Archdiocesan Commission for the Pastoral Care
of Migrants and Itinerant People

# Financial Report

ACMi
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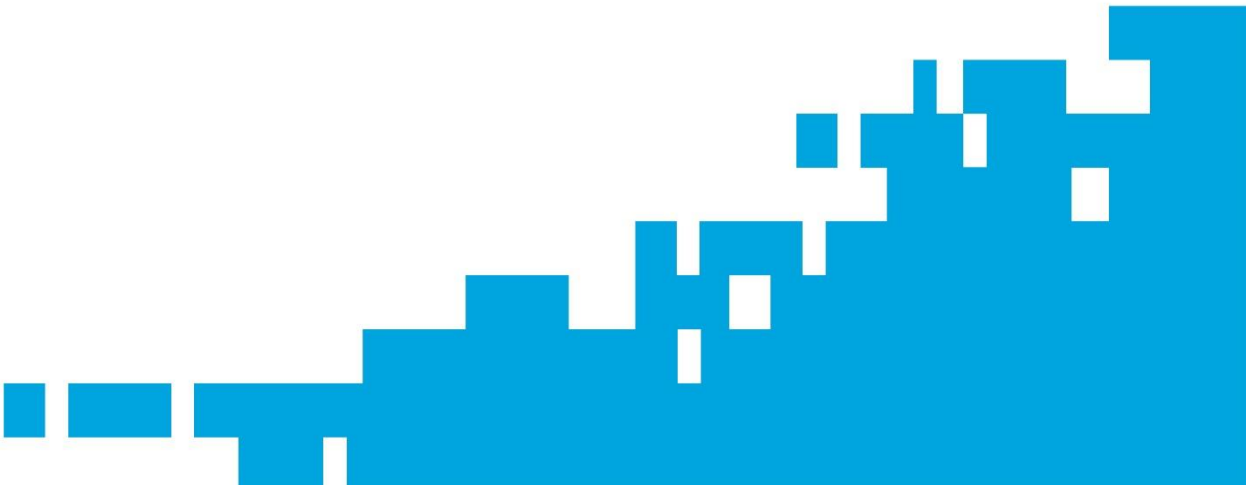
RSM

# ACMI MIGRANT FUND

**(Unique Entity Number: T16CC0006L)**
**(Registered under the Charities Act 1994)**

## Statement by Trustees and Financial Statements

Year Ended 31 December 2023



**ACMI MIGRANT FUND**

**Statement by Trustees and Financial Statements**

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**ACMI MIGRANT FUND**

## Statement by Trustees

The trustees of ACMI Migrant Fund are pleased to present their statement to the members together with the audited financial statement of ACMI Migrant Fund ("the Fund") for the financial year ended 31 December 2023.

In the opinion of the trustees,

(a) the accompanying financial statements are drawn up so as to give a true and fair view of the financial position of the Fund as at 31 December 2023 and financial activities, changes in funds and cash flows of the Fund for the financial year ended on that date; and

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

The Board of Trustees of the Fund at the date of this statement are:

| | |
|---|---|
| Chairman | Roland Yeow Theng Nam |
| Vice chairman | Raymundo A Yu, Jr. |
| Treasurer | Jeremy Khoo Teng Hock |
| Secretary | Lim Yee Sim |
| Member | Jerome Leon Wing Seng |
| Member | Aloysius Ong Han Kiong |

The Board of Trustees approved and authorised these financial statements for issue.

## Independent auditor

RSM SG Assurance LLP has expressed willingness to accept re-appointment. This audit firm was known as RSM Chio Lim LLP before 1 March 2024.

On behalf of the Board of Trustees,

Roland Yeow Theng Nam
Chairman

Jeremy Khoo Teng Hock
Treasurer

10 July 2024

RSM SG Assurance LLP
8 Wilkie Road, #03-08, Wilkie Edge
Singapore 228095
T +65 6533 7600
Assurance@RSMSingapore.sg
www.RSMSingapore.sg

**Independent Auditor's Report to the Members of ACMI MIGRANT FUND**

## Report on the audit of the financial statements

### Opinion

We have audited the accompanying financial statements of ACMI Migrant Fund ("the Fund"), which comprise the statement of financial position of the Fund as at 31 December 2023, and the statement of financial activities, statement of changes in funds and statement of cash flows for the reporting year then ended, and notes to the financial statements, including the significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Charities Act 1994 and other relevant regulations ("the Charities Act and Regulations"), and the Charities Accounting Standards ("CAS") so as to give a true and fair view of the financial position of the company as at 31 December 2023 and of the financial performance, changes in funds and cash flows of the company for the year ended on that date.

