

SG SERVE LTD.

(Incorporated in the Republic of Singapore)
(Public Company Limited by Guarantee)
(Registration Number: 201621736D)

**FINANCIAL STATEMENTS
YEAR ENDED
30 SEPTEMBER 2022**



ROHAN • MAH & PARTNERS LLP
Chartered Accountants, Singapore

SG SERVE LTD.

(Incorporated in the Republic of Singapore)
(Public Company Limited by Guarantee)

Directors

Chew Geok Hoon
Fong Thian Loong
Ng Kee Choon
Yap Eng Kee Francis

Secretaries

Nur Iman Binte Rohan (Appointed on 20 September 2022)
Kong Yuh Ling Doreen (Resigned on 20 September 2022)

Registered Office

7 Temasek Boulevard
#37-01A
Suntec Tower One
Singapore 038987

Auditor

Rohan • Mah & Partners LLP

Banker

Oversea-Chinese Banking Corporation Limited

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DIRECTORS' STATEMENT

The directors are pleased to present their statement to the members together with the audited financial statements of SG Serve Ltd. (the Company) for the financial year ended 30 September 2022.

1 OPINION OF THE DIRECTORS

In the opinion of the directors,

- (a) the financial statements of the Company are drawn up so as to give a true and fair view of the financial position of the Company as at 30 September 2022 and the financial performance, changes in accumulated fund and cash flows of the Company for the year ended; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debt as and when they fall due.

2 DIRECTORS

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

Chew Geok Hoon
Fong Thian Loong
Ng Kee Choon
Yap Eng Kee Francis

3 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.

4 DIRECTORS' INTEREST IN SHARES OR DEBENTURES

As the Company is limited by guarantee and has no share capital, none of the directors holding office at the end of the financial year had an interest in the share capital or debentures of the Company.

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DIRECTORS' STATEMENT

5 AUDITOR

The auditor, Messrs. Rohan • Mah & Partners LLP, has expressed their willingness to accept re-appointment.

ON BEHALF OF THE BOARD OF DIRECTORS



.....
Chew Geok Hoon
Director



.....
Yap Eng Kee Francis
Director

Singapore,
16 November 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

SG SERVE LTD.

(Incorporated in the Republic of Singapore)
(Public Company Limited by Guarantee)

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of SG Serve Ltd. (the Company), which comprise the statement of financial position as at 30 September 2022, and the statement of financial activities, statement of changes in accumulated fund and statement of cash flows, for the year ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Singapore Companies Act 1967 (the Companies Act), the Charities Act, Chapter 37 and other relevant regulations (the Charities Act and Regulations) and the Charities Accounting Standard (CAS) so as to give a true and fair view of the financial position of the Company as at 30 September 2022 and of the financial performance, changes in accumulated fund 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 Directors' Statement set out on pages 1 to 2.

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

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



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

SG SERVE LTD.

(Incorporated in the Republic of Singapore)
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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 and 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.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

SG SERVE LTD.

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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 year:

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

Rohan. Mah & Partners LLP

ROHAN • MAH & PARTNERS LLP
Public Accountants and
Chartered Accountants

Singapore
16 November 2022
(RK/MA./SR/ZT/ccy)

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STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2022

	Note	2022 S\$	2021 S\$
ASSETS LESS LIABILITIES			
Non-Current Assets			
Plant and equipment	3	<u>2,237</u>	<u>-</u>
Current Assets			
Cash and cash equivalents	4	201,473	199,642
Other receivables	5	<u>1,098</u>	<u>1,252</u>
		<u>202,571</u>	<u>200,894</u>
Current Liabilities			
Other payables	6	<u>5,000</u>	<u>4,000</u>
Net Current Assets		<u>197,571</u>	<u>196,894</u>
Net Assets		<u>199,808</u>	<u>196,894</u>
ACCUMULATED FUND			
General funds	7	<u>199,808</u>	<u>196,894</u>
		<u>199,808</u>	<u>196,894</u>

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

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**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

General Funds	Note	2022 Unrestricted Funds S\$	2022 Total S\$	2021 Unrestricted Funds S\$
Continuing operations				
Income	8	20,369	20,369	22,078
Other income	9	91	91	3,364
Charitable activities	10	(5,655)	(5,655)	(4,320)
Governance costs		(10,990)	(10,990)	(7,949)
Other expenditures		(901)	(901)	(739)
Profit from continuing operations		<u>2,914</u>	<u>2,914</u>	<u>12,434</u>
Profit for the year		<u>2,914</u>	<u>2,914</u>	<u>12,434</u>
Total comprehensive income		<u>2,914</u>	<u>2,914</u>	<u>12,434</u>
Total comprehensive income attributable to:				
Members of the fund		<u>2,914</u>	<u>2,914</u>	<u>12,434</u>

