ACRA

ALIFE LTD.

Company Registration Number: 200204369H

FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
30 JUNE 2019

CONTENTS

DIRECTORS' STATEMENT
For the financial year ended 30 June 2019

The directors present their statement to the members together with the audited financial statements of ALIFE LTD. (the "Company") for the financial year ended 30 June 2019.

1 OPINION OF THE DIRECTORS

In the opinion of the directors,

(i) 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 June 2019 and the financial performance, changes in funds and cash flows of the Company for the financial year ended on that date in accordance with the provisions of the Singapore Companies Act, Chapter 50 and the Singapore Charities Act, Chapter 37 and;

(ii) at the date of this statement there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

2 DIRECTORS

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

Dr. Peter Chew Chee Tong	
Wong Siew Yan	
Dr. Gamaliel Tan Yu-Heng	
Raphael Lee Chin-Hong	
Suppiah Ep Cavert Maleena	(Appointed on 22 July 2019)
San Saw Woon	(Appointed on 3 April 2019)
Siew Yeow Loye	(Appointed on 17 November 2018)
Ong Kek Seng Roger	(Appointed on 17 November 2018)

Under Article 7 of its Articles of Association, the members of the Company guarantee to contribute a sum not exceeding $2 per member to the assets of the Company in the event of it being wound up.

As at 30 June 2019, the Company has 3 members (2018: 3 members)

3 ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

The Company is limited by guarantee and has no share capital. As such, none of the directors holding office at the end of the financial year are a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares and debentures of the Company or any other body corporate.

4 DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

As the Company is limited by guarantee and has no share capital, none of the directors holding office at the end of the financial year had an interest in the Company or any other related corporation at the beginning of the financial year, or at the date of appointment if later, or at the end of the financial year.

5 SHARE OPTIONS

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.

6 AUDITORS

Helmi Talib & Co has expressed its willingness to accept re-appointment as auditors.

On behalf of the Board of Directors

CHEW CHEE TONG
Director

WONG SIEW YAN
Director

Date: 31/11/19

Helmi Talib & Co

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ALIFE LTD.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of ALIFE LTD. (the "Company"), which comprise the statement of financial position of the Company as at 30 June 2019, 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 "Act"), the Singapore 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 June 2019 and of the financial performance, changes in 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 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 the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

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Responsibilities of Management and Those Charged with Governance for the Financial Statements (Continued)

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 and their responsibilities include overseeing the Company's financial reporting process.

Auditors' 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 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.

Helmi Talib & Co

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 caused us to believe that during the financial year;

(a) the use of the donation moneys was not in accordance with the objective of the Company 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 (Fund-raising expenses) of the Charities (Institutions of a Public Character) Regulations.

HELMI TALIB & CO
Public Accountants and
Chartered Accountants

Singapore

Date: 09 NOV 2019

Partner-in-charge : Suriyati binti Mohamed Yusof
PAB No. : 01627

ALIFE LTD.
Company Registration Number: 200204369H

STATEMENT OF FINANCIAL POSITION
For the financial year ended 30 June 2019

	Note	2019 SGD	2018 SGD
ASSETS			
Non-current assets			
Plant and equipment	6	7,113	14,226
Total non-current assets		7,113	14,226
Current Assets			
Other receivables	7	2,998	9,516
Cash and cash equivalents	8	420,987	560,225
Total current assets		423,985	569,741
TOTAL ASSETS		431,098	583,967
LIABILITIES AND FUNDS			
Liabilities			
Current liabilities			
Other payables	9	25,795	22,342
Total current liabilities		25,795	22,342
Total Liabilities		25,795	22,342
Funds			
Unrestricted funds			
General fund		388,476	1,447,085
Total unrestricted funds		388,476	1,447,085
Restricted funds			
Caterpillar Club Fund	10(a)	16,827	18,684
Care and Share Matching Grant	10(b)	-	(904,144)
Total restricted funds		16,827	(885,460)
Total Funds		405,303	561,625
TOTAL LIABILITIES AND FUNDS		431,098	583,967

The accompanying notes form an integral part of these financial statements

STATEMENT OF FINANCIAL ACTIVITIES
For the financial year ended 30 June 2019

	Note	2019 Unrestricted Funds SGD	2019 Restricted Funds SGD	2019 Total Funds SGD	2018 Total Funds SGD
INCOME					
Income from generated fund					
Voluntary income		157,028	280	157,308	203,787
Investment income		2,238	-	2,238	3,181
		159,266	280	159,546	206,968
Income from charitable activities					
Charitable income		30,799	52,735	83,534	42,098
TOTAL INCOME		190,065	53,015	243,080	249,066
EXPENDITURES					
Cost of generating fund		(932)	-	(932)	(12,686)
Cost of charitable activities		(41,755)	(351,950)	(393,705)	(404,829)
Governance costs		(4,765)	-	(4,765)	(3,500)
TOTAL EXPENDITURES		(47,452)	(351,950)	(399,402)	(421,015)
NET (EXPENDITURE) INCOME FOR THE FINANCIAL YEAR	5	142,613	(298,935)	(156,322)	(171,949)

