

**WE CARE COMMUNITY SERVICES
LIMITED**

[UEN. 200506089N]
[IPC No. IPC000022]
[A company limited by guarantee and not having a
share capital]
[Incorporated in the Republic of Singapore]

**AUDITED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
31 DECEMBER 2022**

CONTENTS

| | |
|-----------------------------------|----|
| Directors’ Statement | 2 |
| Independent Auditor’s Report | 3 |
| Statement of Financial Activities | 6 |
| Statement of Financial Position | 10 |
| Statement of Changes in Funds | 11 |
| Statement of Cash Flows | 12 |
| Notes to the Financial Statements | 13 |

Fiducia LLP
(UEN. T10LL0955L)
Public Accountants and
Chartered Accountants of Singapore

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

DIRECTORS' STATEMENT

The directors present their statement to the members together with the audited financial statements of **We Care Community Services Limited** (the "Company") for the financial year ended 31 December 2022.

In the opinion of the directors,

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

Directors

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

Dr. Winslow Rasaiah Munidasa
Cheang Chin Neo
Andrew John da Roza
Koh Kah Yeok
Dane William Anderson
Lee Cheng
Lim Lay Choo Jennifer
Chew Robert (Appointed on 1 April 2022)

Arrangements to enable directors to acquire benefits and debentures

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

Other matters

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

Independent auditor

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

On behalf of the Board of Directors,

DocuSigned by:

Andrew da Roza

7616003D9B434C4...

Andrew John da Roza
Director

DocuSigned by:

Cheang Chin Neo

A89BFE835D2B443...

Cheang Chin Neo
Director

Singapore, 23 May 2023.

Fiducia LLP

Public Accountants and Chartered
Accountants of Singapore

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

Independent auditor's report to the members of:

WE CARE COMMUNITY SERVICES LIMITED

[UEN. 200506089N]
[IPC No. IPC000022]
[A company limited by guarantee and not having a share capital]
[Incorporated in Republic of Singapore]

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **We Care Community Services Limited** (the "Company"), which comprise the statement of financial position as at 31 December 2022, and the statement of financial activities, statement of changes in funds and statement of cash flows of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Companies Act"), the Charities Act 1994 and other relevant regulations (the "Charities Act and Regulations") and Charities Accounting Standard in Singapore ("CAS") so as to give a true and fair view of the financial position of the Company as at 31 December 2022 and of the financial performance, changes in the funds and cash flows of the Company for the financial year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other information

Management is responsible for the other information. The other information comprises the Directors' Statement (set out in page 2) and the annual report but does not include the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this audit report.

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

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

Fiducia LLPPublic Accountants and Chartered
Accountants of Singapore71 Ubi Crescent
#08-01 Excalibur Centre
Singapore 408571
T: (65) 6846.8376
F: (65) 6491.5218

(CONT'D)

Independent auditor's report to the members of:

WE CARE COMMUNITY SERVICES LIMITEDUEN. 200506089N]
[IPC No. IPC000022]
[A company limited by guarantee and not having a share capital]
[Incorporated in Republic of Singapore]**Responsibilities of Management and Those Charged with Governance for the Financial Statements**

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

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

Those charged with governance comprises the directors. Their responsibilities include overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Fiducia LLP

Public Accountants and Chartered
Accountants of Singapore

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

(CONT'D)

Independent auditor's report to the members of:

WE CARE COMMUNITY SERVICES LIMITED

UEN. 200506089N]
[IPC No. IPC000022]
[A company limited by guarantee and not having a share capital]
[Incorporated in Republic of Singapore]

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

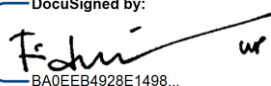
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

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

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

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

DocuSigned by:

BA0EEB4928E1498...

Fiducia LLP
Public Accountants and
Chartered Accountants

Singapore, 23 May 2023.

Partner-in-charge: Soo Hon Weng
PAB No.: 01089

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**

| | | Unrestricted fund | Restricted funds | | | | | | | | | | | |
|--|------|-------------------|------------------|----------|-----------------------|------|----------------|-----------------|---------------|------------------------------|------------------------------|--------|------------------------|---|
| | Note | General fund | NCSS CSF | NCSS SLF | NCSS project SAFE 1.1 | ICCS | Care and Share | Sonja Hope Fund | Invictus Fund | President’s Challenge - RISE | President’s Challenge - TIDE | PSS | Total restricted funds | Total unrestricted and restricted funds |
| | | S\$ | S\$ | S\$ | S\$ | S\$ | S\$ | S\$ | S\$ | S\$ | S\$ | S\$ | S\$ | S\$ |
| 2022 | | | | | | | | | | | | | | |
| <u>INCOME</u> | | | | | | | | | | | | | | |
| Income from generated fund | | | | | | | | | | | | | | |
| Donations | | | | | | | | | | | | | | |
| - tax deductible | 5 | 51,346 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 51,346 |
| - non-tax deductible | | 31,274 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 31,274 |
| Sponsorship | | | | | | | | | | | | | | |
| - non-tax deductible | | 50,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 50,000 |
| Grants received | | 0 | 0 | 410,075 | 214,427 | 0 | 0 | 0 | 0 | 120,099 | 14,279 | 0 | 758,880 | 758,880 |
| | | 132,620 | 0 | 410,075 | 214,427 | 0 | 0 | 0 | 0 | 120,099 | 14,279 | 0 | 758,880 | 891,500 |
| Income from fund-raising activities | | | | | | | | | | | | | | |
| Charity Movie | | | | | | | | | | | | | | |
| - tax deductible | 4 | 56,425 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 56,425 |
| - non-tax deductible | 4 | 2,991 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2,991 |
| Charity golf | | | | | | | | | | | | | | |
| - non tax deductible | 4 | 36,019 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 36,019 |
| | | 95,435 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 95,435 |
| Income from charitable activities | | | | | | | | | | | | | | |
| Counselling fees | | 108,359 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 108,359 |
| Facility fee | | 3,560 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3,560 |
| Training fees | | 150 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 150 |
| Sales of books and merchandise | | 20 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 20 |
| | | 112,089 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 112,089 |
| Investment income – Interest | | 11,228 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 11,228 |
| Other income | | | | | | | | | | | | | | |
| Government grant from IRAS | | 38,322 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 38,322 |
| Government grants – others | | 33,500 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 13,900 | 13,900 | 47,400 |
| Transformation Support Scheme | | 40,109 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 40,109 |
| Miscellaneous income | | 1,516 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,516 |
| | | 113,447 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 13,900 | 13,900 | 127,347 |
| TOTAL INCOME | | 464,819 | 0 | 410,075 | 214,427 | 0 | 0 | 0 | 0 | 120,099 | 14,279 | 13,900 | 772,780 | 1,237,599 |