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

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**STATEMENT OF CHANGES IN ACCUMULATED FUND FOR THE
YEAR ENDED 30 SEPTEMBER 2022**

	General Funds S\$
As at 1 October 2020	184,460
Total comprehensive income for the year	<u>12,434</u>
As at 30 September 2021	196,894
Total comprehensive income for the year	<u>2,914</u>
As at 30 September 2022	<u><u>199,808</u></u>

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

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STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 SEPTEMBER 2022

	2022 S\$	2021 S\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the year	2,914	12,434
Adjustment for:		
Depreciation of plant and equipment	1,598	33
Interest income	(91)	(176)
	<u>4,421</u>	<u>12,291</u>
Working capital changes, excluding changes related to cash:		
Other receivables	154	(469)
Other payables	1,000	-
Cash generated from operations	<u>5,575</u>	<u>11,822</u>
Interest received	91	176
Net cash generated from operating activities	<u>5,666</u>	<u>11,998</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Addition to plant and equipment	(3,835)	-
Net cash used in investing activities	<u>(3,835)</u>	<u>-</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Changes in fixed deposit	29,868	(50)
Net cash generated from/(used in) financing activities	<u>29,868</u>	<u>(50)</u>
Net increase in cash and cash equivalents	31,699	11,948
Cash and cash equivalents at beginning of the year	119,473	107,525
Cash and cash equivalents at end of year (Note 4)	<u>151,172</u>	<u>119,473</u>

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

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2022

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

1 CORPORATE INFORMATION

SG Serve Ltd. (the Company) was incorporated in Singapore as a public company limited by guarantee. Every member of the Company undertakes to contribute to the assets of the Company such amount as may be required not exceeding the sum of S\$100 in the event of the Company being wound up during the time he is member or 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 for the costs, charges and expenses of winding up and for adjustment of the rights of the contributories among themselves. The Company has 6 members as of year ended 30 September 2022. The Company originally registered as a charity organisation with its Sector Administrator being the Ministry of Social and Family Development. On 30 November 2021, its Sector Administrative has changed and is now under purview of Ministry of Health.

The principal activity of the Company is to develop and promote volunteerism and philanthropy in Singapore. The registered office of the Company is located at 7 Temasek Boulevard #37-01A Suntec Tower One, Singapore 038987. The principal place of business is located at Block 609 Bedok Reservoir Road #01-690 Singapore 470609.

The financial statements of the Company for the year ended 30 September 2022 were authorised for issue in accordance with a resolution of the Directors on 16 November 2022.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**2.1 Basis of Preparation**

The financial statements are prepared in accordance with the provisions of the Singapore Charities Act, Chapter 37 (the Act) and Charities Accounting Standard (CAS). The accounting policies of the Company are consistent with the requirements of the CAS and are applied consistently to similar transactions, other events and conditions. The financial statements expressed in Singapore Dollar (SGD or S\$) which is also the functional currency of the Company, are prepared based on the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with CAS requires management to exercise its judgement in the process of applying the Company's accounting policies. It also requires the use of accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates. There are no critical accounting estimates and assumptions used that are significant to the financial statements, and areas involving a higher degree of judgement.

2.2 Plant and Equipment

All items of plant and equipment are initially recorded at cost. Subsequent to recognition, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of plant and equipment includes its purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2022

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – cont'd**2.2 Plant and Equipment – cont'd**

Depreciation is calculated using the straight-line method, to allocate depreciable amounts over their estimated useful lives. The estimated useful lives are as follows:

	Years
Office equipment	1

The residual value, useful lives and depreciation method are reviewed at the end of each reporting period, and adjusted prospectively, if appropriate.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in profit or loss in the year the asset is derecognised.

2.3 Financial Assets**2.3.1 Recognition and Measurement**

Financial assets are any asset that is either cash or equity instrument of another entity or the Company has a contractual right:

- (i) To receive cash or another financial asset from another entity; or
- (ii) To exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the Company.

Financial assets are recognised on the statement of financial position when, and only when the company becomes a party to the contractual provisions of the financial instrument.

Financial assets are measured initially at the transaction price excluding transaction costs. Transaction costs shall be recognised as expenditure in the Statement of Financial Activities as incurred. Subsequent to initial measurement, financial assets are measured at cost less any accumulated impairment losses.