The accompanying notes form an integral part of these financial statements

ALIFE LTD.
Company Registration Number: 200204369H

STATEMENT OF CHANGES IN FUNDS
For the financial year ended 30 June 2019

	Unrestricted Funds	Restricted Funds			
	General Fund SGD	Caterpillar Club Fund SGD	Care and Share Matching Grant SGD	Total Restricted Funds SGD	Total Funds SGD
Balance as at 30 June 2017	1,287,447	21,767	(575,640)	(553,873)	733,574
Net (expenditure) income for the financial year	159,638	(3,083)	(328,504)	(331,587)	(171,949)
Balance as at 30 June 2018	1,447,085	18,684	(904,144)	(885,460)	561,625
Net (expenditure) income for the financial year	142,613	(1,857)	(297,078)	(298,935)	(156,322)
Gross transfer to (from) funds					
Cost allocated to (from) funds	(1,201,222)	-	1,201,222	1,201,222	-
Balance as at 30 June 2019	388,476	16,827	-	16,827	405,303

The accompanying notes form an integral part of these financial statements

ALIFE LTD.
Company Registration Number: 200204369H

STATEMENT OF CASH FLOWS
For the financial year ended 30 June 2019

	Note	2019 SGD	2018 SGD
Cash flows from operating activities			
Net expenditure for the financial year		(156,322)	(171,949)
Adjustments for			
Depreciation of plant and equipment		7,113	16,815
Impairment loss written-off		-	960
Bad debts recovered		(960)	-
Interest income		(2,238)	(3,181)
Total adjustments to net expenditure		3,915	14,594
Total operating cash flows before changes in working capital		(152,407)	(157,355)
Changes in working capital			
(Increase)/Decrease in other receivables		7,478	(7,988)
Decrease/(Increase) in other payables		3,453	(7,472)
Total changes in working capital		10,931	(15,460)
Net cash flows used in operating activities		(141,476)	(172,815)
Cash flows from investing activities			
Interest received		2,238	3,181
Purchase of plant and equipment		-	(21,342)
Net cash flows generated from/(used in) investing activities		2,238	(18,161)
Net decrease in cash and cash equivalents		(139,238)	(190,976)
Cash and cash equivalents at beginning of financial year		560,225	751,201
Cash and cash equivalents at end of financial year	8	420,987	560,225
Net cash flows			
Net cash flows used in operating activities		(141,476)	(172,815)
Net cash flows generated from/(used in) investing activities		2,238	(18,161)

The accompanying notes form an integral part of these financial statements

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

1 COMPANY INFORMATION

Alife Ltd. (the "Company") is a public company limited by guarantee and incorporated in the Republic of Singapore on 21 May 2002.

The Company is an approved charity under the Charities Act, Chapter 37 since 27 November 2002, and has been accorded the status of an Institution of Public Character ("IPC") for the period from 12 February 2015 to 28 February 2017. The Company has renewed its IPC status with effect from 28 February 2019 to 27 February 2021. The registration number is IPC000698.

The registered office and principal place of business of the Company is at 308 Shunfu Road, #01-165 Singapore 507308.

The principal activities of the Company are to provide education, counselling and medical assistance to couples considering alternatives to pregnancy terminations, to promote, generate, foster, develop and inculcate awareness of alternatives to pregnancy terminations through appropriate educational and community outreach programmes and to train individuals to be counsellors and members of support group for couples considering alternatives to pregnancy terminations.

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

The financial statements of the Company for the financial year ended 30 June 2019 were authorised for issue in accordance with a resolution of the directors as at the date of Directors' Statement.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements have been prepared in accordance with the historical cost basis, except as disclosed in the accounting policies below, and are drawn up in accordance with the Singapore Companies Act (Chapter 50) (the "Act"), the Charities Act (Chapter 37) and Singapore Financial Reporting Standards ("FRS").

In lieu of a statement of comprehensive income in compliance with FRS, as allowed by the Charities Act, the Company has elected to follow the presentation format of a statement of financial activities as required by the Charities Accounting Standards.

The financial statements are expressed in Singapore Dollars ("$" or "SGD"), which is the Company's functional currency.

2.2 Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Company has adopted all the new and amended standards which are relevant to the Company and are effective for annual financial periods beginning on or after 1 July 2018. Except for the adoption of FRS 109 *Financial Instruments* and FRS 115 *Revenue from Contracts with Customers* described below, the adoption of these standards did not have any material effect on the financial performance or position of the Company.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Changes in accounting policies (Continued)

FRS 109 *Financial Instruments*

FRS 109 replaces FRS 39 *Financial Instruments: Recognition and Measurement* for annual periods beginning on or after 1 July 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting.

