

IMPART LTD.

[UEN. 201926170N]

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

[Incorporated in the Republic of Singapore]

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

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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 **Impart Ltd.** (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 as at 31 December 2022 and the financial performance, changes in fund and cash flows of the Company for the financial year ended 31 December 2022; 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:

Yap Tze Chan, Keith
Stefan Liew Jing Rui
Lim Song Khiang
Jhaveri Swati Suryakant
Ngo Wei-tze Calvin
Shermaine Lim Xue Min

Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose 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.

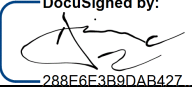
Other matters

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:

288E6E3B9DAB427

Lim Song Khiang
Director

DocuSigned by:

96D1A767952648E

Stefan Liew Jing Rui
Director

Singapore, 30 June 2023

Fiducia LLP

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Chartered Accountants of Singapore

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Independent auditor's report to the members of:

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Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Impart Ltd.** (the "Company"), which comprise the statement of financial position as at 31 December 2022, and the statement of financial activities, statement of changes in fund 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, 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 31 December 2022, and of the financial performance, changes in fund 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 matters

The financial statements for the financial year ended 31 December 2021 were audited by a firm of auditors other than Messrs. Fiducia LLP who expressed an unmodified opinion on those statements on 21 June 2022.

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement (set out on page 2), but does not include the financial statements and our auditor's report thereon and the annual report.

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

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(CONT'D)

Independent auditor's report to the members of:

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Other Information (Cont'd)

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 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.

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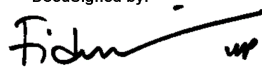
Auditor's Responsibilities for the Audit of the Financial Statements (Cont'd)

- 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.

Report 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.

DocuSigned by:

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Fiducia LLP
Public Accountants and
Chartered Accountants

Singapore, 30 June 2023

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

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

	Note	2022 S\$	2021 S\$
Income from generated funds			
Donation		4,687	0
Government grant	4	103,162	143,776
Grant Income		649,626	174,673
Other income		6,477	24
		<u>763,952</u>	<u>318,473</u>
Less: Cost of charitable activities			
Advertising		2,557	0
Intern allowance expenses		12,962	0
Client engagement costs		17,098	3,403
Curriculum development costs		211	2,918
Honorarium		2,870	0
Impart community		1,622	18,601
Training		12,089	32,365
Telephone and internet		408	8
Volunteers' reimbursements		4,564	0
Software subscription		2,781	8,827
Staff remuneration- programme staff			
- Wages and salaries		276,490	0
- CPF Employer's Contribution		39,792	0
- SDL contribution		547	0
		<u>373,991</u>	<u>66,122</u>
Less: Administrative and governance costs			
Intern allowance expenses		14,600	60,056
Auditor's remuneration		4,164	2,487
Bank charges		366	292
Consulting and accounting		22,922	1,600
Cohesion		3,862	3,843
General expenses		3,032	721
Insurance		2,753	2,777
Office expenses		5,314	2,562
Printing and stationary		1,055	259
Provision for unutilised leave		9,505	0
Staff remuneration			
- Wages and salaries		89,550	152,985
- CPF Employer's Contribution		14,656	24,769
- SDL contribution		160	0
Utilities		1,085	0
		<u>173,024</u>	<u>252,351</u>

Impart Ltd.
[UEN. 201926170N]

Audited Financial Statements
Financial Year Ended 31 December 2022

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

	Note	2022 S\$	2021 S\$
Income before income tax		216,937	0
Income tax expense	5	0	0
Net income for the financial year		<u>216,937</u>	<u>0</u>

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	6	251,554	109,419
Other receivables	7	<u>40,000</u>	<u>101,667</u>
Total assets		<u>291,554</u>	<u>211,086</u>
LIABILITIES			
Current liabilities			
Other payables	8	81,531	61,309
Deferred capital grants	9	<u>0</u>	<u>156,691</u>
Total liabilities		<u>81,531</u>	<u>218,000</u>
NET ASSETS		<u>210,023</u>	<u>(6,914)</u>
FUND			
General fund		<u>210,023</u>	<u>(6,914)</u>

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

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

	Balance at beginning of financial year S\$	Net income for financial year S\$	Balance at end of financial year S\$
2022			
General fund	<u>(6,914)</u>	<u>216,937</u>	<u>210,023</u>
	Balance at beginning of financial year S\$	Net income for financial year S\$	Balance at end of financial year S\$
2021			
General fund	<u>(6,914)</u>	<u>0</u>	<u>(6,914)</u>