### Basis for opinion

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

### Other information

Management is responsible for the other information. The other information comprises the information included in the annual report and the statement by the trustees, but does not include the financial statements and our auditor's report thereon.

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

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



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**Responsibilities of management and trustees 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 Act, the Charities Act and Regulations and the Charities Accounting Standards, 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, the management is responsible for assessing the Fund'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 the trustees either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

The trustees' responsibilities include overseeing the Fund'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:

a) 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.

b) 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 Fund's internal control.

c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

d) Conclude on the appropriateness of the 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 Fund'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 Fund to cease to continue as a going concern.

**Auditor's responsibilities for the audit of the financial statements (cont'd)**

e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

**Report on other legal and regulatory requirements**

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

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

(a) the Fund 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

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

The engagement partner on the audit resulting in this independent auditor's report is Lock Chee Wee.

RSM SG Assurance LLP
Public Accountants and
Chartered Accountants
Singapore

10 July 2024

**ACMI MIGRANT FUND**

**Statements of Financial Activities**
**Year Ended 31 December 2023**

| | Notes | 2023 General Fund | 2023 Specific Fund | Total |
|---|---|---|---|---|
| | | $ | $ | $ |
| Income | 4 | 1,404,784 | 37,655 | 1,442,439 |
| Operating expenditure | 5 | (1,780,367) | (40,752) | (1,821,119) |
| **Net loss for the year** | | (375,583) | (3,097) | (378,680) |
| **Net movement in funds** | | (375,583) | (3,097) | (378,680) |
| **Total funds at beginning of the year** | | 577,104 | 25,150 | 602,254 |
| **Total funds at end of the year** | | 201,521 | 22,053 | 223,574 |

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

**ACMI MIGRANT FUND**

**Statements of Financial Activities**
**Year Ended 31 December 2022**

| | Notes | 2022 General Fund $ | 2022 Specific Fund $ | 2022 Total $ |
|---|---|---|---|---|
| Income | 4 | 1,094,067 | 51,601 | 1,145,668 |
| Operating expenditure | 5 | (1,189,998) | (73,514) | (1,263,512) |
| **Net loss for the year** | | (95,931) | (21,913) | (117,844) |
| **Net movement in funds** | | (95,931) | (21,913) | (117,844) |
| **Total funds at beginning of the year** | | 673,035 | 47,063 | 720,098 |
| **Total funds at end of the year** | | 577,104 | 25,150 | 602,254 |

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

**ACMI MIGRANT FUND**

**Statement of Financial Position**
**As at 31 December 2023**

| | Notes | 2023 $ | 2022 $ |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current asset** | | | |
| Plant and equipment | 7 | 85,556 | 50,388 |
| **Total non-current asset** | | 85,556 | 50,388 |
| | | | |
| **Current assets** | | | |
| Trade and other receivables | 8 | 22,763 | 8,880 |
| Other non-financial assets | 9 | 8,139 | 14,756 |
| Cash and cash equivalents | 10 | 528,928 | 797,300 |
| **Total current assets** | | 559,830 | 820,936 |
| **Total assets** | | 645,386 | 871,324 |
| | | | |
| **FUNDS AND LIABILITIES** | | | |
| General fund | 11 | 201,521 | 577,104 |
| Specific fund | 11 | 22,053 | 25,150 |
| **Total funds** | | 223,574 | 602,254 |
| | | | |
| **Current liabilities** | | | |
| Other payables | 12 | 394,649 | 229,543 |
| Other non-financial liabilities | 13 | 27,163 | 39,527 |
| **Total current liabilities** | | 421,812 | 269,070 |
| **Total liabilities** | | 421,812 | 269,070 |
| | | | |
| **Total funds and liabilities** | | 645,386 | 871,324 |