The Company applied FRS 109 retrospectively, with an initial application date of 1 July 2018. The Company has not restated the comparative information, which continues to be reported under FRS 39. There are no difference recognised in the financial statements upon adoption of FRS 109.

(a) Classification and measurement

		FRS 109 measurement category
		Amortised cost
FRS 39 measurement category	$	$
Loans and receivables		
Cash and cash equivalents	420,987	420,987
Trade and other receivables (excluding prepayments)	2,698	2,698
		423,685

(b) Impairment

The adoption of FRS 109 has fundamentally changed the Company's accounting for impairment losses for financial assets by replacing FRS 39's incurred loss approach with a forward-looking expected credit loss ("ECL") approach. FRS 109 requires the Company to recognise an allowance for ECLs for all debt instruments not held at fair value through profit or loss and contract assets.

From 1 July 2018, the Company assesses on a forward-looking basis, the ECL associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

While cash and cash equivalents are also subject to the impairment requirements of FRS 109, the identified impairment loss was immaterial.

The Company's receivables are considered to be low credit risk as these have low risk of default and the counterparties have a strong capacity to meet its contractual cash flow obligation if demanded in the near term. Accordingly, the Company measured the impairment loss allowance using lifetime ECL and determined the ECLs to be insignificant.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Changes in accounting policies (Continued)

FRS 115 *Revenue from Contracts with Customers*

FRS 115 supersedes FRS 11 *Construction Contracts*, FRS 18 *Revenue* and related Interpretations and it applies, with limited exceptions, to all revenue arising from contracts with customers. FRS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

FRS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

The Company adopted FRS 115 using the modified retrospective method of adoption with the date of initial application of 1 July 2018. Under this method, the standard can be applied either to all contracts at the date of initial application or only to contracts that are not completed at this date. The Company elected to apply the standard to all contracts as at 1 July 2018.

The cumulative effect of initially applying FRS 115 is recognised at the date of initial application as an adjustment to the opening balance of retained earnings. Therefore, the comparative information was not restated and continues to be reported under FRS 11, FRS 18 and related Interpretations.

The effect of adopting FRS 115 as at 1 July 2018 is disclosed in Note 5 of the financial statements.

The adoption of FRS 115 did not have a material impact on the Company's (loss)/profit for the financial year and total comprehensive (loss)/income or the Company's operating, investing and financial cash flows.

2.3 Standards issued but not yet effective

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

		Description	Effective for annual periods beginning on or after
FRS 116	:	Leases	1 January 2019
INT FRS 123	:	Uncertainty over Income Tax Treatments	1 January 2019
Various	:	Annual Improvements to FRSs (March 2018)	1 January 2019

Except for FRS 116, the directors expect that the adoption of the other standards above will have no material impact on the financial statements in the period of initial application. The nature of the impending changes in accounting policy on adoption of FRS 116 are described below.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Standards issued but not yet effective (Continued)

FRS 116 *Leases*

FRS 116 requires lessees to recognise most leases on balance sheets. The standard includes two recognition exemptions for lessees – leases of 'low value' assets and short-term leases. FRS 116 is effective for annual periods beginning on or after 1 January 2019. At commencement date of a lease, a lessee will recognise a liability to make a lease payment (i.e. the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e. the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

The Company plans to adopt FRS 116 retrospectively with the cumulative effect of initially applying the standard as an adjustment to the opening retained earnings at the date of initial application, 1 July 2019.

On the adoption of FRS 116, the Company expects to choose, on a lease-by-lease basis, to measure the right-of-use asset at either:

(i) it's carrying amount as if FRS 116 had been applied since the commencement date, but discounted using the lessee's incremental borrowing rate as of 1 July 2019; or
(ii) an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of financial position immediately before 1 July 2019.

In addition, the Company plans to elect the following practical expedients:

(i) not to reassess whether a contract is, or contains a lease at the date of initial application and to apply FRS 116 to all contracts that were previously identified as leases
(ii) to apply the exemption not to recognise right-of-use asset and lease liabilities to leases for which the lease term ends within 12 months as of 1 July 2019
(iii) to apply a single discount rate to a portfolio of leases with reasonably similar characteristics

The Company has performed a preliminary impact assessment based on currently available information, and the assessment may be subject to changes arising from ongoing analysis until the Company adopts FRS 116 in 2019.

On the adoption of FRS 116, there is no impact on the Company's opening retained earnings and its related tax impact as of 1 July 2019.

2.4 Functional currency

The management has determined the currency of the primary economic environment in which the Company operates i.e. functional currency, to be SGD. Services and major financing costs, including advances from its immediate and ultimate holding company, are primarily influenced by fluctuations in SGD.

2.5 Plant and equipment

Plant and equipment are stated at cost less accumulated depreciation and any impairment. The cost of plant and equipment initially recognised includes its purchase price and any directly attributable costs of bringing the plant and equipment to working condition for its intended use. Subsequent expenditure relating to 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 expense are recognised in the statement of financial activities when incurred.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.5 Plant and equipment (Continued)

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

Office equipment	-	3 years
Computer equipment	-	1-3 years
Renovation	-	3 years

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual values, useful life and depreciation method are reviewed at each financial year end to ensure that the amount, method and year of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of plant and equipment.