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			
Income before income tax		216,937	0
Adjustments for:			
- Amortisation of deferred income		(456,691)	(318,449)
Operating cash flow before working capital changes		(239,754)	(318,449)
Changes in working capital			
- Other receivables		0	(83,501)
- Other payables		20,222	31,792
Net cash generated from / (used in) operating activities		<u>219,532</u>	<u>(370,158)</u>
Cash flows from investing activities			
Proceeds from government grant		111,667	260,418
Proceeds from advances from a related party		250,000	212,162
Net cash generated from investing activities		<u>361,667</u>	<u>472,580</u>
Net increase in cash and cash equivalents		142,135	102,422
Cash and cash equivalents at beginning of financial year		<u>109,419</u>	<u>6,997</u>
Cash and cash equivalents at end of financial year	5	<u><u>251,554</u></u>	<u><u>109,419</u></u>

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

Impart Ltd. (the "Company") is incorporated and domiciled in Singapore, limited by guarantee and not having a share capital. The Company's registered office and the principal place of activities is located at Thye Hong Center, 2 Leng Kee Road, #03-10, Singapore 159086.

The Company was registered as a charity under the Charities Act 1994 since 06 July 2022.

The objectives of the Company are as follows:

- (a) to help at risk youth through tutoring,
- (b) to improve mental wellness in youths through various projects, and
- (c) to spread a sense of community in youths through sports.

The liabilities of the members are limited whereby each member of the company undertakes to contribute to the assets of the company in the event of it being wound up while he or she is a member, or within one year after he or she ceases to be a member, for payment of the debts and liabilities of the company contracted before he or she ceases to be a member, and the costs, charges, and expenses of winding up and for the adjustment of the rights of the contributors among themselves, such amount as may be required not exceeding one Singapore dollar.

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

The financial statements have been prepared in accordance with Financial Reporting Standards in Singapore ("FRSs") and the disclosure requirements of the Charities Act 1994 and other relevant regulations (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 in are presented in Singapore Dollar ("S\$"), which is the Company's functional currency. Functional currency is the currency of the primary economic environment which the Company operates. All financial information presented are denominated in S\$ unless otherwise stated.

The preparation of the financial statements in conformity with FRSs requires management to exercise its judgement in the process of applying the Company's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

Interpretations and amendments to published standards effective in 2022

In the current financial year, the Company adopted the new or amended FRSs and Interpretations of FRSs ("INT FRSs") that are relevant and mandatory to its operations and effective on 1 January 2022. Changes to the Company's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRSs and INT FRSs.

The adoption of these new or revised FRSs and INT FRSs did not result in substantial changes to the accounting policies of the Company and had no material effect on the amounts reported for the current or prior financial years.

2. Significant accounting policies (Cont'd)

2.1 Basis of preparation (Cont'd)

The Company has not adopted the following relevant new or amended FRSs, INT FRSs and amendments to FRSs that were issued but not yet effective:

Descriptions	Effective for annual periods beginning on or after
FRS 117 : Insurance Contracts Amendments to: - FRS 1 and FRS Practice Statement 2: Disclosure of Accounting Policies - FRS 8 : Definition of Accounting Estimates - FRS 12, FRS 101 : Deferred Tax related to Assets and Liabilities arising from a Single Transaction - FRS 117 : Insurance Contracts	1 January 2023
Amendments to: - FRS 1 : Classification of Liabilities as Current or Non-current - FRS 116 : Lease Liability in a Sale and leaseback - FRS 1 : Non-current Liabilities with Covenants	1 January 2024
Amendments to FRS 110 and FRS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Date to be determined

The directors expect that the adoption of the revised standards and interpretations will have no material impact on the financial statements in the period of initial application.

2.2 Income recognition

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

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

2.2.1 Donations

Donations are recognised in the statement of financial activities upon receipt. Donations-in-kind are recognised when the fair value of the assets received can be reasonably ascertained.

2.2.2 Other income

Other income is recognised when received.

2. Significant accounting policies (Cont'd)**2.3 Government and other grants**

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

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

2.4 Expenditure recognition

All expenditure are accounted for on an accrual basis, aggregated under the respective areas. Direct costs are attributed to the activity where possible. Where costs are not wholly attributable to an activity, they are apportioned on a basis consistent with the use of resources.

2.4.1 Cost of charitable activities

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

2.4.2 Administrative and governance costs

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

2.5 Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a tax authority will accept an uncertain tax treatment. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

2. Significant accounting policies (Cont'd)**2.5 Income taxes (Cont'd)**

Deferred income tax is measured:

- (i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the reporting date; and
- (ii) Based on the tax consequence that will follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amounts of its assets and liabilities except for investment properties. Investment property measured at fair value is presumed to be recovered entirely through sale.