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

**ACMI MIGRANT FUND**

**Statement of Changes in Funds**
**Financial Year Ended 31 December 2023**

| | General Fund<br>$ | Specific Fund<br>$ | Total<br>$ |
|---|---|---|---|
| **Current Year:** | | | |
| Opening balance at 1 January 2023 | 577,104 | 25,150 | 602,254 |
| **Changes in fund:** | | | |
| Net loss for the year | (375,583) | (3,097) | (378,680) |
| Closing balance at 31 December 2023 | 201,521 | 22,053 | 223,574 |
| | | | |
| **Previous Year:** | | | |
| Opening balance at 1 January 2022 | 673,035 | 47,063 | 720,098 |
| **Changes in fund:** | | | |
| Net loss for the year | (95,931) | (21,913) | (117,844) |
| Closing balance at 31 December 2022 | 577,104 | 25,150 | 602,254 |

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

**ACMI MIGRANT FUND**

**Statement of Cash Flows**
**Year Ended 31 December 2023**

| | 2023<br>$ | 2022<br>$ |
|---|---|---|
| **Cash flows from operating activities** | | |
| Net deficit for the year | (378,680) | (117,844) |
| Adjustments for: | | |
| Depreciation of plant and equipment | 43,999 | 51,783 |
| Operating cash flows before changes in working capital | (334,681) | (66,061) |
| Other receivables | (13,883) | 44,598 |
| Other non-financial assets | 6,617 | (10,658) |
| Other payables | 165,106 | 52,694 |
| Other non-financial liabilities | (12,364) | 17,928 |
| Net cash flows (used in) / from operating activities | (189,205) | 38,501 |
| | | |
| **Cash flows from investing activity** | | |
| Purchase of plant and equipment | (79,167) | (83,338) |
| Net cash flows used in investing activity | (79,167) | (83,338) |
| | | |
| Net decrease in cash and cash equivalents | (268,372) | (44,837) |
| Cash and cash equivalents, beginning balance | 797,300 | 842,137 |
| **Cash and cash equivalents, ending balance (Note 10)** | 528,928 | 797,300 |

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

**Notes to the Financial Statements**
**31 December 2023**

## 1. General

ACMI Migrant Fund (the "Fund") is registered in Singapore under the Charities Act 1994. The financial statements are presented in Singapore dollars. The Fund is a charity registered under the Charities Act 1994 with effect from 26 September 2016. The Fund was granted the status of an Institution of a Public Character under the Charities Act 1994, for the period from 4 April 2024 to 3 November 2026.

Board of Trustees approved and authorised these financial statements for issue on the date of the statement by trustees.

The principal activity of the Fund is that of promoting and advancing the Catholic belief that all human life is sacred and the dignity of the human person is the foundation of a moral vision for society. In promotion and advancement of this social and public cause in Singapore, the Fund may be utilised for various and all kinds of charitable social works for all migrants and itinerant persons who are in Singapore.

The primary source of income for the fund is derived from the receipt of grants, with a substantial portion of these grants being provided by Caritas.

The registered office address is: 7A, Lorong 8 Toa Payoh, #03-05, Agape Village, Singapore 319264.

### Statement of compliance with financial reporting standards

These financial statements have been prepared in accordance with the Charities Accounting Standards as issued by the Accounting Standards Committee under ACRA (ASC). They comply with the provisions of the Charities Accounting Standards and Charities Act 1994. The Standards are referred to in these financial statements as the financial reporting standards.

### Basic of preparation of the financial statements

The financial statements are prepared on a going concern basis under the historical cost convention except where a financial reporting standard requires an alternative treatment (such as fair values) as disclosed where appropriate in these financial statements. The accounting policies in the financial reporting standards may not be applied when the effect of applying them is not material. The disclosures required by financial reporting standards may not be provided if the information resulting from that disclosure is not material.

## 2. Significant accounting policies and other explanatory information

## 2A. Significant accounting policies

### Income recognition

Income including grants and donations are recognised where there are entitlement, certainty and sufficient reliability of measurement.