Fully depreciated plant and equipment are retained in the financial statements until they are no longer in use and no further charge for depreciation is made in respect to the assets.

An item of plant and equipment is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on de-recognition of the asset is included in the statement of financial activities in the period the asset is de-recognised.

2.6 Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in profit or loss.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at re-valued amount, in which case the reversal is treated as a revaluation increase.

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.7 Financial instruments

These accounting policies are applied ***on and after the initial application date of FRS 109, 1 July 2018:***

(a) Financial assets

Initial recognition and measurement

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

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

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

Subsequent measurement

Amortised cost

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 amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through amortisation process.

Derecognition

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

(b) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.7 Financial instruments (Continued)

These accounting policies are applied ***on and after the initial application date of FRS 109, 1 July 2018:*** (Continued)

(b) Financial liabilities (Continued)

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

Derecognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

These accounting policies are applied ***before the initial application date of FRS 109, 1 July 2018:***

(a) Financial assets

(i) Initial recognition and measurement

Financial assets are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial assets at initial recognition.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

(ii) Subsequent measurement

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the loans and receivables are de-recognised or impaired, and through the amortisation process.

Loans and receivables comprise of cash and cash equivalents and trade and other receivables, excluding prepayments.

(iii) De-recognition

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

2 SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.7 Financial instruments (Continued)

These accounting policies are applied ***before the initial application date of FRS 109, 1 July 2018:*** (Continued)

(b) *Financial liabilities*

(i) Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value, plus, in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

(ii) Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are de-recognised, and through the amortisation process.

Such financial liabilities comprise of trade and other payables.

(iii) De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

2.8 Cash and cash equivalents

Cash and cash equivalents comprise of cash at bank which are subject to an insignificant risk of changes in value. Cash and cash equivalents carried in the statement of financial position is classified and accounted for as financial asset at amortised cost under FRS 109.

Before the initial application of FRS 109 on 1 July 2018, cash and cash equivalents is classified and accounted for as loans and receivables under FRS 39.

2.9 Impairment of financial assets

These accounting policies are applied ***on and after the initial application date of FRS 109, 1 July 2018:***

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss and financial guarantee contracts. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

2 SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.9 Impairment of financial assets (Continued)

These accounting policies are applied ***on and after the initial application date of FRS 109, 1 July 2018:*** (Continued)

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

These accounting policies are applied **before the initial application date of FRS 109, 1 July 2018**:

The Company assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Company first assesses whether there is objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Company determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. If a loan has a variable interest rate, the discounted rate for measuring any impairment loss is the current effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The impairment loss is recognised in profit or loss.

When the financial assets become uncollectible, the carrying amount of impaired financial asset is reduced directly or if an amount was charged to the allowance account, the amounts charged to the allowance account are written-off against the carrying value of the financial assets.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.9 Impairment of financial assets (Continued)

These accounting policies are applied ***before the initial application date of FRS 109, 1 July 2018***: (Continued)

To determine whether there is objective evidence that an impairment loss of financial asset has been incurred, the Company considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment were recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

2.10 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.11 Operating leases

Leases where the lessor effectively retains substantially all the risk and benefit of ownership of the lease term, are classified as operating leases.

Operating lease payments are charged to the statement of profit or loss and other comprehensive income on a straight-line basis over the period of the lease term of the relevant lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

2.12 Revenue recognition

These accounting policies are applied ***on and after the initial application date of FRS 115, 1 July 2018:***

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.12 Revenue recognition (Continued)

These accounting policies are applied ***on and after the initial application date of FRS 115, 1 July 2018:*** (Continued)

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

(a) Donations / Sponsorship

Income from donations / sponsorship from events held by the Company or events participated by the Company, is accounted for when received, except for committed donations that are recorded when the commitments are signed. Donations are usually categorised as tax deductible and non-tax-deductible donations

(b) Government Grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received, and all attaching conditions will be complied with. Government grants are targeted at Agencies that provide social services and develop programmes to serve social service beneficiaries better.

These accounting policies are applied ***before the initial application date of FRS 115, 1 July 2018:***

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is made. Revenue is measured at the fair value of consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

(a) Donations / Sponsorship

Income from donations / sponsorship is accounted for when received, except for committed donations that are recorded when the commitments are signed.

(b) Government Grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with.

(c) Rendering of services

Income from providing services such as counselling services, seminars and workshops is recognised when services are rendered.

(d) Interest income

Interest income is recognised on a time-proportion basis using the effective interest rate that takes into account the effective yield on the asset.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.13 Employee benefits

(a) *Defined contribution plan*

As required by law, the Company makes contribution to the state pension schemes, the Central Provident Fund ("CPF"). Such contributions are recognised as compensation expenses in the same period as the employment that gives rise to the contribution.