Current and deferred income taxes are recognised as income or expense in the statement of financial activities, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

2.6 Impairment of non-financial assets

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

For the purpose of impairment testing of the assets, recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, recoverable amount is determined for the cash-generating unit (CGU) to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. The impairment loss is recognised in the statement of financial activities.

An impairment loss for an asset is reversed if, there has been a change in the estimates used to determine the assets' recoverable amount since the last impairment loss was recognised. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods. A reversal of impairment loss for an asset is recognised in the statement of comprehensive income.

2. Significant accounting policies (Cont'd)**2.7 Financial assets**

(a) Classification and measurement

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

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

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

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

At initial recognition

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through statement of financial activities, transaction costs that are directly attributable to the acquisition of the financial assets.

At subsequent measurement

Debt instruments of the Company mainly comprise of "Cash and cash equivalents", "Other receivables".

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

(b) Impairment

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

For cash and cash equivalents and other receivables, the general 3 stage approach is applied. Credit loss allowance is based on 12-month expected credit loss if there is no significant increase in credit risk since initial recognition of the assets. If there is a significant increase in credit risk since initial recognition, lifetime expected credit loss will be calculated and recognised.

2. Significant accounting policies (Cont'd)**2.7 Financial assets (Cont'd)**

(c) Recognition and derecognition

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

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

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

2.8 Cash and cash equivalents

Cash and cash equivalents include deposits with financial institutions, which are subject to an insignificant risk of change in value.

2.9 Financial liabilities

Financial liabilities are recognised 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 statement of financial activities. Financial liabilities include "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.

Financial liabilities is derecognised when the obligations under the liability is discharged or cancelled or expires. When existing financial liabilities are replaced by another from the same lender on substantially different terms of an existing liability or are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognised in statement of financial activities.

2.10 Other payables

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

2.11 Provisions for other liabilities and charges

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

2. Significant accounting policies (Cont'd)**2.12 Funds**

Fund balances restricted by outside sources are so indicated and are distinguished from unrestricted funds allocated to specific purposes, if any, by action of the Board of directors. Externally restricted funds may only be utilised in accordance with the purposes for which they are established. The Board of directors retains full control over the use of unrestricted funds for any of the Company's purposes.

2.13 Employee compensationDefined contribution plans

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

Employee leave entitlement

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

2.14 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:

- 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 date

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

3. Critical accounting estimates, assumptions and judgements

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

3.1 Critical accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

3.2 Critical judgments in applying the entity's accounting policies

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

3.2.1 Government grants

Government grants to meet operating expenses are recognised as income in the income and expenditure statement on the accrual basis in the 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.

At the reporting date, the Management assessed the Company has met the conditions attached to the grants.

4. Grant income

	2022 S\$	2021 S\$
Empower Ageing	501,390	172,908
Symrise Asia Pacific Pte Ltd	48,236	1,765
The Majurity Trust	100,000	0
	<u>649,626</u>	<u>174,673</u>

5. Income tax

The major components of income tax expense recognised in the statement of financial activities for the financial year ended 31 December 2022 and 31 December 2021 were:

	2022 S\$	2021 S\$
Tax expense attributable to profit is made up of:		
- Current year	<u>0</u>	<u>0</u>

5. Income tax (Cont'd)**Relationship between tax expense and accounting profit**

The income tax expense on profit differs from the amount that would arise using the Singapore standard rate of income tax as explained below:

	2022 S\$	2021 S\$
Income before income tax	<u>216,937</u>	<u>0</u>
Tax calculated at statutory tax rate of 17% (2021: 17%)	36,879	0
Effect of:		
- Non-taxable income	<u>(36,879)</u>	<u>0</u>
	<u>0</u>	<u>0</u>

The Company is registered as a charity under the Charities Act since 6 July 2022. Consequently, the income of the Company is exempted from tax under the provisions of Section 13 of the Income Tax Act 1947.

6. Cash and cash equivalents

	2022 S\$	2021 S\$
Cash at bank	<u>251,554</u>	<u>109,419</u>

At the reporting date, the carrying amounts of cash and cash equivalents approximated their fair values.