2.3.2 Classification of Financial Assets

The Company classifies its financial assets into the following categories:

- (i) Investment securities

Investment in securities is recognised on the statement of financial position when, and only when the Company becomes a party to the contractual provisions of the financial instrument. Investment in securities is measured initially at the transaction price excluding transaction costs, if any, which shall be recognised as expenditure immediately in the statement of financial activities as incurred.

Subsequent to initial measurement, investment in securities is measured at cost less any accumulated impairment losses.

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2022

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – cont'd**2.3 Financial Assets – cont'd****2.3.2 Classification of Financial Assets – cont'd****(ii) Receivables**

Included in receivables are prepayments. 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, prepayments shall be measured at the amount paid less the economic resources received or consumed during the financial year.

(iii) Cash and bank balances

Cash and bank balances comprise of cash on hand, bank balances and fixed deposits.

2.4 Impairment of Financial Assets

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

At the end of each reporting year, the Company shall assess whether there is objective evidence of impairment of its financial assets. If there is objective evidence of impairment (including significant changes with an adverse effect that have taken place in the technological, market, economic or legal environment in which the issuer operates), the company shall recognise an impairment loss (i.e. expenditure) immediately in the statement of financial activities.

Objective evidence that a financial asset or group of financial assets is impaired includes observable data that come to the attention of the Company about the following loss events:

- (i) Significant financial difficulty of the debt/bond issuer or obligor,
- (ii) A breach of contract, such as a default or delinquency in interest or principal payments,
- (iii) The creditor, for economic or legal reasons relating to the debtor's financial difficulty,
- (iv) It has become probable that the debtor will enter bankruptcy or other financial reorganisation,
- (v) Observable data indicating that there has been a measurable decrease in the estimated future cash flows from a group of financial assets since the initial recognition of those assets, even though the decrease cannot yet be identified with the individual financial assets in the group, such as adverse national or local economic conditions or adverse changes in industry conditions.

For all other financial assets, the impairment loss are recognised in the statement of financial activities whenever carrying amount of the financial asset is lesser than the undiscounted future cash flows (excluding unearned interest in the case of an interest-bearing financial asset) that the Company expects to receive from the financial asset.

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2022

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – cont'd**2.4 Impairment of Financial Assets – cont'd**

If, in a subsequent year, the amount of an impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's financial condition), the company shall reverse the previously recognised impairment loss. The reversal shall not result in a 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 company shall recognise the amount of the reversal in the statement of financial activities immediately.

2.5 Financial Liabilities**2.5.1 Recognition and Measurement**

Financial liabilities are any liability that is a contractual obligation by the Company to:

- (i) Deliver cash or another financial asset to another entity; or
- Exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Company.

Financial liabilities include 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.

2.6 Related Parties

A related party is defined as follows:

(a) A person or a close member of that person's family is related to the Company if that person:

- (i) Has control or joint control over the Company;
- (ii) Has significant influence over the Company; or
- (iii) Is a member of the key management personnel of the Company or of a parent of the Company.

(b) An entity is related to the Company if any of the following conditions applies:

- (i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
- (ii) One entity is an associate or joint venture of the other entity (or and associate or joint venture of a member of a group of which the other entity is a member);
- (iii) Both entities are joint ventures of the same third party;

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2022

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – cont'd**2.6 Related Parties – cont'd****(b) An entity is related to the Company if any of the following conditions applies: – cont'd**

- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company;
- (vi) The entity is controlled or jointly controlled by a person identified in (a);
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); or
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

2.7 Provisions

Provisions are recognised when the Company has 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 the amount of the obligation can be estimated reliably.

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

2.8 Expenditures

All expenditure is accounted for on an accrual basis and has been classified under headings that aggregate all costs related to that activity. The basis of allocation of expenses is allocated according to the amount of manpower allocated for the respective fund.

2.8.1 Cost of Generating Funds

The cost of generating funds are those costs attributable to generating income for the Company, other than those costs incurred in undertaking charitable activities in furtherance of the Company's objects.

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2022

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – cont'd**2.8 Expenditures – cont'd****2.8.2 Charitable Activities**

Expenditure on charitable activities comprises all costs incurred in the pursuit of the charitable objects of the Company. Those costs, where not wholly attributable, are apportioned between the categories of charitable expenditure. The total costs of each category of charitable expenditure therefore include an apportionment of support cost, where possible.