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (CONT'D)**

| | Unrestricted fund | Restricted funds | | | | | | | | | | | Total unrestricted and restricted funds |
|---------------------------------------|-------------------|------------------|--------------|---------------------------|----------|--------------------|---------------------|-------------------|----------------------------------|----------------------------------|---------|----------------------------|---|
| Note | General fund S\$ | NCSS CSF S\$ | NCSS SLF S\$ | NCSS project SAFE 1.1 S\$ | ICCS S\$ | Care and Share S\$ | Sonja Hope Fund S\$ | Invictus fund S\$ | President's Challenge – RISE S\$ | President's Challenge – TIDE S\$ | PSS S\$ | Total restricted funds S\$ | S\$ |
| 2022 (CONT'D) | | | | | | | | | | | | | |
| EXPENDITURE | | | | | | | | | | | | | |
| Cost of fundraising activities | | | | | | | | | | | | | |
| Movie Screening | 5,271 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 5,271 |
| Cost of charitable activities | | | | | | | | | | | | | |
| Associate fees | 481 | 0 | 61,089 | 57,435 | 0 | 0 | 0 | 0 | 7,633 | 0 | 0 | 126,157 | 126,638 |
| Communication & Publicity | 8 | 0 | 1,071 | 930 | 0 | 0 | 0 | 0 | 134 | 0 | 0 | 2,135 | 2,143 |
| Events/activities expenses | 22 | 0 | 2,751 | 5,046 | 0 | 0 | 0 | 0 | 343 | 0 | 0 | 8,140 | 8,162 |
| Community Projects | 0 | 0 | 44 | 38 | 0 | 0 | 0 | 0 | 6 | 0 | 0 | 88 | 88 |
| Honorarium | 0 | 0 | 0 | 3,900 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3,900 | 3,900 |
| Clients Assistance | 0 | 0 | 0 | 80 | 0 | 0 | 481 | 0 | 0 | 0 | 0 | 561 | 561 |
| Rental of premises | 158 | 0 | 19,982 | 17,360 | 0 | 0 | 0 | 0 | 2,496 | 0 | 0 | 39,838 | 39,996 |
| Staff costs | 3,123 | 0 | 396,334 | 344,337 | 0 | 0 | 0 | 0 | 35,620 | 0 | 13,900 | 790,191 | 793,314 |
| Staff welfare | 13 | 0 | 1,616 | 1,404 | 0 | 0 | 0 | 0 | 202 | 0 | 0 | 3,222 | 3,235 |
| Volunteer Expenses | 11 | 0 | 1,385 | 1,203 | 0 | 0 | 0 | 0 | 173 | 0 | 0 | 2,761 | 2,772 |
| Trainings and seminars | 49 | 0 | 6,230 | 5,413 | 0 | 0 | 0 | 0 | 778 | 0 | 0 | 12,421 | 12,470 |
| | 3,865 | 0 | 490,502 | 437,146 | 0 | 0 | 481 | 0 | 47,385 | 0 | 13,900 | 989,414 | 993,279 |
| Governance and other costs | | | | | | | | | | | | | |
| Audit fee | 61 | 0 | 2,299 | 1,997 | 0 | 0 | 0 | 0 | 287 | 0 | 0 | 4,583 | 4,644 |
| Bank charges | 4 | 0 | 479 | 416 | 0 | 0 | 0 | 0 | 60 | 0 | 0 | 955 | 959 |
| Depreciation | 176 | 0 | 15,846 | 13,767 | 0 | 0 | 0 | 10,456 | 1,980 | 7,803 | 0 | 49,852 | 50,028 |
| General expenses | 9 | 0 | 1,124 | 976 | 0 | 0 | 0 | 0 | 140 | 12 | 0 | 2,252 | 2,261 |
| Insurance | (391) | 0 | 5,336 | 4,636 | 0 | 0 | 0 | 0 | 667 | 0 | 0 | 10,639 | 10,248 |
| IT and website maintenance | 108 | 0 | 13,669 | 11,876 | 0 | 0 | 0 | 0 | 1,708 | 2,523 | 0 | 29,776 | 29,884 |
| Licence fees | 2 | 0 | 325 | 282 | 0 | 0 | 0 | 0 | 41 | 0 | 0 | 648 | 650 |
| Medical expenses | 34 | 0 | 4,293 | 3,730 | 0 | 0 | 0 | 0 | 537 | 0 | 0 | 8,560 | 8,594 |
| Office cleaning and maintenance | 98 | 0 | 12,408 | 10,780 | 0 | 0 | 0 | 0 | 1,550 | 0 | 0 | 24,738 | 24,836 |
| Office furnishing | 1 | 0 | 205 | 178 | 0 | 0 | 0 | 0 | 26 | 0 | 0 | 409 | 410 |
| Office refreshments | 1 | 0 | 177 | 154 | 0 | 0 | 0 | 0 | 22 | 0 | 0 | 353 | 354 |
| Postage and courier | 1 | 0 | 106 | 93 | 0 | 0 | 0 | 0 | 13 | 0 | 0 | 212 | 213 |
| Printing and stationery | 18 | 0 | 2,325 | 2,125 | 0 | 0 | 0 | 0 | 290 | 0 | 0 | 4,740 | 4,758 |
| Professional fees | 48 | 0 | 6,133 | 5,329 | 0 | 0 | 0 | 0 | 766 | 0 | 0 | 12,228 | 12,276 |
| Repairs and maintenance | 35 | 0 | 4,448 | 3,864 | 0 | 0 | 0 | 0 | 556 | 0 | 0 | 8,868 | 8,903 |
| Staff costs | 40,226 | 0 | 98,539 | 87,453 | 0 | 0 | 0 | 0 | 7,147 | 0 | 0 | 193,139 | 233,365 |
| Secretarial fees | 395 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 395 |
| Telecommunication | 12 | 0 | 1,611 | 1,399 | 0 | 0 | 0 | 0 | 201 | 0 | 0 | 3,211 | 3,223 |
| Transport and travelling | 4 | 0 | 534 | 2,061 | 0 | 0 | 88 | 0 | 67 | 0 | 0 | 2,750 | 2,754 |
| Utilities | 47 | 0 | 5,986 | 5,201 | 0 | 0 | 0 | 0 | 748 | 0 | 0 | 11,935 | 11,982 |
| Website maintenance | 1 | 0 | 66 | 57 | 0 | 0 | 0 | 0 | 8 | 0 | 0 | 131 | 132 |
| | 40,890 | 0 | 175,909 | 156,374 | 0 | 0 | 88 | 10,456 | 16,814 | 10,338 | 0 | 369,979 | 410,869 |
| TOTAL EXPENDITURE | 50,026 | 0 | 666,411 | 593,520 | 0 | 0 | 569 | 10,456 | 64,199 | 10,338 | 13,900 | 1,359,393 | 1,409,419 |
| Net income/(expenditure) | 414,793 | 0 | (256,336) | (379,093) | 0 | 0 | (569) | (10,456) | 55,900 | 3,941 | 0 | (586,613) | (171,820) |
| Gross transfers between funds | (668,431) | 4,263 | 650,362 | 10,144 | 0 | 3,662 | 0 | 0 | 0 | 0 | 0 | 668,431 | 0 |
| Net movements of funds | (253,638) | 4,263 | 394,026 | (368,949) | 0 | 3,662 | (569) | (10,456) | 55,900 | 3,941 | 0 | 81,818 | (171,820) |
| Total funds brought forward | 2,832,217 | (4,263) | (394,026) | 368,949 | 10,000 | (3,662) | 7,368 | 10,819 | 7,192 | 49,184 | 0 | 51,561 | 2,883,778 |
| Total funds carried forward | 2,578,579 | 0 | 0 | 0 | 10,000 | 0 | 6,799 | 363 | 63,092 | 53,125 | 0 | 133,379 | 2,711,958 |

