can be measured with sufficient reliability.

Donations are recognized as and when they are received.

3. Milk and Diaper Fund

	2019 $
Milk and diaper donations	118,423
Less: Expenditure	
Bank charges	3
Milk and diaper purchases	34,388
Transport expenses	160
	34,551
Net surplus for the period	83,872

The Milk and Diaper Fund will operate for a duration of two years from 1 October 2019 and may thereafter be renewed by the Board of Directors.

4. Cash And Cash Equivalents

	2019
	$
Cash held at bank	127,854

The carrying amounts of cash and cash equivalents approximate their fair value and are denominated in Singapore dollars at the end of the reporting period.

5. Other Payables

	Note	2019
		$
Accrued operating expenses		5,000
Amount due to related party	8	10,858
		15,858

The carrying amounts other payables approximate their fair value and are denominated in Singapore dollars at the end of the reporting period.

6. Revenue

	2019
	$
General donations	33,160

Donation received in cash comes from members and third party online donation via Giving.sg.

7. Administrative Expenses

There were no staff costs during the financial period as the Company does not have any employees. Administrative support to the Company is provided by the directors.

8. Related Party Transactions

FRS 24 defines a related party as the trustees/office bearers and key management of the Company. It includes:

(a) A person or a close member of that person's family of that person;
- (i) Has control or joint control over the reporting entity;
- (ii) Has significant influence over the reporting entity; or
- (iii) Is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

9. Related Party Transactions - Continued

(b) An entity is related to the reporting entity if any of the following conditions apply:
- (i) The entity and the reporting entity are members of the same group;
- (ii) One entity is an associate or joint venture of the other entity;
- (iii) Both entities are joint ventures of the same third party;
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity;
- (vi) The entity is controlled or jointly controlled by a person identified in (a);
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

Key management personnel include the chief executive officer and the direct reporting senior officers.

10. Financial Instruments And Financial Risks

The Company's activities expose it to a variety of financial risks. The Company's approaches in managing those risks are discussed below: -

(i) <u>Market risks</u>

Market risk is the risk that the value of a financial instrument will fluctuate due to changes in market prices whether those changes are caused by factors specific to the individual security or its issuer or factors affecting all securities traded in the market.

The Company does not hold any quoted or marketable financial instrument, hence is not exposed to any movements in market prices.

Interest rate risks

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 changes in interest rates relates mainly to its surplus funds placed with banks. The deposits generally have short-term maturities so as to provide the Company with the flexibility to meet its working capital needs.

Based on sensitivity analysis performed at the end of the reporting period, management has assessed that the exposure to changes in interest rates is minimal and hence the resulting impact on the statement of the comprehensive income of the Company is insignificant.

Foreign currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

The Company's operational activities are carried out in Singapore dollars, which is the functional currency. All transactions are paid for in local currency. There is no exposure to any risk arising from movements in foreign currency exchange rate as the Company has no transactions in foreign currency.

10. Financial Instruments And Financial Risks - Continued

(ii) Liquidity risks

The Company manages the liquidity risk by maintaining sufficient cash for its funding requirements.

(iii) Credit risks

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. Receivable balances are monitored as an ongoing basis.

The carrying amount of cash and cash equivalents and other receivables represent the Company's maximum exposure to credit risk in relation to financial assets. No other financial assets carry a significant exposure to credit risk.

The Company places its cash with creditworthy institutions.

11. Fair Value

The fair value of a financial instrument is the amount at which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction, other than in a forced or liquidation sale.

Financial instruments whose carrying amounts approximate fair value

Management has determined that the carrying amounts of cash on hand and at bank, and other payables based on their notional amounts, reasonably approximate their fair values because these are mostly short term in nature.

The fair value of financial assets and liabilities are determined as follows:

(1) The fair values of financial assets and liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices.

(2) The fair value of derivative instrument are determined using the market-to-market valuations available from financial institutions, estimated using generally accepted pricing models, taking into consideration duration of the instruments and quotes for similar instrument.

At the end of the reporting date, the Company does not have any financial instruments which will require disclosure of fair value measurements by level of fair value hierarchy.

12. Fund Management

The Company's objectives when managing its funds are to safeguard and maintain adequate working capital to continue as a going concern. The directors consider the accumulated fund as the capital of the Company and no changes were made to the Company's fund management objectives during the financial period ended 31 December 2019.

13. Incorporation And Commencement Of Operations

The Company was incorporated on 28 February 2019 and it commence operations on 1 March 2019.