2.8.3 Governance Costs

Governance costs include the costs of governance arrangements, which relate to the general running of the Company as opposed to the direct management functions inherent in generating funds, service delivery and programme or project work. Expenditure on the governance of the company will normally include both direct and related support costs which include internal and external audit, apportioned manpower costs and general costs in supporting the governance activities, legal advice for governing board members, and costs associated with constitutional and statutory requirements.

2.8.4 Other Expenditures

Other expenditure includes the payment of any expenditure that the Company has not been able to analyse within the main expenditure categories.

2.9 Cash and Cash Equivalents

Cash and cash equivalents comprise cash at banks and on hand which are subject to an insignificant risk of changes in value. These also include bank overdrafts that form an integral part of the Company's management.

2.10 Revenue Recognition

Provided it is probable that the economic benefits will flow to the Company and the revenue and costs, if applicable, can be measured reliably, revenue is recognised in the statement of financial activities as follows:

2.10.1 Donations

Donations are recognised when received. Income recognition is only deferred when the donor specifies that the donations can only be used in future accounting periods or the donor has imposed certain conditions, which must be met before the Company has unconditional entitlement.

2.10.2 Rendering of Services

Proceeds from fund raising events are recognised when the services are rendered.

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2022

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – cont'd**2.11 Income from Generated Funds****2.11.1 Voluntary Income**

Voluntary income includes income generated from the following sources:

- a) Gifts and donations, including legacies and donations in kind, given by the founders, patrons, supporters, the general public and businesses;
- b) Grants which provide core funding or are of a general nature provided by government and charitable foundations but not including those grants which are specifically for the performance of a service or production of charitable goods, for instance a service agreement with a local authority; and
- c) Membership subscriptions and sponsorships where these are, in substance, donations rather than payment for goods or services.

Where material, details of the types of activities undertaken to generate voluntary income (e.g. gifts and donations given by the founders and grants) shall be provided either on the face of the Statement of Financial Activities or in the notes to the financial statements. As far as possible, the analysis categories provided here shall match the detailed analysis provided for the costs of generating voluntary income.

2.12 Government Grants

Government grants are recognised when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Where the grant relates to an asset, the fair value is recognised as deferred capital grant on the statement of financial position and is amortised to profit or loss over the expected useful life of the relevant asset by equal annual installments.

Where loans or similar assistance are provided by governments or related institutions with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as additional government grant.

2.12.1 Property Tax Rebate

The Singapore Government had given remission of property tax (property tax rebates) under section 6(8) of the Property Tax Act (Cap. 254) to qualifying non-residential properties in response to the COVID-19 pandemic.

For the portion of a non-residential property leased out to a lessee (tenant), the owner of the property (landlord) must transfer the benefit from the property tax rebate under section 29 of the COVID-19 (Temporary Measures) Act 2020. For the vacant portion of the property, the landlord itself will benefit from the property tax rebate.

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2022

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – cont'd**2.12 Government Grants - cont'd****2.12.2 Jobs Support Scheme**

The Jobs Support Scheme provides wage support to employers to help them retain their local employees during this period of economic uncertainty. Employers who have made CPF contributions for their local employees will qualify for the payouts under the scheme.

2.12.3 Rental Relief

Qualifying property owners received support via a Government cash grant and they must in turn provide the necessary rental relief to their eligible Small and Medium Enterprises (SMEs) and Non-Profit organisations (NPOs) tenant - occupiers of the prescribed properties under the Rental Relief Framework.

2.12.4 Foreign Worker Levy Waiver and Rebate

The Singapore Government provided business employers who hire foreign workers on work permits and S-passes with Foreign Worker Levy (FWL) and FWL rebates to ease the labour costs of such firms.

2.13 Fund Accounting

Monies received for specific purposes, including transfers from the general fund, are credited directly to the respective fund in the financial statements. These include restricted funds and unrestricted funds. Restricted funds are funds held by the Company that can only be applied for specific purposes. These funds are subject to specific trusts which may be declared by the donors or with their authority or created through legal process but are still within the wider objects of the Company. Unrestricted funds are expendable at the discretion of the Board in furtherance of the Company's objects. Designated fund is part of the unrestricted funds earmarked for a particular project. The designation is for administrative purpose only and does not restrict the Board's discretion to apply the fund.

Income and expenditure relating to specific funds are accounted for directly in the funds to which they relate. Common expenses, if any, are allocated on a reasonable basis to the funds based on a method suitable to this common expense. Assets and liabilities of the specific funds are pooled in the statement of financial position.