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

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

| | | Unrestricted fund | Restricted funds | | | | | | | | | | Total unrestricted and restricted funds |
|--|------|-------------------|------------------|----------|-----------------------|------|----------------|-----------------|---------------|------------------------------|------------------------------|------------------------|---|
| | Note | General fund | NCSS CSF | NCSS SLF | NCSS project SAFE 1.1 | ICCS | Care and Share | Sonja Hope Fund | Invictus Fund | President's Challenge - RISE | President's Challenge - TIDE | Total restricted funds | |
| | | S\$ | S\$ | S\$ | S\$ | S\$ | S\$ | S\$ | S\$ | S\$ | S\$ | S\$ | S\$ |
| 2021 | | | | | | | | | | | | | |
| <u>INCOME</u> | | | | | | | | | | | | | |
| Income from generated fund | | | | | | | | | | | | | |
| Donations | | | | | | | | | | | | | |
| - tax deductible | 5 | 14,707 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 14,707 |
| - non-tax deductible | | 1,012 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,012 |
| Sponsorship | | | | | | | | | | | | | |
| - non-tax deductible | | 50,400 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 50,400 |
| Grants received | | 330,579 | 0 | 432,997 | 427,562 | 0 | 0 | 0 | 15,502 | 120,099 | 60,648 | 1,056,808 | 1,387,387 |
| | | 396,698 | 0 | 432,997 | 427,562 | 0 | 0 | 0 | 15,502 | 120,099 | 60,648 | 1,056,808 | 1,453,506 |
| Income from fund-raising activities | | | | | | | | | | | | | |
| Amazing We Care Race | | | | | | | | | | | | | |
| - tax deductible | 4 | 64,951 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 64,951 |
| - non-tax deductible | 4 | 24,180 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 24,180 |
| Charity golf | | | | | | | | | | | | | |
| - tax deductible | 4 | 139,694 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 139,694 |
| - non tax deductible | 4 | 103,565 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 103,565 |
| - donations-in-kind | 4 | 400 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 400 |
| Online Drive for Anniversary | 4 | 14,130 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 14,130 |
| | | 346,920 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 346,920 |
| Income from charitable activities | | | | | | | | | | | | | |
| Counselling fees | | 113,125 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 113,125 |
| Facility fee | | 1,770 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,770 |
| Sales of books and merchandise | | 38 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 38 |
| | | 114,933 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 114,933 |
| Investment income – Interest | | 6,015 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 6,015 |
| Other income | | | | | | | | | | | | | |
| Jobs Growth Incentive | | 21,402 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 21,402 |
| Jobs Support Scheme (JSS) | | 43,029 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 43,029 |
| Government grant from IRAS | | 5,177 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 5,177 |
| Government grants - others | | 28,633 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 28,633 |
| Transformation Support Scheme | | 44,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 44,000 |
| Miscellaneous income | | 4,253 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 4,253 |
| | | 146,494 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 146,494 |
| TOTAL INCOME | | 1,011,060 | 0 | 432,997 | 427,562 | 0 | 0 | 0 | 15,502 | 120,099 | 60,648 | 1,056,808 | 2,067,868 |

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONT'D)**

| | Unrestricted fund | Restricted funds | | | | | | | | | Total unrestricted and restricted funds | |
|---------------------------------------|-------------------|------------------|--------------|---------------------------|----------|--------------------|---------------------|-------------------|----------------------------------|------------------------------|---|-----------|
| Note | General fund S\$ | NCSS CSF S\$ | NCSS SLF S\$ | NCSS project SAFE 1.1 S\$ | ICCS S\$ | Care and Share S\$ | Sonja Hope Fund S\$ | Invictus fund S\$ | President's Challenge - RISE S\$ | President's Challenge - TIDE | Total restricted funds S\$ | S\$ |
| 2021 (CONT'D) | | | | | | | | | | | | |
| EXPENDITURE | | | | | | | | | | | | |
| Cost of fundraising activities | | | | | | | | | | | | |
| Amazing We Care Race | 27,964 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 27,964 |
| Charity golf | 37,487 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 37,487 |
| | 65,451 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 65,451 |
| Cost of charitable activities | | | | | | | | | | | | |
| Associate fees | 0 | 0 | 143,625 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 143,625 | 143,625 |
| Clients assistance | 32 | 0 | 758 | 282 | 0 | 0 | 0 | 0 | 118 | 0 | 1,158 | 1,190 |
| Events/activities expenses | 418 | 0 | 421 | 657 | 0 | 0 | 0 | 0 | 65 | 0 | 1,143 | 1,561 |
| Honorarium | 270 | 0 | 0 | 1,700 | 0 | 0 | 0 | 0 | 0 | 0 | 1,700 | 1,970 |
| Rental of premises | 1,083 | 0 | 25,471 | 9,480 | 0 | 0 | 0 | 0 | 3,962 | 0 | 38,913 | 39,996 |
| Staff costs | 15,603 | 0 | 393,315 | 198,138 | 0 | 0 | 0 | 0 | 83,527 | 0 | 674,980 | 690,583 |
| Staff welfare | 9 | 0 | 209 | 78 | 0 | 0 | 0 | 0 | 33 | 0 | 320 | 329 |
| Trainings and seminars | 231 | 0 | 5,439 | 2,024 | 0 | 0 | 0 | 0 | 846 | 0 | 8,309 | 8,540 |
| | 17,646 | 0 | 569,238 | 212,359 | 0 | 0 | 0 | 0 | 88,551 | 0 | 870,148 | 887,794 |
| Governance and other costs | | | | | | | | | | | | |
| Audit fee | 125 | 0 | 2,930 | 1,091 | 0 | 0 | 0 | 0 | 456 | 0 | 4,477 | 4,602 |
| Bank charges | 8 | 0 | 188 | 70 | 0 | 0 | 0 | 0 | 29 | 0 | 287 | 295 |
| Depreciation | 16,133 | 8,049 | 0 | 0 | 0 | 1,831 | 0 | 10,456 | 0 | 3,490 | 23,826 | 39,959 |
| General expenses | 66 | 0 | 1,542 | 574 | 0 | 0 | 0 | 0 | 240 | 0 | 2,356 | 2,422 |
| Insurance | 238 | 0 | 5,611 | 2,088 | 0 | 0 | 0 | 0 | 873 | 0 | 8,572 | 8,810 |
| IT and website maintenance | 493 | 0 | 11,604 | 4,319 | 0 | 0 | 0 | 2,062 | 1,805 | 7,565 | 27,355 | 27,848 |
| Licence fees | 18 | 0 | 414 | 154 | 0 | 0 | 0 | 0 | 63 | 0 | 631 | 649 |
| Medical expenses | 188 | 0 | 4,413 | 1,643 | 0 | 0 | 0 | 0 | 686 | 0 | 6,742 | 6,930 |
| Office cleaning and maintenance | 962 | 0 | 22,626 | 8,421 | 0 | 0 | 0 | 30,308 | 3,520 | 0 | 64,875 | 65,837 |
| Office furnishing | 35 | 0 | 833 | 310 | 0 | 0 | 0 | 0 | 130 | 409 | 1,682 | 1,717 |
| Office refreshments | 6 | 0 | 133 | 49 | 0 | 0 | 0 | 0 | 20 | 0 | 202 | 208 |
| Postage and courier | 2 | 0 | 43 | 16 | 0 | 0 | 0 | 0 | 7 | 0 | 66 | 68 |
| Printing and stationery | 90 | 0 | 2,125 | 839 | 0 | 0 | 0 | 0 | 331 | 0 | 3,295 | 3,385 |
| Professional fees | 391 | 0 | 9,198 | 3,423 | 0 | 0 | 0 | 0 | 1,431 | 0 | 14,052 | 14,443 |
| Repairs and maintenance | 153 | 0 | 3,598 | 1,339 | 0 | 0 | 0 | 0 | 560 | 0 | 5,497 | 5,650 |
| Staff costs | 48,334 | 0 | 84,144 | 31,317 | 0 | 0 | 0 | 0 | 13,090 | 0 | 128,551 | 176,885 |
| Telecommunication | 31 | 0 | 727 | 271 | 0 | 0 | 0 | 60 | 113 | 0 | 1,171 | 1,202 |
| Transport and travelling | 76 | 0 | 1,798 | 683 | 0 | 0 | 0 | 0 | 280 | 0 | 2,761 | 2,837 |
| Utilities | 174 | 0 | 4,097 | 1,525 | 0 | 0 | 0 | 0 | 637 | 0 | 6,259 | 6,433 |
| Website maintenance | 23 | 0 | 546 | 203 | 0 | 0 | 0 | 0 | 85 | 0 | 834 | 857 |
| | 67,546 | 8,049 | 156,570 | 58,335 | 0 | 1,831 | 0 | 42,886 | 24,356 | 11,464 | 303,491 | 371,037 |
| TOTAL EXPENDITURE | 150,643 | 8,049 | 725,808 | 270,694 | 0 | 1,831 | 0 | 42,886 | 112,907 | 11,464 | 1,173,639 | 1,324,282 |
| Net income/(expenditure) | 860,417 | (8,049) | (292,811) | 156,868 | 0 | (1,831) | 0 | (27,384) | 7,192 | 49,184 | (116,831) | 743,586 |
| Total funds brought forward | 1,971,800 | 3,786 | (101,215) | 212,081 | 10,000 | (1,831) | 7,368 | 38,203 | 0 | 0 | 168,392 | 2,140,192 |
| Total funds carried forward | 2,832,217 | (4,263) | (394,026) | 368,949 | 10,000 | (3,662) | 7,368 | 10,819 | 7,192 | 49,184 | 51,561 | 2,883,778 |