(i) Grant income

Grants to cover a particular expenditure or programme are accounted for as incoming resources upon receipt of notification of the grant award, which normally coincides with the year when the related expenses, for which the grant is intended to cover, are incurred. The corresponding asset (grants receivable account) is also recognised then. A government grant is recognised at fair value when there is reasonable assurance that the conditions attaching to it will be complied with and that the grant will be received. Grants and government subvention receipts in recognition of specific expenses are recognised as income over the periods necessary to match them with the related costs that they are intended to compensate, on a systemic basis. A grant related to depreciable assets is allocated to income over the period in which such assets are used in the project subsidised by the grant. A government grant related to assets, including non-monetary grants at fair value, is presented in the statement of financial position by setting up the grant as deferred income.

(ii) Course contributions and course fees

Course contributions and course fees for activities held are recognised when the services are rendered.

(iii) Donations

Revenue from donations are accounted for when received.

### Government grants

Government grants are recognised at fair value when there is reasonable assurance that the conditions attaching to them will be complied with and that the grants will be received. Grants in recognition of specific expenses are recognised in profit or loss on a systematic basis over the periods necessary to match them with the related costs that they are intended to compensate. The grant related to assets is presented in the statement of financial position by recognising the grant as deferred income that is recognised in profit or loss on a systematic basis over the useful life of the asset and in the proportions in which depreciation expense on those assets is recognised.

### Employee benefits

Contributions to a defined contribution retirement benefit plan are recorded as an expense as they fall due. The Fund's legal or constructive obligation is limited to the amount that it is obligated to contribute to an independently administered fund (such as the Central Provident Fund in Singapore, a government managed defined contribution retirement benefit plan). For employee leave entitlement the expected cost of short-term employee benefits in the form of compensated absences is recognised in the case of accumulating compensated absences, when the employees render service that increases their entitlement to future compensated absences; and in the case of non-accumulating compensated absences, when the absences occur. A liability for bonuses is recognised where the Fund is contractually obliged or where there is constructive obligation based on past practice.

## 2. Significant accounting policies and other explanatory information (cont'd)

## 2A. Significant accounting policies (cont'd)

### Foreign currency transactions

The functional currency is the Singapore dollar as it reflects the primary economic environment in which the Fund operates. Transactions in foreign currencies are recorded in the functional currency at the rates ruling at the dates of the transactions. At each end of the reporting year, recorded monetary balances and balances measured at fair value that are denominated in non-functional currencies are reported at the rates ruling at the end of the reporting year and fair value measurement dates respectively. All realised and unrealised exchange adjustment gains and losses are dealt with in profit or loss except when a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. The presentation is in the functional currency.

### Income tax

The fund is registered under the Charities Act 1994. Therefore, it is exempted under section 13(zm) of the Income Tax Act 1947.

### Plant and equipment

Plant and equipment are carried at cost on initial recognition and after initial recognition at cost less any accumulated depreciation and any accumulated impairment losses. Depreciation is provided on a straight-line basis to allocate the gross carrying amounts of the assets less their residual values over their estimated useful lives of each part of an item of these assets.

The annual rates of depreciation are as follows:

| | | |
|---|---|---|
| Plant and equipment | – | 33% to 100% |

An asset is depreciated when it is available for use until it is derecognised even if during that period the item is idle. Fully depreciated assets still in use are retained in the financial statements.

The gain or loss arising from the derecognition of an item of plant and equipment is recognised in profit or loss. The residual value and the useful life of an asset is reviewed at least at each end of the reporting year and, if expectations differ significantly from previous estimates, the changes are accounted for as a change in an accounting estimate, and the depreciation charge for the current and future periods are adjusted.

Cost also includes acquisition cost, borrowing cost capitalised and any cost directly attributable to bringing the asset or component to the location and condition necessary for it to be capable of operating in the manner intended by management. Subsequent costs are recognised as an asset only when it is probable that future economic benefits associated with the item will flow to the Fund and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss when they are incurred.

### Investment in financial assets

An investment in a financial asset shall be measured initially at the transaction price excluding transaction costs, if any. Transaction costs shall be recognised as expenditure immediately in the Statement of Financial Activities as incurred. Subsequent to initial measurement, an investment in a financial asset shall be measured at cost less any accumulated impairment losses.