(b) *Employee leave entitlement*

The Company grants fixed entitlements of annual leave to its employees at the beginning of the financial year. Any unused annual leave as at year-end can only be carried forwarded to the following financial year. At the end of the next financial year, the unused leave will then be forfeited. The Company does not encash unutilised leave.

2.14 Funds

(a) *Unrestricted Fund*

Unrestricted fund comprise general fund. General fund is used for the general purposes of the Company as set out in its governing document. If part of an unrestricted fund is earmarked for a particular project, it may be designated as a separate fund, but the designation has an administrative purpose only, and does not legally restrict the Board of Directors' discretion to apply the fund.

The Company classifies its General fund as unrestricted fund.

(b) *Restricted Fund*

Restricted funds are funds subject to specific funded programmes by government, charity bodies and donors, but still within the wider objects of the Company.

Restricted funds may only be utilised in accordance with the purposes established by the sources of such funds whereas unrestricted fund can be used in a manner the Company sees fit in achieving its institutional purposes.

The Company classifies the following funds as restricted fund:

- Caterpillar Club Fund
- Care and Share Grant

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATES UNCERTAINTY

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

3.1 Judgements made in applying accounting policies

Recognition of revenue from services over time

Management is of the opinion that there are no critical judgements (other than those involving estimates) that have a significant effect on the amounts recognised in the financial statements.

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATES UNCERTAINTY (Continued)

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

Useful lives of plant and equipment

The useful life of an item of plant and equipment is estimated at the time the asset is acquired and is based on historical experience with similar assets and takes into account anticipated technological or other changes. If changes occur more rapidly than anticipated or the asset experiences unexpected level of wear and tear, the useful life will be adjusted accordingly. The carrying amount of the Company's plant and equipment as at 30 June 2019 is disclosed in Note 6.

4 RELATED PARTY DISCLOSURES

The related party transactions are between the Company and its directors and the effect of these transactions are reflected in the financial statements on the basis determined between the parties. The related party balances are unsecured, non-interest bearing and repayable on demand unless otherwise stated.

(a) *Significant related party transactions*

	2019 $	2018 $
Managing Director, Dr. Peter Chew Chee Tong		
Donation received	4,000	17,800
Director, Lee Chin Hong		
Donation received	1,050	5,000
Director, Tan Yu-Heng		
Donation received	5,050	4,200

(b) *Remuneration of key management personnel*

	2019 $	2018 $
Salaries and other short-term benefits	24,167	49,900
Employer's contribution to Central Provident Fund	2,376	6,490
	26,543	56,390

Key management personnel refers to the Executive Director (2018: Executive Director) who resigned during the financial year.

5 DETAILED STATEMENT OF FINANCIAL ACTIVITIES

2019	Unrestricted Funds	Restricted Funds			
	General Fund $	Caterpillar Club Fund $	Care and Share Matching Grant $	Total Restricted Funds $	Total Funds $
INCOME					
Income from generated funds					
Voluntary income					
Donations received	97,474	-	-	-	97,474
Caterpillar Club Fund donation received	-	280	-	280	280
Fund raising projects	38,667	-	-	-	38,667
Sponsorship	-	-	-	-	-
Sundry income	20,887	-	-	-	20,887
	157,028	280	-	280	157,308
Investment income					
Interest income	2,238	-	-	-	2,238
	2,238	-	-	-	2,238
Total income from generated funds	159,266	280	-	280	159,546
Income from charitable activities					
Charitable income					
Movie and Talk Events	2,130	-	-	-	2,130
Seminars and workshop	6,521	-	-	-	6,521
Grants	22,148	-	52,735	52,735	74,883
	30,799	-	52,735	52,735	83,534
TOTAL INCOME	190,065	280	52,735	53,015	243,080

5 DETAILED STATEMENT OF FINANCIAL ACTIVITIES (Continued)

2019	Unrestricted Funds	Restricted Funds			
	General Fund	Caterpillar Club Fund	Care and Share Matching Grant	Total Restricted Funds	Total Funds
	$	$	$	$	$
Less: EXPENDITURES					
Cost of generating fund					
Cost of generating voluntary income					
Fund raising projects expenses	(932)	-	-	-	(932)
Cost of charitable activities					
Seminars and workshop expenses	(24,839)	-	(133)	(133)	(24,972)
Event expenses	(1,691)		-	-	(1,691)
Staff salaries and bonus	-	-	(286,919)	(286,919)	(286,919)
Employers' contribution to Central Provident Funds	-	-	(31,198)	(31,198)	(31,198)
Contract fee	-	-	(2,046)	(2,046)	(2,046)
Staff training	-	-	(209)	(209)	(209)
Rental of premises	-	-	(12,519)	(12,519)	(12,519)
Transport	(4,377)	-	-	-	(4,377)
Telephone	-	-	(9,139)	(9,139)	(9,139)
Utilities	-	-	(3,513)	(3,513)	(3,513)
Stationery, office supplies, and postage	(1,978)	-	(587)	(587)	(2,565)
Insurance	(303)	-	-	-	(303)
Depreciation of plant and equipment	(7,113)	-	-	-	(7,113)
Miscellaneous	(999)	-	-	-	(999)
IT related expenses	-	-	(2,130)	(2,130)	(2,130)
Entertainment	(253)	-	-	-	(253)
Medical expenses	(30)	-	-	-	(30)
Skill development levy	-	-	(747)	(747)	(747)
Upkeep of office premises and equipment	-	-	(673)	(673)	(673)