Funds received for specific purposes such as purchase of depreciable assets are taken to relevant restricted fund account. This relevant fund will be reduced over the useful life of the asset in line with its depreciation. Depreciation is charged to the relevant designated funds where the asset is held.

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2022

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – cont'd**2.13 Fund Accounting - cont'd****2.13.1 Unrestricted Funds**

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

2.13.2 Restricted Funds

Restricted funds are funds subject to specific trusts, which may be declared by the donor(s) or with their authority (e.g. in a public appeal) or created through legal process, but still within the wider objects of the Company. Restricted funds may only be utilised in accordance with the purposes established by the sources of such funds and are in contrast with unrestricted funds over which the committee members retains full control to use in achieving its institutional purposes.

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2022**3 PLANT AND EQUIPMENT**

2022	Office Equipment S\$	Total S\$
Cost		
Cost		
At beginning of year	398	398
Addition	3,835	3,835
At end of the year	<u>4,233</u>	<u>4,233</u>
Accumulated Depreciation		
At beginning of year	398	398
Depreciation	1,598	1,598
At end of year	<u>1,996</u>	<u>1,996</u>
Carrying Amount		
At end of year	<u>2,237</u>	<u>2,237</u>
2021	Office Equipment S\$	Total S\$
Cost		
Cost		
At beginning and end of the year	<u>398</u>	<u>398</u>
Accumulated Depreciation		
At beginning of year	365	365
Depreciation	33	33
At end of year	<u>398</u>	<u>398</u>
Carrying Amount		
At end of year	<u>-</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2022**4 CASH AND CASH EQUIVALENTS**

	2022	2021
	S\$	S\$
Cash at bank	40,962	69,222
Fixed deposit	160,511	130,420
	<u>201,473</u>	<u>199,642</u>

For the purposes of the statement of cash flows, the cash and cash equivalents comprise of the following:

	2022	2021
	S\$	S\$
Cash and cash equivalents (as above)	201,473	199,642
Less: Fixed deposit	<u>(50,301)</u>	<u>(80,169)</u>
	<u>151,172</u>	<u>119,473</u>

The fixed deposit is generally placed on one year roll over and earned interest at 0.10% (2021: 0.10%) per annum.

5 OTHER RECEIVABLES

	2022	2021
	S\$	S\$
Prepayment	<u>1,098</u>	<u>1,252</u>

6 OTHER PAYABLES

	2022	2021
	S\$	S\$
Accruals	<u>5,000</u>	<u>4,000</u>

7 GENERAL FUNDS

The income from generated funds refers to sponsorship from individual and corporate donors for activities which includes Project Serve, and participant fees collected from activities which include Elderly Care and Charity Variety show.

On 17 December 2021, Cargill Asia Pacific has funding to the Charities S\$15,000 for the hot meal.

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2022**8 INCOME FROM GENERATED FUNDS**

The income from generated funds refers to sponsorship from individual and corporate donors for activities which includes Project Serve.

9 OTHER INCOME

	2022	2021
	S\$	S\$
Fixed deposit interest	91	176
Government grants*	-	3,188
	<u>91</u>	<u>3,364</u>

*Government grants pertain to Enhanced Fund-Raising Matching Grant provided by Tote Board and the Singapore Government to help charities during the Covid-19 period.

10 CHARITABLE ACTIVITIES

Charitable activities include:

	2022	2021
	S\$	S\$
Food pack	154	753
Essential household items	<u>320</u>	<u>-</u>

11 TAXATION

The Company is an approved charity under the Charities Act, Chapter 37 and is exempted from income tax under Section 13(1)(zm) of the Singapore Income Tax Act, Chapter 134. Accordingly, no provision for income tax has been made.

12 RELATED PARTY TRANSACTIONS

For the purpose of financial statements, parties are considered to be related to the Company if the Company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

A related party includes the board members and key management personnel of the Company. It also includes an entity or person that directly or indirectly controls, is controlled by, or is under common or joint control with these persons. It also includes close members of the family of any individuals referred to herein and others who have the ability to control, jointly control or significantly influence by or for which significant voting power in such entity resides with directly or indirectly, any such individual.

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2022

12 RELATED PARTY TRANSACTIONS - cont'd

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including governing board members and key officers of the company. Key officers are officers of the Company, whether or not employee of the company, having the general control and management of the administration of the company, and include any person, by whatever name called, who exercise such general control and management.

It is not the normal practice for the board members, or people connected with them, to receive remuneration, or other benefits, from the Company for which they are responsible, or from institutions connected with the Company.