## 2. Significant accounting policies and other explanatory information (cont'd)

## 2A. Significant accounting policies (cont'd)

### Receivables

Receivables excluding prepayments shall be initially recognised at their transaction price, excluding transaction costs, if any. Transaction costs shall be recognised as expenditure in the Statement of Financial Activities as incurred. Prepayments shall be initially recognised at the amount paid in advance for the economic resources expected to be received in the future. After initial recognition, receivables excluding prepayments shall be measured at cost less any accumulated impairment losses. Prepayments shall be measured at the amount paid less the economic resources received or consumed during the financial period.

### Cash and cash equivalents

For the statement of cash flows, cash and cash equivalents includes cash and cash equivalents less cash subject to restriction and bank overdrafts payable on demand that form an integral part of cash management. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value.

### Payables

Payables excluding accruals shall be recognised at their transaction price, excluding transaction costs, if any, both at initial recognition and at subsequent measurement. Transaction costs shall be recognised as expenditure in the Statement of Financial Activities as incurred. Accruals shall be recognised at the best estimate of the amount payable.

### Financial instruments

Recognition and derecognition of financial instruments:

A financial asset or a financial liability is recognised when, and only when, the entity becomes party to the contractual provisions of the instrument. All other financial instruments (including regular-way purchases and sales of financial assets) are recognised and derecognised, as applicable, using trade date accounting or settlement date accounting. A financial asset is derecognised when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the entity neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. A financial liability is removed from the statement of financial position when, and only when, it is extinguished, that is, when the obligation specified in the contract is discharged or cancelled or expires.

At initial recognition the financial asset or financial liability is measured at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

## 2. Significant accounting policies and other explanatory information (cont'd)

## 2A. Significant accounting policies (cont'd)

### Financial instruments (cont'd)

Categories of financial assets and financial liabilities:

The financial reporting standard on financial instruments four categories of financial assets and two categories for liabilities. At the end of the reporting year, the reporting entity had the following categories financial assets and financial liabilities:

- Financial asset classified as measured at amortised cost: A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss (FVTPL), that is (a) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows, and (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Typically trade and other receivables, bank and cash balances are classified in this category.

- Financial liabilities are classified as at fair value through profit or loss (FVTPL) in either of the following circumstances: (1) the liabilities are managed, evaluated and reported internally on a fair value basis; or (2) the designation eliminates or significantly reduces an accounting mismatch that would otherwise arise. All other financial liabilities are carried at amortised cost using the effective interest method. Reclassification of any financial liability is not permitted.

### Fair value measurement

The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When measuring the fair value of an asset or a liability, market observable data to the extent possible is used. If the fair value of an asset or a liability is not directly observable, an estimate is made using valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs (eg by use of the market comparable approach that reflects recent transaction prices for similar items, discounted cash flow analysis, or option pricing models refined to reflect the issuer's specific circumstances). Inputs used are consistent with the characteristics of the asset or liability that market participants would take into account. The entity's intention to hold an asset or to settle or otherwise fulfil a liability is not taken into account as relevant when measuring fair value.

Fair values are categorised into different levels in a fair value hierarchy based on the degree to which the inputs to the measurement are observable and the significance of the inputs to the fair value measurement in its entirety: Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (ie as prices) or indirectly (ie derived from prices). Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs). Transfers between levels of the fair value hierarchy are recognised at the end of the reporting period during which the change occurred.

## 2. Significant accounting policies and other explanatory information (cont'd)

## 2A. Significant accounting policies (cont'd)

### Fair value measurement (cont'd)

The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value. The fair values of non-current financial instruments may not be disclosed separately unless there are material differences at the end of the reporting year and in the event the fair values are disclosed in the relevant notes to the financial statements. The recurring measurements are made at each reporting year end date.

## 2B. Other explanatory information

### Funds

Fund balances restricted by outside sources are so indicated and are distinguished from General Funds allocated to specific purposes, if any, by action of the trustees. Externally Specific 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 General Funds over which management retains full control to use in achieving any of its institutional purposes. An expense resulting from the operating activities of a fund that is directly attributable to the fund is charged to that fund. Common expenses if any are allocated on a reasonable basis to the funds based on a method most suitable to that common expense.