5 DETAILED STATEMENT OF FINANCIAL ACTIVITIES (Continued)

2019	Unrestricted Funds	Restricted Funds			
	General Fund $	Caterpillar Club Fund $	Care and Share Matching Grant $	Total Restricted Funds $	Total Funds $
Cost of charitable activities (Cont'd)					
Bank charges	(256)	-	-	-	(256)
Refreshment	(756)	-	-	-	(756)
Postage and delivery	(120)	-	-	-	(120)
Advertising and marketing	-	-	-	-	-
Doubtful debts recovered	960	-	-	-	960
Caterpillar Club Fund: bursary	-	-	-	-	-
Caterpillar Club Fund: club expenditure	-	(2,137)	-	(2,137)	(2,137)
	(41,755)	(2,137)	(349,813)	(351,950)	(393,705)
Governance costs					
Auditors' remuneration	(3,745)	-	-	-	(3,745)
Secretarial fee	(900)	-	-	-	(900)
Filing fee	(120)	-	-	-	(120)
	(4,765)	-	-	-	(4,765)
TOTAL EXPENDITURES	(47,452)	(2,137)	(349,813)	(351,950)	(399,402)

5 DETAILED STATEMENT OF FINANCIAL ACTIVITIES (Continued)

2019	Unrestricted Funds	Restricted Funds			
	General Fund $	Caterpillar Club Fund $	Care and Share Matching Grant $	Total Restricted Funds $	Total Funds $
NET INCOME (EXPENDITURE)	142,613	(1,857)	(297,078)	(298,935)	(156,322)
Gross transfer between fund					
Cost allocated to (from) funds	(1,201,222)	-	1,201,222	1,201,222	-
NET MOVEMENT IN FUNDS	(1,058,609)	(1,857)	904,144	902,287	(156,322)
Total funds brought forward	1,447,085	18,684	(904,144)	(885,460)	561,625
Total funds carried forward	388,476	16,827	-	16,827	405,303

* Gross transfer between Care and Share fund and general fund pertains to Care and Share utilisation expenditures which the Company will bear as part of the Care and Share agreement with National Council of Social Service (NCSS).

5 DETAILED STATEMENT OF FINANCIAL ACTIVITIES (Continued)

2018	**Unrestricted Funds**	**Restricted Funds**			
	General Fund $	Caterpillar Club Fund $	Care and Share Matching Grant $	Total Restricted Funds $	Total Funds $
INCOME					
Income from generated funds					
Voluntary income					
Donations received	30,174	-	-	-	30,174
Caterpillar Club Fund donation received	-	200	-	200	200
Fund raising projects	143,847	-	-	-	143,847
Sponsorship	10,000	-	-	-	10,000
Sundry income	19,566	-	-	-	19,566
	203,587	200	-	200	203,787
Investment income					
Interest income	3,181	-	-	-	3,181
	3,181	-	-	-	3,181
Total income from generated funds	206,768	200	-	200	206,968
Income from charitable activities					
Charitable income					
Movie and Talk Events	1,425	-	-	-	1,425
Seminars and workshop	9,215	-	-	-	9,215
Grants	31,458	-	-	-	31,458
	42,098	-	-	-	42,098
TOTAL INCOME	248,866	200	-	200	249,066

5 DETAILED STATEMENT OF FINANCIAL ACTIVITIES (Continued)

2018	Unrestricted Funds	Restricted Funds			
	General Fund $	Caterpillar Club Fund $	Care and Share Matching Grant $	Total Restricted Funds $	Total Funds $
Less: EXPENDITURES					
Cost of generating fund					
Cost of generating voluntary income					
Fund raising projects expenses	(1,379)	-	(11,307)	(11,307)	(12,686)
Cost of charitable activities					
Seminars and workshop expenses	(53,170)	-	(409)	(409)	(53,579)
Staff salaries and bonus	-	-	(255,946)	(255,946)	(255,946)
Employers' contribution to Central Provident Funds	-	-	(28,612)	(28,612)	(28,612)
Staff training	-	-	(826)	(826)	(826)
Rental of premises	-	-	(12,201)	(12,201)	(12,201)
Transport	(5,178)	-	-	-	(5,178)
Telephone	-	-	(7,984)	(7,984)	(7,984)
Utilities	-	-	(3,618)	(3,618)	(3,618)
Stationery, office supplies, and postage	(2,463)	-	-	-	(2,463)
Insurance	(2,022)	-	-	-	(2,022)
Depreciation of plant and equipment	(16,815)	-	-	-	(16,815)
Miscellaneous	(1,083)	-	-	-	(1,083)
IT related expenses	(288)	-	(330)	(330)	(618)
Entertainment	(601)	-	(1,218)	(1,218)	(1,819)
Medical expenses	(630)	-	-	-	(630)
Skill development levy	-	-	(717)	(717)	(717)
Upkeep of office premises and equipment	-	-	(2,339)	(2,339)	(2,339)