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

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

| | Note | 2022 S\$ | 2021 S\$ |
|-------------------------------|------|------------------|------------------|
| ASSETS | | | |
| Current assets | | | |
| Cash and cash equivalents | 8 | 2,698,342 | 2,741,069 |
| Other receivables | 9 | <u>177,872</u> | <u>222,036</u> |
| | | 2,876,214 | 2,963,105 |
| Non-current assets | | | |
| Property, plant and equipment | 10 | <u>57,005</u> | <u>39,937</u> |
| Total assets | | <u>2,933,219</u> | <u>3,003,042</u> |
| LIABILITIES | | | |
| Current liabilities | | | |
| Other payables | 11 | <u>221,261</u> | <u>119,264</u> |
| Total liabilities | | <u>221,261</u> | <u>119,264</u> |
| NET ASSETS | | <u>2,711,958</u> | <u>2,883,778</u> |
| FUNDS | | | |
| Unrestricted fund | | | |
| General fund | 12 | 2,578,579 | 2,832,217 |
| Restricted funds | 13 | <u>133,379</u> | <u>51,561</u> |
| Total funds | | <u>2,711,958</u> | <u>2,883,778</u> |

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

**STATEMENT OF CHANGES IN FUNDS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**

| | Balance at beginning of financial year S\$ | Net income/ (expenditure) S\$ | Gross transfer between funds S\$ | Balance at the end of financial year S\$ |
|------------------------------|---|-------------------------------------|--|---|
| 2022 | | | | |
| Unrestricted fund | | | | |
| General fund | 2,832,217 | 414,793 | (668,431) | 2,578,579 |
| Restricted funds | | | | |
| NCSS CSF | (4,263) | 0 | 4,263 | 0 |
| NCSS SLF | (394,026) | (256,336) | 650,362 | 0 |
| NCSS project SAFE 1.1 | 368,949 | (379,093) | 10,144 | 0 |
| ICCS | 10,000 | 0 | 0 | 10,000 |
| Care and Share | (3,662) | 0 | 3,662 | 0 |
| Sonja Hope Fund | 7,368 | (569) | 0 | 6,799 |
| Invictus fund | 10,819 | (10,456) | 0 | 363 |
| President's Challenge - RISE | 7,192 | 55,900 | 0 | 63,092 |
| President's Challenge - TIDE | 49,184 | 3,941 | 0 | 53,125 |
| PSS | 0 | 0 | 0 | 0 |
| | 51,561 | (586,613) | 668,431 | 133,379 |
| Total funds | 2,883,778 | (171,820) | 0 | 2,711,958 |
| | | | | |
| | Balance at beginning of financial year S\$ | Net income/ (expenditure) S\$ | Gross transfer between funds S\$ | Balance at the end of financial year S\$ |
| 2021 | | | | |
| Unrestricted fund | | | | |
| General fund | 1,971,800 | 860,417 | 0 | 2,832,217 |
| Restricted funds | | | | |
| NCSS CSF | 3,786 | (8,049) | 0 | (4,263) |
| NCSS SLF | (101,215) | (292,811) | 0 | (394,026) |
| NCSS project SAFE 1.1 | 212,081 | 156,868 | 0 | 368,949 |
| ICCS | 10,000 | 0 | 0 | 10,000 |
| Care and Share | (1,831) | (1,831) | 0 | (3,662) |
| Sonja Hope Fund | 7,368 | 0 | 0 | 7,368 |
| Invictus fund | 38,203 | (27,384) | 0 | 10,819 |
| President's Challenge - RISE | 0 | 7,192 | 0 | 7,192 |
| President's Challenge - TIDE | 0 | 49,184 | 0 | 49,184 |
| | 168,392 | (116,831) | 0 | 51,561 |
| Total funds | 2,140,192 | 743,586 | 0 | 2,883,778 |

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

**STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**

| | Note | 2022 S\$ | 2021 S\$ |
|---|------|-------------|-------------|
| Cash flows from operating activities | | | |
| Net (expenditure)/income for the financial year | | (171,820) | 743,586 |
| Adjustments for: | | | |
| - Depreciation | 10 | 50,028 | 39,959 |
| - Interest income | | 11,228 | (6,015) |
| Operating cash flow before changes in working capital | | (110,564) | 777,530 |
| Changes in working capital: | | | |
| - Other receivables | | 13,962 | (143,653) |
| - Other payables | | 101,997 | (137,053) |
| Net cash generated from operating activities | | 5,395 | 496,824 |
| Cash flows from investing activities | | | |
| Interest income received | | 18,974 | 8,800 |
| Purchases of property, plant and equipment | 10 | (67,096) | (26,223) |
| Net cash used in investing activities | | (48,122) | (17,423) |
| Net (decrease)/increase in cash and cash equivalents | | (42,727) | 479,401 |
| Cash and cash equivalents at beginning of financial year | | 2,741,069 | 2,261,668 |
| Cash and cash equivalents at end of financial year | 8 | 2,698,342 | 2,741,069 |

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**

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

1. General information

We Care Community Services Limited (the "Company") was incorporated on 05 May 2005 as a company limited by guarantee. The Company is a charity registered under the Charities Act 1994 since 22 June 2005. The Company has been accorded an Institution of a Public Character ("IPC") status for the period from 01 October 2018 to 30 June 2021 and subsequently renewed from 01 July 2021 to 30 June 2024.

The liability of the members is limited. Every member of the Company undertakes to contribute to the assets of the Company in the event of the same being wound up while he is a member, within one year after he ceases to be a member for payment of the debts and liabilities of the Company contracted before he ceases to be a member and of the cost charges and expenses of winding up and for the adjustments of the rights of the contributories among themselves, such amount as may be required not exceeding the sum of Singapore Dollars One Hundred (S\$100.00). As at 31 December 2022, the Company has 8 members (2021: 7 members).

The Company's registered office is at 80 Robinson Road, #02-00, Singapore 068898. The principal place of business is at Kembangan-Chai Chee Community Hub, 11 Jalan Ubi, Block 5, #01-41 Singapore 409074.

The principal activities of the Company are:

- To provide advocacy for people in recovery from addictions and mental wellness issues to advocate for services and facilities for self-help programmes for Addictions and Mental Wellness and to support and collaborate with relevant organisations and individuals in such programmes;
- To develop focused and specialised (gap areas) programmes for treatment of those with mental wellness and addictions issues; example, prevention programmes, school based programmes and programmes for families of those affected by addictions;
- To develop world standard addictions and wellness skills training, education courses and conferences; and
- To enhance understanding of addictions and mental wellness issues.