7. Other receivables

	2022 S\$	2021 S\$
<u>Grant Receivables</u>		
- Sportscares	0	5,770
- National Youth Fund (Impart Capability Development)	40,000	70,000
- Youth Action Challenge	0	10,000
- Youth Corps Internship Scheme	0	3,665
- Our Singapore Fund	0	1,570
- SGunited Traineeships Programme	0	10,662
	<u>40,000</u>	<u>101,667</u>

At the reporting date, the carrying amounts of other receivables approximated their fair values.

8. Other payables

	2022 S\$	2021 S\$
Accruals	59,816	37,505
Allowances due	0	10,000
Amount due to director	0	3,759
Deposit from Volunteers	2,700	0
Non-trade payables	525	1,060
Provision for unutilised leave	18,490	8,985
	<u>81,531</u>	<u>61,309</u>

At the reporting date, the carrying amount of other payables are approximated their fair values

9. Deferred grant income

	2022 S\$	2021 S\$
Deferred grant income from government	0	117,438
Deferred grant income from a related party	0	39,253
Financial liabilities at amortised cost	<u>0</u>	<u>156,691</u>

10. Related party transactions

In addition to the related party information disclosed elsewhere in the financial statements, the Company carries out the following transactions with the related parties on terms agreed between the parties during the financial year:

	2022 S\$	2021 S\$
<u>A company with a common director</u>		
Advances provided	<u>0</u>	<u>212,162</u>
<u>With employee</u>		
Remuneration to Chief Executive Officer	<u>0</u>	<u>10,000</u>

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

	2022 S\$	2021 S\$
Salaries and other short-term benefits	201,000	94,000
Post-employment benefits – contribution to CPF	<u>33,150</u>	<u>15,980</u>

11. Financial instruments

The carrying amounts of financial assets and financial liabilities as at the end of financial year are as follows:

	2022 S\$	2021 S\$
Financial assets, at amortised cost		
Cash and bank balances	251,554	109,419
Other receivables	40,000	101,667
	<u>291,554</u>	<u>211,086</u>
Financial liabilities, at amortised cost		
Other payables	63,041	52,324
	<u>63,041</u>	<u>52,324</u>

12. Financial risk management objectives and policies

The Board of Directors has documented financial risk management policies. These policies set out the Company's risk management philosophy. The Company is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks included credit risk, interest rate risk, foreign currency risk, market price risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise adverse effects from the unpredictability of financial markets on the Company's financial performance. The Company does not hold or issue derivative financial instruments for trading purposes or to hedge against fluctuations, if any, in interest rates and foreign exchange.

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

The Company does not hold or issue derivative financial instruments for trading purposes or to hedge against fluctuations, if any, in interest rates and foreign exchange.

Credit risk

Credit risk refers to the risk that counterparties will default on its contractual obligation, resulting in deficits in funds.

The Company has adopted the following policy to mitigate the credit risk.

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

For other receivables, the Company manages its credit risks by ensuring that the counterparty has sufficient financial assets and other committed credit lines to settle its financial and contractual obligations to the Company, as and when they fall due.

12. Financial risk management objectives and policies (Cont'd)Liquidity risk

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

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

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

	Within one year S\$	Later than one year but not later than five years S\$	Total S\$
2022			
Financial assets			
Cash and cash equivalent	251,554	0	251,554
Other receivables	40,000	0	40,000
	<u>291,554</u>	<u>0</u>	<u>291,554</u>
Financial liabilities			
Other payables	<u>63,041</u>	<u>0</u>	<u>63,041</u>
Net financial assets	<u>228,513</u>	<u>0</u>	<u>228,513</u>
2021			
Financial assets			
Cash and cash equivalent	109,419	0	109,419
Other receivables	101,667	0	101,667
	<u>211,086</u>	<u>0</u>	<u>211,086</u>
Financial liabilities			
Other payables	<u>52,324</u>	<u>0</u>	<u>52,324</u>
Net financial assets	<u>158,762</u>	<u>0</u>	<u>158,762</u>

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates.

The Company is not exposed to any interest risk as there are no variable interest bearing assets and liabilities.

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

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 service disruption.

14. Comparative Figures

Certain reclassifications have been made to the comparative information to enhance comparability with current year's financial statements. The reason for that is these expenses are directly involved in executing the charitable activities of the entity.

	As previously reported S\$	Reclassification S\$	As reclassified S\$
<u>31 December 2021</u>			
Statement of Financial Activities			
<u>Cost of charitable activities</u>			
-Training	0	32,365	32,365
-Curriculum development costs	0	2,918	2,918
<u>Administrative and governance costs</u>			
-Training	32,365	(32,365)	0
-Curriculum development costs	2,918	(2,918)	0

15. 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 30 June 2023.