### Reserve policy

The reserves of the Fund provide financial stability and the means for the development of the Fund's activities. The Fund intends to maintain the reserves at a level sufficient for its operating needs. As a general rule of thumb, the Fund aims to keep two years of total annual operating expenditure as reserves. The trustees review the level of reserves regularly for the Fund's continuing obligations.

### Provisions

A liability or provision is recognised when there is a present obligation (legal or constructive) 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 a reliable estimate can be made of the amount of the obligation. A provision is made using best estimates of the amount required in settlement and where the effect of the time value of money is material, the amount recognised is the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

## 2C. Critical judgements, assumptions and estimation uncertainties

There were no critical judgements made in the process of applying the accounting policies that have the most significant effect on the amounts recognised in the financial statements. There were no key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting year, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting year.

## 3. Related party relationships and transactions

The Charities Accounting Standards on related party disclosures requires the reporting entity to disclose: (a) transactions with its related parties; and (b) relationships between parents and subsidiaries irrespective of whether there have been transactions between those related parties. A party is related to a party if the party controls, or is controlled by, or can significantly influence or is significantly influenced by the other party.

## 3A. Related party transactions:

There are transactions and arrangements between the Fund and related parties and the effects of these on the basis determined between the parties are reflected in these financial statements. The related party balances and transfer of resources, services or obligations if any are unsecured, without fixed repayment terms and interest or charge unless stated otherwise.

All trustees, key officers and staff members of the Fund are required to read and understand the conflict of interest policy in place and make full disclosure of interests and relationships that could potentially result in conflict of interests. When a conflict of interest situation arises, the members or staff shall abstain from participating in the discussion, decision making and voting on the matter. It is not the normal practice for the trustees/office bearers, or people connected with them, to receive remuneration, or other benefits, from the Fund for which they are responsible, or from institutions connected with the Fund except as disclosed below.

The Fund paid individual expenses incurred by office bearers for services provided to the Fund, either by reimbursement of the office bearer concerned or by direct payment to a third party.

## 3B. Related party transaction:

There are transactions and arrangements between the Fund and related parties and the effects of these on the basis determined between the parties are reflected in these financial statements. The related party balances and transfer of resources, services or obligations if any are unsecured, without fixed repayment terms and interest or charge unless stated otherwise. The transactions were not significant.

## 3C. Key management compensation:

| | 2023<br>$ | 2022<br>$ |
|---|---|---|
| Salaries and other short-term employee benefits | 128,100 | 121,266 |

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Fund, directly or indirectly. The above amounts for key management compensation are for key management personnel. There were no fees paid to a corporation in which the trustees have an interest.

The annual remuneration (comprising salary, bonus and employer's contributions to Central Provident Fund) of the key management personnel and other employees classified by remuneration bands exceeding $100,000 are as follows:

| Key management personnel and other employees: | 2023 | 2022 |
|---|---|---|
| $100,000 to below $200,000 | 1 | 2 |

## 3. Related party relationships and transactions (cont'd)

### 3D. Other payables from related parties:

The movement in other payables from related parties is as follows:

| | 2023<br>$ | 2022<br>$ |
|---|---|---|
| Other payables: | | |
| At beginning of year | 165,819 | 95,184 |
| Amounts paid in and settlement of liabilities on behalf of the fund – net | 54,831 | 70,635 |
| At end of year (Note 12) | 220,650 | 165,819 |

## 4. Income

| | 2023<br>$ | 2022<br>$ |
|---|---|---|
| General Fund | | |
| Grant income | 723,407 | 861,909 |
| Donations | 614,935 | 174,755 |
| Course contribution | 56,372 | 42,238 |
| Others | 10,070 | 15,165 |
| Subtotal | 1,404,784 | 1,094,067 |
| Specific Fund | | |
| Donations | 37,655 | 51,601 |
| Subtotal | 37,655 | 51,601 |
| Total income | 1,442,439 | 1,145,668 |

The Fund enjoys a concessionary tax treatment whereby qualifying donors are granted 2.5 times double tax deduction for donations made to the general fund. The Fund's Institutions of a Public Character ("IPC") status for general donations is for the period from 4 April 2024 to 3 November 2026.