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

The financial statements have been prepared in accordance with Charities Accounting Standard ("CAS") and the disclosure requirements of the Charities Act and Regulations. The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollar ("S\$"), which is the Company's functional and presentation currency. Functional currency is the currency of the primary economic environment in which the Company operates. All financial information presented are denominated in Singapore Dollar unless otherwise stated.

The preparation of these financial statements in conformity with CAS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. Areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

2. Significant accounting policies (Cont'd)

2.2 Income recognition

Income is included in the statement of financial activities when the following three factors are met:

- The Company becomes entitled to the income;
- Management is virtually certain that they will receive the income; and
- The monetary value can be measured with sufficient reliability.

Income is recognised as follows:

2.2.1 Donations

Donations are recognised in the statement of financial activities upon receipt.

Donations-in-kind are recognised when the value of the donations in kind can be estimated with sufficient reliability.

2.2.2 Rendering of services

Revenue from services is recognised in the statement of financial activities when the services are performed.

2.2.3 Sales of books and merchandise

Revenue from the sale of books and merchandise is recognised when the Company has delivered the products to the customers; the customer has accepted the products and the collectability of the related receivables are reasonably assured.

2.2.4 Interest income

Interest income is recognised on a time proportion basis using the effective interest method.

2.2.5 Other income

Other income is recognised upon receipt.

2.3 Grants

Grants including those for the acquisition of property, plant and equipment are recognised as income when there is evidence of entitlement, which will normally exist when the grant is formally expressed in writing. Where entitlement is demonstrable and no conditions are attached, such promises are recognised as income once the criteria of certainty and measurement are met.

Grants with conditions attached are only recognised as income when there is sufficient evidence that the conditions have been met.

2.4 Expenditure recognition

Expenditures are recognised in the statement of financial activities once the goods or services have been delivered or rendered. Expenditure on performance-related grants are recognised to the extent the specified service or goods have been provided. Expenditures in the statement of financial activities are classified under the costs of generating funds, cost of charitable activities and governance costs.

2. Significant accounting policies (Cont'd)**2.4. Expenditure recognition (Cont'd)****2.4.1 Classification**Cost of generating funds

All cost associated with generating income from all sources other than from undertaking charitable activities, including fund raising activities are included under cost of generating funds. Cost of fund-raising activities have been separately presented for presentation purposes.

Cost of charitable activities

All resources applied in undertaking activities to meet the Company's charitable objectives are classified under cost of charitable activities.

Governance and other costs

Costs incurred in respect of governance arrangements which relate to the general running of the Company, activities that provide the governance infrastructure, which allows the Company to operate, and to generate the information required for public accountability and costs incurred in relation to strategic planning processes that contribute to future development of the Company are classified under governance costs.

2.4.2 Allocation of costs

Where appropriate, expenditures that are specifically identifiable to each cost classification are allocated directly to the type of costs incurred. Where apportionment between each costs classification is necessary, the following apportionment bases are applied:

- Usage; and
- On time basis.

2.5 Property, plant and equipment**2.5.1 Measurement**

All property, plant and equipment are stated at cost less accumulated depreciation. All items of property, plant and equipment are initially recorded at cost.

The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Any trade discounts and rebates are deducted in arriving at purchase price. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance and overhaul costs, is normally charged to the statement of financial activities in the period in which the costs are incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property, plant and equipment beyond its originally assessed standard of performance, the expenditure is capitalised as an additional cost of property, plant and equipment.

Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the property, plant and equipment.

2. Significant accounting policies (Cont'd)**2.5 Property, plant and equipment (Cont'd)****2.5.2 Depreciation**

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

| | Useful lives |
|--------------------------------|--------------|
| Computers | 3 years |
| Furniture and fittings | 3 years |
| Office equipment | 3 years |
| Renovation | 3 years |
| Reinstatement of premises cost | 3 years |

Fully depreciated assets still in use are retained in the financial statements.

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each reporting date. The effects of any revision are recognised in the statement of financial activities in the financial year in which the changes arise.

2.5.3 Disposal

The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognised in the statement of financial activities.

2.6 Financial assets**2.6.1 Recognition and measurement**

Receivables, excluding prepayments, are initially recognised at their transaction price, excluding transaction costs, if any. Transaction costs are recognised as expenditure in the statement of financial activities as incurred. Prepayments are initially recognised at the amount paid in advance for the economic resources expected to be received in the future.

Receivables in financial assets are subsequently measured at cost less accumulated impairment losses.

2.6.2 Derecognition

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

2. Significant accounting policies (Cont'd)**2.6 Financial assets (Cont'd)****2.6.3 Impairment**

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

An allowance for impairment of other receivables is recognised when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the receivable is impaired. The amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The amount of the allowance for impairment is recognised in the statement of financial activities within "Governance and administrative costs".

Subsequently, if the amount of an impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss will be reversed. The reversal will not result in any carrying amount of the financial asset (net of any allowance account) that exceeds what the carrying amount would have been had the impairment not previously been recognised. The amount of reversal is recognised in the statement of financial activities.

2.7 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash at bank and fixed deposits with financial institutions, which are subject to an insignificant risk of changes in value.

2.8 Financial liabilities

Financial liabilities are recognised when, and only when the Company becomes a party to the contractual agreements of the instrument and are classified according to the substance of the contractual arrangements entered into. All interest related charges are recognised in the statement of financial activities. Financial liabilities includes "Other payables".

Financial liabilities which are due to be settled within 12 months after the reporting date are presented as current liabilities in the statement of financial position even though the original term was for a period longer than 12 months and an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the reporting date and before the financial statements are authorised for issue. Other financial liabilities due to be settled more than 12 months after the reporting date are presented as non-current liabilities in the statement of financial position.

2.9 Other payables

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

2.10 Provisions for other liabilities and charges

Provisions for other liabilities and charges are recognised when the Company has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

2. Significant accounting policies (Cont'd)**2.11 Operating leases**

Leases are classified as operating leases when the lessor effectively retains substantially all the risks and benefits of ownership of the leased item. Operating lease payments are recognised as an expense in the statement of financial activities on a straight-line basis over the lease term.

The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

2.12 Employee compensation**a) Defined contribution plans**

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

b) Employee leaves entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the statement of financial position date.

2.13 Funds**a) General fund**

Income and expenditure relating to the main activities of the Company are accounted for through the General Fund in the statement of financial activities.

The Board of Directors retains full control over the use of unrestricted funds for any of the Company's purposes.

b) Restricted funds

Restricted fund balances are restricted by outside sources and may only be utilised in accordance with the purposes for which they are established. Income and expenditure relating to funds set up for contributions/grants received and expenditure incurred for specific purpose is accounted for through the restricted funds in the statement of financial activities.

Income and expenditure relating to funds set up for contributions/grants received and expenditure incurred for specific purpose are accounted for through the restricted funds in the statement of financial activities.

The assets and liabilities of these funds are accounted for separately. However, for presentation purposes, they are pooled together with those of the General Fund.

2.14 Contingencies

Contingent liabilities are not recognised in the financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. Where the possibility of an outflow of resources is not remote, the Company shall disclose for each class of contingent liability at the reporting date, a brief description of the nature of the contingent liability and, where practicable:

2. Significant accounting policies (Cont'd)**2.14 Contingencies (Cont'd)**

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

A contingent asset is not recognised in the financial statements but disclosed when an inflow of economic benefit is probable.