The Company has no employees during the year.

The number of Company's employees that received remuneration of S\$100,000 or more during the financial year was Nil (2021: Nil).

The Company's board members were not paid any remuneration or given any benefits during the financial year (2021: Nil).

There were no loans given to employees, committee members, related parties or any other third parties during the financial year (2021: Nil).

13 FAIR VALUE**Cash and cash equivalents, other receivable and other payable**

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

14 RESERVE POLICY

The Board Members has established a reserve policy for the Company, pursuant to the Code of Governance for Charities. The reserve measurements are calculated based on a maximum of two years of annual expenditure.

The Company does not have any externally imposed capital requirements for the financial year ended 30 September 2022.

If upon the winding-up or dissolution of the Company or in the event that the Company ceases to be a registered charity under the Charities Act, Chapter 37, there remains, after the satisfaction of all debts and liabilities, any properties whatsoever, the same shall not be paid to or distributed among the members, but shall be given or transferred to institution or institutions having objects similar to the objects of the Company.

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2022

15 MANAGEMENT OF CONFLICT OF INTEREST POLICY

A member of the Board, Management Committee, or Project/Event Organising Committee who is in any way, directly or indirectly, interested in a transaction or project or other matter of the Board, Management Committee, or Project/Event Organising Committee shall disclose the nature of his interest at the first meeting of the Board, Management Committee, or Project/Event Organising Committee at which he is present after the relevant facts have come to his knowledge.

A disclosure shall be recorded in the minutes of meeting of the Board, Management Committee, or Project/Event Organising Committee and, after the disclosure, that member:

(a) shall not take part in any deliberation or decision of the Board, Management Committee, or Project/Event Organising Committee with respect to that transaction or project; and

(b) shall be disregarded for the purpose of constituting a quorum of the Board, Management Committee, or Project/Event Organising Committee for such deliberation or decision.

16 INSTITUTION OF A PUBLIC CHARACTER (IPC) STATUS

SG Serve Ltd. has been approved as an Institution of a Public Character (IPC) under the Charities Act (Cap.37) (the Act) with effect from 25 October 2021 to 24 October 2022.

On 11 October 2022, the Ministry of Health (MOH) has been approved the renewal of SG Serve Ltd.'s IPC status from 25 October 2022 to 24 October 2025.

17 ENHANCED FUND-RAISING PROGRAMME (EFR)

Tote Board and the Government provided joint support through the Enhanced Fund-Raising (EFR) Programme at a dollar-for-dollar matching where Tote Board doubled matching contributions from 20% to 40% of funds raised, capped at \$100,000 per project, and the government topped up EFR to provide additional matching contribution of 60% of funds raised, capped at \$150,000 per applicant for projects with start or end dates that fall within FY2020 and FY2021, (1 April 2020 to 31 March 2022).

This applies to funds raised on physical platforms and/or on approved digital fund-raising platforms. To continue support for the charity sector during these uncertain economic times, Tote Board has extended their contribution for the EFR programme for the period from 1 April 2022 to 31 March 2025.

The project organised by the Company was for a fund raising via Giving.sg platform from 5 December to 31 December 2020. The Company has since received the full matching grant of S\$3,188, where Tote Board has matched 40% (S\$1,275.20) and the Singapore Government has matched 60% (S\$1,912.80) in FY2021, Nil in FY2022.

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2022

18 OTHER MATTER

An outbreak of the Coronavirus Disease (Covid-19) had been reported to the World Health Organisation (WHO) in China on 31 December 2019. On 31 January 2020, the WHO announced the Covid-19 outbreak as a global health emergency. On 11 March 2020, the WHO declared the Covid-19 outbreak to be a pandemic in recognition of its rapid spread across the globe. The Covid-19 outbreak and the measures taken to contain the spread of the pandemic have created a high level of uncertainty to global economic prospects.

Management has reviewed the possible impact of the Covid-19 outbreak on the following matters:

1. Changes in economic and market conditions that affect the fair values of the Company's financial and non-financial assets and liabilities.
2. Additional expected credit losses due to a decline in the repayment ability of debtors.

Management assessment requires the exercise of judgement and careful consideration of Company's specific facts and circumstances.

In assessing the recoverability of these assets, the Company have used internal and external sources of information up to date of approval of these financial statements, and based on current estimates, expects the net carrying amount of these assets will be recovered. The impact on account of Covid-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements. The Company will continue to monitor any material impact due to changes in future economic conditions.