| | 2023<br>$ | 2022<br>$ |
|---|---|---|
| Tax deduction receipts issued for donations collected | 457,025 | 156,230 |

## 5. Operating expenditure

| | 2023<br>$ | 2022<br>$ |
|---|---|---|
| General Fund | | |
| Employee benefits expense (Note 6) | 1,143,844 | 835,083 |
| Governance and other costs | 316,809 | 223,822 |
| Skills development programme | 65,655 | 53,253 |
| Public relations, advocacy and research | 86,645 | 60,000 |
| Case management | 16,202 | 10,280 |
| Donation, fundraising and volunteer expenditure | 151,212 | 7,560 |
| Subtotal | 1,780,367 | 1,189,998 |
| | | |
| Specific Fund | | |
| Financial assistance | 40,752 | 73,514 |
| Subtotal | 40,752 | 73,514 |
| Total operating expenditure | 1,821,119 | 1,263,512 |

## 6. Employee benefits expense

| | 2023<br>$ | 2022<br>$ |
|---|---|---|
| General Fund | | |
| Short term employee benefits expense | 1,012,310 | 735,099 |
| Contributions to defined contribution plan | 131,534 | 99,984 |
| Sub-total (Note 5) | 1,143,844 | 835,083 |

## 7. Plant and equipment

| | Plant and equipment<br>$ |
|---|---|
| Cost: | |
| At 1 January 2022 | 28,210 |
| Additions | 83,338 |
| 31 December 2022 | 111,548 |
| Additions | 79,167 |
| At 31 December 2023 | 190,715 |
| | |
| Accumulated depreciation: | |
| At 1 January 2022 | 9,377 |
| Depreciation for the year | 51,783 |
| At 31 December 2022 | 61,160 |
| Depreciation for the year | 43,999 |
| At 31 December 2023 | 105,159 |

## 7. Plant and equipment (cont'd)

| | Plant and equipment $ |
|---|---|
| Carrying value: | |
| At 1 January 2022 | 18,833 |
| At 31 December 2022 | 50,388 |
| At 31 December 2023 | 85,556 |

## 8. Trade and other receivables

| | 2023 $ | 2022 $ |
|---|---|---|
| Trade receivable | 3,000 | – |
| Other receivables: | | |
| Outside parties | 1,335 | 1,335 |
| Refundable deposits | 18,428 | 7,545 |
| Sub-total | 19,763 | 8,880 |
| Total trade and other receivables | 22,763 | 8,880 |

Trade and other receivables:
The trade and other receivables shown above are subject to the expected credit loss model under the CAS on financial instruments. The other receivables can be graded for credit risk individually. At inception they are recorded net of expected 12 month credit losses. At each reporting date, an evaluation is made whether there is a significant change in credit risk by comparing the debtor's credit risk at initial recognition (based on the original, unmodified cash flows) with the credit risk at the reporting date (based on the modified cash flows). Adjustment to the loss allowance is made for any increase or decrease in credit risk. At the end of the reporting year a loss allowance is recognised at an amount equal to the lifetime expected credit losses if there has been a significant increase in credit risk since initial recognition including the impact of the Covid-19 pandemic. No loss allowance was necessary.

## 9. Other non-financial assets

| | 2023 $ | 2022 $ |
|---|---|---|
| Prepayments | 8,139 | 14,756 |

## 10. Cash and cash equivalents

| | 2023 $ | 2022 $ |
|---|---|---|
| Not restricted in use | 528,928 | 797,300 |

The interest earning balances are not significant.

## 11. Funds

| | General Fund $ | Specific Fund $ | Total $ |
|---|---|---|---|
| Balance at 31 December 2021 | 673,035 | 47,063 | 720,098 |
| Loss for the year | (95,931) | (21,913) | (117,844) |
| Balance at 31 December 2022 | 577,104 | 25,150 | 602,254 |
| Loss for the year | (375,583) | (3,097) | (378,680) |
| Balance at 31 December 2023 | 201,521 | 22,053 | 223,574 |

Specific fund is set up to assist student beneficiaries in financial difficulty and education enrichment purposes. Donations are used specifically to aid student's school fees and studies related expenditures, separated out from the rest of the Fund's activities.