2.15 Events after the reporting period

Events after the reporting date that provide additional information about the Company's position at the reporting date (adjusting events) is reflected in the financial statements. Events after the reporting date that are not adjusting events are disclosed in the notes to the financial statements when material.

3. Critical accounting estimates, assumptions and judgements

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Critical judgements in applying the entity's accounting policies

The critical judgements in applying the entity's accounting policies at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Government grants

Government grants to meet operating expenses are recognised as income in the statement of financial activities on the accrual basis in the financial year these operating expenses were incurred and there is reasonable assurance that the Company will comply with the conditions attached to it. For certain grants, the government agencies reserve the right to withdraw, withhold or reduce the amount of any funds approved but not yet disbursed or to call for the refund of all funds which have been disbursed to the Company if the conditions are not met.

4. Charity events

| | Note | 2022 S\$ | 2021 S\$ |
|---|------|---------------|----------------|
| <i>Income from fund-raising:</i> | | | |
| Amazing We Care Race | 4.1 | 0 | 89,131 |
| Charity Golf | 4.2 | 36,019 | 243,659 |
| Online Drive for Anniversary | 4.3 | 0 | 14,130 |
| Charity Movie | 4.4 | 59,416 | 0 |
| | | <u>95,435</u> | <u>346,920</u> |
| <i>Costs of fund-raising:</i> | | | |
| Amazing We Care Race | 4.5 | 0 | 27,964 |
| Charity Movie | 4.5 | 5,271 | 0 |
| Charity Golf | 4.5 | 0 | 37,487 |
| | | <u>5,271</u> | <u>65,451</u> |
| Net proceeds | | <u>90,164</u> | <u>281,469</u> |
| Percentage of costs of fund-raising over income from fund-raising | | <u>6%</u> | <u>19%</u> |

4.1 Amazing We Care Race

Income raised from fund-raising consist of:

| | Note | 2022 S\$ | 2021 S\$ |
|------------------------------|------|-------------|---------------|
| Tax deductible donations | 5 | 0 | 64,951 |
| Non-tax deductible donations | | <u>0</u> | <u>24,180</u> |
| | | <u>0</u> | <u>89,131</u> |

4.2 Charity Golf

Income raised from fund-raising consist of:

| | Note | 2022 S\$ | 2021 S\$ |
|------------------------------|------|---------------|----------------|
| Tax deductible donations | 5 | 0 | 139,694 |
| Non-tax deductible donations | | 36,019 | 103,565 |
| Donation-in-kind | | 0 | 400 |
| | | <u>36,019</u> | <u>243,659</u> |

4.3 Online Drive for Anniversary

Income raised from fund-raising consist of:

| | Note | 2022 S\$ | 2021 S\$ |
|------------------------------|------|-------------|---------------|
| Tax deductible donations | 5 | 0 | 13,001 |
| Non-tax deductible donations | | <u>0</u> | <u>1,129</u> |
| | | <u>0</u> | <u>14,130</u> |

4. Charity events (Cont'd)**4.4 Charity Movie**

Income raised from fund-raising consist of:

| | Note | 2022 S\$ | 2021 S\$ |
|------------------------------|------|---------------|-------------|
| Tax deductible donations | 5 | 56,425 | 0 |
| Non-tax deductible donations | | 2,991 | 0 |
| | | <u>59,416</u> | <u>0</u> |

4.5 Direct costs of fund-raising expenses

| | | 2022 S\$ | 2021 S\$ |
|---------------------------------|--|--------------|---------------|
| <i>Charity Golf:</i> | | | |
| Food and beverages | | 0 | 32,014 |
| Postage and courier | | 0 | 45 |
| Printing and stationery | | 0 | 168 |
| Refreshments | | 0 | 339 |
| Transportation | | 0 | 240 |
| Miscellaneous | | 0 | 4,681 |
| | | <u>0</u> | <u>37,487</u> |
| <i>Amazing We Care Race:</i> | | | |
| Facilities and event management | | 0 | 1,164 |
| Prizes and trophies | | 0 | 26,800 |
| | | <u>0</u> | <u>27,964</u> |
| <i>Charity Movie:</i> | | | |
| Cost of tickets | | <u>5,271</u> | <u>0</u> |

5. Tax deductible donations

Tax deductible receipts issued by the Company for donations received during the financial year, pursuant to its IPC status, are recorded as follows:

| | Note | 2022 S\$ | 2021 S\$ |
|--|------|----------------|----------------|
| <u>Statement of Financial Activities</u> | | | |
| General fund: | | | |
| - Donations | | 51,346 | 14,707 |
| - Amazing We Care Race | 4.1 | 0 | 64,951 |
| - Charity Golf | 4.2 | 0 | 139,694 |
| - Online Drive for Anniversary | 4.3 | 0 | 13,001 |
| - Charity Movie | 4.4 | 56,425 | 0 |
| | | <u>107,771</u> | <u>232,353</u> |

6. Staff costs

Included in the expenses expended are the following staff costs:

| | 2022 S\$ | 2021 S\$ |
|--------------------------------------|------------------|----------------|
| Employer's CPF and SDF contributions | 119,544 | 100,905 |
| Salaries and bonuses | 910,572 | 773,325 |
| Reversal of unutilised leave | (3,437) | (6,762) |
| | <u>1,026,679</u> | <u>867,468</u> |

The staff costs were allocated as follows:

| | 2022 S\$ | 2021 S\$ |
|----------------------------------|------------------|----------------|
| - Costs of charitable activities | 793,314 | 690,583 |
| - Governance and other costs | 233,365 | 176,885 |
| | <u>1,026,679</u> | <u>867,468</u> |

7. Income tax

The Company is a charity registered under the Charities Act since 22 June 2005. Consequently, the income of the Company is exempt from tax under the provisions of Section 13 (1) (zm) of the Income Tax Act 1947.

8. Cash and cash equivalents

| | 2022 S\$ | 2021 S\$ |
|--|------------------|------------------|
| Cash at bank | 1,026,107 | 1,075,766 |
| Fixed deposits with financial institutions | <u>1,672,235</u> | <u>1,665,303</u> |
| | <u>2,698,342</u> | <u>2,741,069</u> |

Fixed deposits at the reporting date had an average maturity of 8 months (2021: 6 months) from that date and have interest rates ranging from 0.35% to 3.85% (2021: 0.25% to 0.45%) per annum.

Fixed deposits are included as cash and cash equivalents as these can be readily converted into cash without incurring significant penalty.

9. Other receivables

| | 2022 S\$ | 2021 S\$ |
|--------------------------------|----------------|----------------|
| Deposits | 27,686 | 4,235 |
| Grant receivables - NCSS | 84,069 | 49,563 |
| Grant receivables - MSF | 6,696 | 7,068 |
| Grant receivables - Tote Board | 0 | 102,989 |
| Interest receivables | 6,022 | 1,726 |
| Prepayments | 3,399 | 5,804 |
| Sponsorship receivables | 50,000 | 50,000 |
| Other | 0 | 651 |
| | <u>177,872</u> | <u>222,036</u> |