5 DETAILED STATEMENT OF FINANCIAL ACTIVITIES (Continued)

2018	Unrestricted Funds	Restricted Funds			
	General Fund $	Caterpillar Club Fund $	Care and Share Matching Grant $	Total Restricted Funds $	Total Funds $
Cost of charitable activities (Cont'd)					
Bank charges	(303)	-	-	-	(303)
Refreshment	(641)	-	-	-	(641)
Postage and delivery	(195)	-	-	-	(195)
Advertising and marketing	-	-	(2,997)	(2,997)	(2,997)
Doubtful debts recovered	(960)	-	-	-	(960)
Caterpillar Club Fund: bursary	-	(1,250)	-	(1,250)	(1,250)
Caterpillar Club Fund: club expenditure	-	(2,033)	-	(2,033)	(2,033)
	(84,349)	(3,283)	(317,197)	(320,480)	(404,829)
Governance costs					
Auditors' remuneration	(3,500)	-	-	-	(3,500)
Secretarial fee	-	-	-	-	-
	(3,500)	-	-	-	(3,500)
TOTAL EXPENDITURES	(89,228)	(3,283)	(328,504)	(331,787)	(421,015)
NET INCOME (EXPENDITURE)	159,638	(3,083)	(328,504)	(331,587)	(171,949)
NET MOVEMENT IN FUNDS	159,638	(3,083)	(328,504)	(331,587)	(171,949)
Total funds brought forward	1,287,447	21,767	(575,640)	(553,873)	733,574
Total funds carried forward	1,447,085	18,684	(904,144)	(885,460)	561,625

6 PLANT AND EQUIPMENT

	Office Equipment $	Computer Equipment $	Renovation $	Total $
Cost				
At 30 June 2017	23,661	13,359	4,188	41,208
Additions	12,388	-	8,954	21,342
At 30 June 2018 and 30 June 2019	36,049	13,359	13,142	62,550
Accumulated depreciation				
At 30 June 2017	19,070	9,647	2,792	31,509
Charge for the financial year	11,133	1,300	4,382	16,815
Reclassification (Note A)	(2,412)	2,412	-	-
At 30 June 2018	27,791	13,359	7,174	48,324
Charge for the financial year	4,129	-	2,984	7,113
At 30 June 2019	31,920	13,359	10,158	55,437
Net Carrying amount				
At 30 June 2018	8,258	-	5,968	14,226
At 30 June 2019	4,129	-	2,984	7,113

Note A: A reclassification was made for accumulated depreciation from office equipment to computer equipment in order to reflect the actual nature of the transaction.

7 OTHER RECEIVABLES

	2019 $	2018 $
Deposits	1,498	1,648
Outside parties	1,200	7,395
Prepayments	300	473
	2,998	9,516
Total other receivables (excluding prepayments)	2,698	9,043
Add: Cash and cash equivalents (Note 8)	420,987	560,225
Total financial assets carried at amortised cost	423,685	569,268

Receivables that are impaired

The carrying amount of other receivables individually determined to be impaired and the movements in the related allowance for impairment loss are as follows:

	2018 $
Other Receivables – Nominal amounts	-
Less: Allowance for impairment loss	-
	-

Movement in allowance accounts	
Balance at beginning of financial year	1,100
Charge for the financial year	-
Written-off during the financial year	(1,100)
Balance at end of financial year	-

7 OTHER RECEIVABLES (Continued)

Other receivables

Expected credit losses

There is no allowance provided on expected credit losses of trade receivables computed based on lifetime ECL as at 30 June 2019.

Other receivables are denominated in Singapore Dollar.

8 CASH AND CASH EQUIVALENTS

	2019 $	2018 $
Cash at banks	268,937	207,826
Fixed deposits	151,761	351,894
Cash on hand	289	505
	420,987	560,225

Cash at banks bears interest at prevailing bank interest rates

Fixed deposits earn an interest at rates ranging from 0.40% to 1.45% per annum (2018: 0.40% to 1.75% per annum).

For the purpose of the statement of cash flows, cash and cash equivalents comprised of the balances as shown above.

Cash and cash equivalents are denominated in Singapore Dollar.

9 OTHER PAYABLES

	2019 $	2018 $
Accrued operating expenses	21,292	15,770
Outside parties	4,503	6,572
	25,795	22,342
Total financial liabilities carried at amortised cost	25,795	22,342

Other payables are denominated in Singapore Dollar.