General Funds may be utilised for charitable works as follows:

(i) Providing foreign workers and foreign spouses of local residents, and their children in Singapore, who are in need, with counselling services, legal, financial and/ medical assistance, befriending services, food and shelter;
(ii) Providing migrants in Singapore with language and skills training to assist them to upgrade themselves;
(iii) Providing food and other essential items for migrants and itinerants living in poverty and need in Singapore; and
(iv) Running education and out-reach programmes to raise awareness on the plight of migrants and itinerant persons in Singapore, who are in need and advocating their human treatment.

## 12. Other payables

| | 2023 $ | 2022 $ |
|---|---|---|
| Accruals | 66,755 | 57,498 |
| ACMI (Note 3) | 220,650 | 165,819 |
| Outside parties | 107,244 | 6,226 |
| Total other payables | 394,649 | 229,543 |

## 13. Other non-financial liabilities

| | 2023 $ | 2022 $ |
|---|---|---|
| Deferred income | 27,163 | 39,527 |

Deferred income refer to course contribution received in advance. It is recognised as revenue as and when the conditions attached to it have been complied with.

## 14. Financial instruments: information on financial risks

### 14A. Categories of financial assets and liabilities

The following table categorises the carrying amount of financial assets and liabilities recorded at the end of the reporting year:

| | 2023<br>$ | 2022<br>$ |
|---|---|---|
| Financial assets: | | |
| Financial assets measured at amortised cost | 551,691 | 806,180 |
| At end of year | 551,691 | 806,180 |
| | | |
| Financial liabilities: | | |
| Financial liabilities measured at amortised cost | 394,649 | 229,543 |
| At end of year | 394,649 | 229,543 |

Further quantitative disclosures are included throughout these financial statements.

### 14B. Financial risk management

The main purpose for holding or issuing financial instruments is to raise and manage the finances for the entity's operating, investing and financing activities. There are exposures to the financial risks on the financial instruments such as credit risk, liquidity risk and market risk comprising interest rate, currency risk and price risk exposures. Trustees has certain practices for the management of financial risks. However these are not documented in formal written documents. The following guidelines are followed: All financial risk management activities are carried out and monitored by trustees. All financial risk management activities are carried out following acceptable market practices.

There have been no changes to the exposures to risk; the objectives, policies and processes for managing the risk and the methods used to measure the risk.

### 14C. Fair values of financial instruments

The analyses of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 are disclosed in the relevant notes to the financial statements. These include the material financial instruments stated at amortised cost and at fair value in the statement of financial position. The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments. The disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value.

### 14D. Credit risk on financial assets

Financial assets that are potentially subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner. These arise principally from cash balances with banks, cash equivalents, receivables and other financial assets. The maximum exposure to credit risk is the total of the fair value of the financial assets at the end of the reporting year. Credit risk on cash balances with banks and any other financial instruments is limited because the counter-parties are entities with acceptable credit ratings.

Cash and cash equivalents are also subject to the impairment requirements of the standard on financial instruments. There was no identified impairment loss.

Other receivables are normally with no fixed terms and therefore there is no maturity.

## 14. Financial instruments: information on financial risks (cont'd)

### 14E. Liquidity risk – financial liabilities maturity analysis

The liquidity risk refers to the difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. It is expected that all the liabilities will be settled at their contractual maturity within twelve months after at the end of the reporting year. The classification of the financial assets is shown in the statement of financial position as they may be available to meet liquidity needs and no further analysis is deemed necessary.

The following table analyses the non-derivative financial liabilities by remaining contractual maturity (contractual and undiscounted cash flows):

| | Less than 1 year<br>$ | Total<br>$ |
|---|---|---|
| 2023: | | |
| Other payables | 394,649 | 394,649 |
| At end of year | 394,649 | 394,649 |
| | | |
| 2022: | | |
| Other payables | 229,543 | 229,543 |
| At end of year | 229,543 | 229,543 |

The undiscounted amounts on the borrowings with fixed and floating interest rates are determined by reference to the conditions existing at the reporting date.

### 14F. Interest rate risk

Interest rate risk arises on interest-bearing financial instruments. The interest from financial assets is not material.