10. Property, plant and equipment

| | Computers S\$ | Furniture and fittings S\$ | Office equipment S\$ | Renovation S\$ | Total S\$ |
|---------------------------------|------------------|----------------------------------|----------------------------|-------------------|--------------|
| Cost | | | | | |
| At 1 January 2021 | 59,456 | 15,652 | 29,684 | 367,440 | 472,232 |
| Additions | 15,754 | 0 | 10,469 | 0 | 26,223 |
| Disposals | (6,661) | 0 | 0 | 0 | (6,661) |
| At 31 December 2021 | 68,549 | 15,652 | 40,153 | 367,440 | 491,794 |
| Additions | 8,428 | 0 | 5,262 | 53,406 | 67,096 |
| At 31 December 2022 | 76,977 | 15,652 | 45,415 | 420,846 | 558,890 |
| Accumulated depreciation | | | | | |
| At 1 January 2021 | 38,849 | 15,072 | 22,255 | 342,383 | 418,559 |
| Depreciation | 16,873 | 580 | 7,655 | 14,851 | 39,959 |
| Disposals | (6,661) | 0 | 0 | 0 | (6,661) |
| At 31 December 2021 | 49,061 | 15,652 | 29,910 | 357,234 | 451,857 |
| Depreciation | 16,960 | 0 | 8,463 | 24,605 | 50,028 |
| At 31 December 2022 | 66,021 | 15,652 | 38,373 | 381,839 | 501,885 |
| Carrying amount | | | | | |
| 31 December 2021 | 19,488 | 0 | 10,243 | 10,206 | 39,937 |
| 31 December 2022 | 10,956 | 0 | 7,042 | 39,007 | 57,005 |

10. Property, plant and equipment

The following property, plant and equipment were purchased through the Care and Share Fund, NCSS Community Chest Charity Support Fund and Invictus Fund as disclosed in Note 13:

| | Computers S\$ | Furniture and fittings S\$ | Office equipment S\$ | Renovation S\$ | Total S\$ |
|---------------------------------|------------------|----------------------------------|----------------------------|-------------------|--------------|
| Cost | | | | | |
| At 1 January 2021 | 47,022 | 12,063 | 20,497 | 347,030 | 426,612 |
| Additions | 0 | 0 | 10,469 | 0 | 10,469 |
| Disposals | (4,309) | 0 | 0 | 0 | (4,309) |
| At 31 December 2021 | 42,713 | 12,063 | 30,966 | 347,030 | 432,772 |
| Additions | 8,094 | 0 | 4,856 | 0 | 12,950 |
| At 31 December 2022 | 50,807 | 12,063 | 35,822 | 347,030 | 445,722 |
| Accumulated depreciation | | | | | |
| At 1 January 2021 | 30,808 | 12,063 | 13,968 | 338,981 | 395,820 |
| Depreciation | 9,022 | 0 | 6,755 | 8,049 | 23,826 |
| Disposals | (4,309) | 0 | 0 | 0 | (4,309) |
| At 31 December 2021 | 35,521 | 12,063 | 20,723 | 347,030 | 415,337 |
| Depreciation | 9,888 | 0 | 8,372 | 0 | 18,260 |
| At 31 December 2022 | 45,409 | 12,063 | 29,095 | 347,030 | 433,597 |
| Carrying amount | | | | | |
| 31 December 2021 | 7,192 | 0 | 10,243 | 0 | 17,435 |
| 31 December 2022 | 5,398 | 0 | 6,727 | 0 | 12,125 |

The breakdown of the carrying amount of property, plant and equipment per fund are as follows:

| | Computers S\$ | Furniture and fittings S\$ | Office equipment S\$ | Renovation S\$ | Total S\$ |
|--|------------------|----------------------------------|----------------------------|-------------------|--------------|
| <u>Carrying amount</u> | | | | | |
| 2022 | | | | | |
| President's Challenge Fund | 5,398 | 0 | 0 | 0 | 5,398 |
| 2021 | | | | | |
| Invictus Fund | 7,192 | 0 | 3,264 | 0 | 10,456 |
| NCSS Community Chest Charity Support Fund | 0 | 0 | 0 | 0 | 0 |
| President's Challenge Fund | 0 | 0 | 6,979 | 0 | 6,979 |
| | 7,192 | 0 | 10,243 | 0 | 17,435 |

11. Other payables

| | 2022 S\$ | 2021 S\$ |
|----------------------------------|----------------|----------------|
| Accruals | 16,997 | 71,955 |
| CPF payable | 0 | 29,388 |
| Deferred grant - TIDE | 127,233 | 0 |
| Deferred grant - PSS | 7,582 | 0 |
| Provision for reinstatement cost | 53,406 | 0 |
| Provision for unutilised leaves | 14,484 | 17,921 |
| Others | 1,559 | 0 |
| | <u>221,261</u> | <u>119,264</u> |

12. Unrestricted fundGeneral Fund

This is a general-purpose fund to be used for non-specific purpose at the discretion of the directors in furtherance of the Company's objectives.

13. Restricted funds

Fund balances restricted by outside sources are indicated and are distinguished from unrestricted funds allocated to specific purposes, if any, by action of the management. Externally restricted funds may only be utilised in accordance with the purposes established by the source of such funds or through the terms of an appeal and are in contrast with unrestricted funds over which management retains full control to use in achieving any of its institutional purposes.

Restricted funds comprise:

a) NCSS Community Chest Charity Support Fund ("NCSS CSF")

The funding from National Council of Social Service ("NCSS") is on approved capital expenditure for rebuilding of main entrance, reception area and clinical services management and reporting system. The fund is at S\$50,000 per year from 1 April 2018 to 31 March 2020 with the conditions that at least 50% of the funds disbursed in the first year has been fully utilised prior to the second disbursement and that the Company remains a full member of NCSS or holding its IPC status. The Company has complied with the set conditions. But it has ended in prior financial year end.

b) NCSS Sober Living Framework ("NCSS SLF")

The funding from NCSS from 01 April 2018 to 31 March 2021 is in support of Sober Living Framework. This has been renewed from 1 April 2021 to 31 March 2024 at a 50% funding level. The approved expenditures are as follows:

- Manpower costs which include employing personnel with positions of psychologist, senior counsellor, counsellor, and recovery guide; and
- Other operating expenditure.

The funding shall be S\$410,075 for FY 2022 (2021: S\$432,997) of which S\$410,075 (2021: S\$432,997) was received during the financial year.

13. Restricted funds (Cont'd)**c) NCSS project Strengthening Support for Family of Drug Offenders ("SAFE 1.1")**

Project SAFE 1.1 funding from NCSS which is to provide holistic programme targeting the family as a whole with interventions specifically designed for:

- the individual- Relapse prevention for ex-offender;
- the spousal relationship- Couple communication and finance management;
- the parenting/ family relationship- Parenting skills and resolving dysfunctional family roles; or
- the children- prevention psycho-ed workshops for young adolescents and play based intervention for children below 8 years.

The funding shall be S\$214,427 for FY 2022 (2021: S\$428,439) of which S\$214,427 (2021: S\$428,439) was received during the financial year.

d) Italian Chamber of Commerce in Singapore ("ICCS")

This is a fund coursed through the Charity Golf event, which is dedicated for the marketing and promotional costs of the Company.

e) Care and Share

This is a grant from Ministry of Social and Family Development ("MSF"), based on qualifying donations, to develop the charitable agency's capabilities and capacity in the provision of social services and programmes for its beneficiaries. No Care and Share fund was received during the financial year.

f) Sonja Hope Fund

A memorandum of understanding was signed with Sonja Hope Foundation who pledged a one off sum of S\$10,000, enabling the Company to provide better quality of care for their beneficiaries and the recovering persons. No Sonja hope fund was received during the financial year.

g) Invictus Fund

Invictus Fund was established by NCSS to marshal private donations to support Social Service Agencies (SSA's) in maintaining service delivery and serving clients safely and effectively during the pandemic. This will support SSAs in their transformation of service delivery and operations through IT solutions and business continuity plans incorporating safe management measures to ensure service continuity.

The approved fund in 2020 amounted to S\$65,100 in which 80% was received in July 2020 and 20% have been received during the financial year.