10 FUNDS ACCOUNT BALANCES

(a) Caterpillar Club Fund

The Caterpillar Club is a Children's Enrichment Programme that was launched in 2007. It caters to children from ages of 4 to 12 years old who are from disadvantage families who seek to Empower, Educate & Equip themselves with necessary life skills. The programmes of Caterpillar Club are conducted by a committed group of volunteers.

The Caterpillar Club aims to:

- Strengthen the children's character, identity and resilience;
- Enhance their self – esteem and help them develop desirable social habits;
- Equip them with necessary life skills which will benefit them in adulthood; and
- Improve their english language skills

The fund is used for expenditure on manpower and other operating expenditure relating the programmes.

(b) Care and Share Matching Grant

Integral to the SG50 Celebration, National Council of Social Service initiated the Care and Share movement – a national fund-raising and volunteerism movement. With the support from Government, eligible donations raised by Volunteer Welfare Organisations ("VWO") from 1 December 2013 to 31 December 2016 is matched dollar-for-dollar to develop social service related VWOs and their programmes to better serve beneficiaries. VWOs can use the grant in four areas namely

(i) capability building,
(ii) capacity building,
(iii) new programmes/enhancement/expansion of existing services and
(iv) critical existing needs.

The grant quantum was enhanced in 2015. It was increased to 1.25 times matching for first $1 million donations received followed by a dollar matched for next $1 million. Overall matching by the Government is capped at $2.25 million for the $2 million raised by VWO within the qualifying period. The utilisation of grant expires on 31 December 2019.

11 INCOME TAX

The Company is an approved charitable institution under the Singapore Charities Act, Chapter 37. Accordingly, the Company is exempted from income tax.

12 TAX DEDUCTIBLE DONATIONS

During the financial year, the Company issued tax deductible receipts for donations collected totalling to $126,166 (2018: $159,496).

13 FINANCIAL INSTRUMENTS

(a) *Financial risk management objectives and policies*

The Company's activities expose it to a variety of financial risks from its operations. The key financial risks arising from the Company's financial instrument is liquidity risk. The Company has no credit risk, foreign currency risk, interest rate risk and market price risk.

The directors review and agree policies and procedures for the management of these risks, which are executed by the management team. It is, and has been throughout the current and previous financial year, the Company's policy that no trading in derivatives for speculative purposes shall be undertaken.

The following sections provide details regarding the Company's exposure to the abovementioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the Company's exposure to these financial risks or the manner in which it manages and measures the risks.

Liquidity risk

Liquidity risk arises in the general funding of the Company's business activities. It included the risks of not being able to fund the business activities at settlement dates and liquidate positions in a timely manner at a reasonable price. The Company manages its liquidity risk by placing its cash and cash equivalents with reputable banks and financing its activities through its own surplus funds.

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Company's financial assets and liabilities at the reporting date based on contractual undiscounted repayment obligations.

		2019		
	Note	**Carrying amount**	**Contractual cash flows**	**One year or less**
		$	$	$
Financial assets				
Cash and cash equivalents	8	420,987	420,987	420,987
Other receivables	7	2,698	2,698	2,698
Total undiscounted financial assets		423,685	423,685	423,685
Financial liabilities				
Other payables	9	25,795	25,795	25,795
Total undiscounted financial liabilities		25,795	25,795	25,795
Total net undiscounted financial assets		397,890	397,890	397,890

13 FINANCIAL INSTRUMENTS (Continued)

(a) *Financial risk management objectives and policies* (Continued)

Liquidity risk (Continued)

		2018		
	Note	**Carrying amount** $	**Contractual cash flows** $	**One year or less** $
Financial assets				
Cash and cash equivalents	8	560,225	560,225	560,225
Other receivables	7	9,043	9,043	9,043
Total undiscounted financial assets		569,268	569,268	569,268
Financial liabilities				
Other payables	9	22,342	22,342	22,342
Total undiscounted financial liabilities		22,342	22,342	22,342
Total net undiscounted financial assets		546,926	546,926	546,926

(b) *Fair values of financial assets and financial liabilities*

The Company has no fair value measurement hierarchy recognised in the statement of financial position as at the end of the reporting period.

During the financial year end, no amount (2018: $Nil) has been recognised in profit or loss in relation to the change in fair value of financial assets or financial liabilities, estimated using a valuation technique.

Assets and liabilities not measured at fair value

Cash and cash equivalents, other receivables and other payables

The carrying amounts of these balances approximates their fair values due to the short-term nature of these balances.

13 MANAGEMENT OF RESERVES

The Company regards its unrestricted general fund available to the Company as its reserves. The Company's reserve policy requires it to maintain sufficient reserve to ensure long term financial sustainability and continuity for the purpose of operating effective programmes, which includes transfer between funds. Utilisation of reserves is determined by the Board of Directors of the Company.

The Company's overall strategy remains unchanged from the previous financial year.

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