In prior year, the Company received a funding support from NCSS which is the IT Solutions @Tech-and-Go. The funding is up to 80% of the costs expended by the Company, subject to a maximum of S\$30,000 for the approved pre-scoped solutions. A total of S\$2,482 has been received during the financial year. No Invictus fund was received during the financial year.

h) President's Challenge 2020 – Recovery & Integration into Society through Employment (RISE)

The RISE is a recovery-to-integration initiative that aims to enable the beneficiaries to re-integrate effectively into work-life, family and the community at large after achieving initial sobriety and abstinence from addictive behaviour.

The approved fund for the funding period 1 January 2022 to 31 December 2022 is amounted to S\$120,099.

13. Restricted funds (Cont'd)

i) President's Challenge 2021 – Tech Inclusion and Digital Enablement (TiDE)

TiDE seeks to enable former addicts to tap on and take advantage of technology for recovery, through connecting with the Company counsellors and the community, and to participate in the digital economy through online courses, online job searches, online job application and use of digital technology to communicate.

TiDE also provides an online app for the general public to assess their level of 'addictive behaviour' and to book a follow-up session with a counsellor.

The approved fund is amounted to S\$202,160 in which 70% was received during the year.

j) Peer Support Specialist ("PSS")

Peer Support Specialist provide recovery support, including psycho-education in Illness Management Recovery and Wellness Recovery Action Plan, triage and peer support for groups. Other than that, PSS also provide respite, accompany those in police care for involuntary inpatient commitment, and receive training to be part of crisis teams to ensure that the individual's views are listened to and respected in decision making.

The approved fund for the funding period from 15 July 2022 to 31 March 2023 is amounted to S\$12,481.20 which the Company has fully received during the financial year.

Net assets/(liabilities) of the restricted funds

| | Cash and cash equivalents S\$ | Property, plant and equipment S\$ | Total S\$ |
|----------------------------|--|--|----------------|
| 31 December 2022 | | | |
| ICCS | 10,000 | 0 | 10,000 |
| Sonja Hope Fund | 6,799 | 0 | 6,799 |
| Invictus Fund | 363 | 0 | 363 |
| President's Challenge Fund | 110,819 | 5,398 | 116,217 |
| | <u>127,981</u> | <u>5,398</u> | <u>133,379</u> |
| | Cash and cash equivalents S\$ | Property, plant and equipment S\$ | Total S\$ |
| 31 December 2021 | | | |
| NCSS CSF | (4,263) | 0 | (4,263) |
| NCSS SLF | (394,026) | 0 | (394,026) |
| NCSS project SAFE 1.1 | 368,949 | 0 | 368,949 |
| ICCS | 10,000 | 0 | 10,000 |
| Care and Share | (3,662) | 0 | (3,662) |
| Sonja Hope Fund | 7,368 | 0 | 7,368 |
| Invictus Fund | 363 | 10,456 | 10,819 |
| President's Challenge Fund | 49,397 | 6,979 | 56,376 |
| | <u>34,126</u> | <u>17,435</u> | <u>51,561</u> |

14. Related party transactions**(a) Related party transactions and balances**

The Board of Directors did not receive any remuneration from the Company during the financial year (2021: S\$Nil).

(b) Compensation of key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company. The Management are the one who are considered as key management personnel and no sitting member received any remuneration for their position.

The compensation of key management personnel during the financial year is as follows:

| | 2022 S\$ | 2021 S\$ |
|---|---------------------------------------|---------------------------------------|
| Salaries and other short-term employee benefits | 460,641 | 376,533 |
| Employer's contribution to CPF | 46,307 | 36,279 |
| | <u>506,948</u> | <u>412,812</u> |
| | No. of key management personnel | No. of key management personnel |
| Remuneration band (S\$) | | |
| - Less than S\$50,000 | 1 | 2 |
| - S\$50,000 to S\$100,000 | 3 | 2 |
| - S\$100,001 to S\$150,000 | <u>2</u> | <u>2</u> |

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

15. Commitments**a) Operating lease commitments**

As the reporting date, the Company has commitment for future minimum lease payments under non-cancellable operating lease with a non-related party as follows:

| | 2022 S\$ | 2021 S\$ |
|--|---------------|---------------|
| Not later than one year | 13,332 | 39,996 |
| Later than one year but not more than five years | 0 | 13,332 |
| | <u>13,332</u> | <u>53,328</u> |

b) Capital commitments

Capital expenditure contracted for at the reporting date not recognised in the financial statements is as follows:

| | 2022 S\$ | 2021 S\$ |
|----------------------|---------------|-------------|
| Software development | <u>20,500</u> | <u>0</u> |

16. Reserve position and policy

The Company's reserve position for financial year ended 31 December 2022 is as follows:

| | | 2022 | 2021 | Increase/ (decrease) |
|---|--|---------|---------|-------------------------|
| | | S\$'000 | S\$'000 | % |
| A | Unrestricted Funds | | | |
| | Accumulated general fund | 2,579 | 2,832 | (9) |
| B | Restricted or Designated Funds | | | |
| | Designated Funds | 0 | 0 | 0 |
| | Restricted Funds | 133 | 52 | 156 |
| C | Endowment Funds | 0 | 0 | |
| D | Total Funds | 2,712 | 2,884 | (6) |
| E | Total Annual Operating Expenditure | 1,409 | 1,324 | 6 |
| F | Ratio of Funds to Annual Operating Expenditure (A/E) | 1.83 | 2.14 | |

Reference:

- C. An endowment fund consists of assets, funds or properties, which are held in perpetuity, which produce annual income flow for a foundation to spend as grants.
- D. Total funds include unrestricted, restricted / designated and endowment funds.
- E. Total annual operating expenditure includes expenses related to Cost of Generating Funds, Cost of Charitable Activities and Governance and Other Costs.

The Company's Reserve Policy is as follows:

The Company's Memorandum of Association provides that income and property of the Company shall be applied solely towards the objects of the Company and no portion thereof shall be paid or transferred directly or indirectly by way of dividend, bonus or otherwise to the members of the Company.

In the event of the Company being dissolved, all debts and liabilities legally incurred on behalf of the Company shall be fully discharged and the remaining funds shall not be paid or distributed among the members of the Company but shall be given or transferred to some other institution or institutions having objects similar to the objects of the Company with the prohibitions or distribution of its or their income or property to an extent at least as great as is imposed on the Company. Such institution or institutions shall be determined by the members of the Company at or before the time of dissolution, and if not, then in some charitable object.

The reserve of the Company provides financial stability and the means for the development of the Company's activities. The Board intends to maintain the reserves at a level sufficient for its operating needs. Management reviews the level of reserves regularly for the Company's continuing obligations.

17. Management of conflict of interest

There is no paid staff on the Board of Directors. Board members are required to disclose any interest that they may have, whether directly or indirectly, that the Company may enter into or in any organisations that the Company has dealings with or is considering dealing with; and any personal interest accruing to him as one of the Company's supplier, user of services or beneficiary. Should there be any potential conflict of interest, the affected Board member may not vote on the issue that was the subject matter of the disclosure. Detailed minutes will be taken on the disclosure as well as the basis for arriving at the final decision in relation to the issue at stake.

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

As the COVID-19 situation has improved and moved from pandemic to endemic, restrictions have been gradually released. Unless there is any new COVID-19 variant causing the government to restart the safe management measures, the Company can reasonably ascertain the COVID-19 disruptions on its operating and financial performance for the financial year ending 31 December 2023 would be marginal.

The Company has assessed that the going concern basis of preparation for this set of financial statements remains appropriate. The Board of Directors is continuously monitoring the COVID-19 situation and will take further action as necessary in response to the economic and service disruption.

19. Authorisation of financial statements

These financial statements for the financial year ended 31 December 2022 were authorised for issue in accordance with a resolution of the Board of Directors of the Company on 23 May 2023.