

SG SERVE LTD.

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

**FINANCIAL STATEMENTS
YEAR ENDED
30 SEPTEMBER 2024**



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

Secretary

Nur Iman Binte Rohan

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 present their statement together with the audited financial statements of SG Serve Ltd. (the Company) for the financial year ended 30 September 2024.

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 2024 and the financial performance, changes in funds and cash flows of the Company for the financial year ended 30 September 2024 in accordance with the provisions of the Companies Act 1967 (the Companies Act), the Charities Act 1994, and other relevant regulations (the Charities Act and Regulations) and Charities Accounting Standard (CAS);
- (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;
- (c) the Company has complied with the requirements on fund-raising expenses under Regulation 15 of the Charities (Institutions of a Public Character) Regulations;
- (d) the use of donation monies are in accordance with the objectives of the Company as required under Regulation 11 of the Charities (Institutions of a Public Character) Regulations; and
- (e) the accounting records required by the Companies Act have been properly kept in accordance with the provision of the Companies Act.

1 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

2 DIRECTORS' INTEREST IN SHARES OR DEBENTURES

The Company is limited by guarantee and has no share capital or debentures.

DIRECTORS' STATEMENT

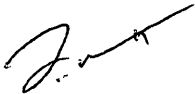
3 AUDITOR

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

ON BEHALF OF THE BOARD OF DIRECTORS



.....
Chew Geok Hoon
Director



.....
Fong Tian Loong
Director

Singapore,
10 January 2025

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 2024, and the statement of financial activities, statement of changes in fund and statement of cash flows, for the year ended, and notes to the financial statements, including material accounting policy information.

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 1994, 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 2024 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 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
Public Accountants and
Chartered Accountants

Singapore
10 January 2025
(RK./MA/SR/Fl/ccy)

SG SERVE LTD.

(Incorporated in the Republic of Singapore)
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STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2024

	Note	2024 S\$	2023 S\$
ASSETS			
Non-current assets			
Plant and equipment	3	577	-
Current assets			
Cash and cash equivalents	4	273,627	241,443
Other receivables	5	1,392	1,647
		<u>275,019</u>	<u>243,090</u>
Total assets		<u>275,596</u>	<u>243,090</u>
FUNDS AND LIABILITIES			
Unrestricted funds			
General fund	6	45,317	57,151
Designated fund	6	224,422	180,939
		<u>269,739</u>	<u>238,090</u>
Current liabilities			
Other payables	7	5,857	5,000
Total funds and liabilities		<u>275,596</u>	<u>243,090</u>

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

SG SERVE LTD.(Incorporated in the Republic of Singapore)
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STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 30 SEPTEMBER 2024

2024	Note	Unrestricted Funds		
		General Fund S\$	Designated Fund S\$	Total S\$
Income				
Income from generated funds				
Donation income	8	7,200	3,521	10,721
Investment income		106	-	106
Other income	9	-	42,030	42,030
Expenditures				
Charitable activities	10	(8,617)	(2,068)	(10,685)
Governance costs		(9,932)	-	(9,932)
Other expenditures		(591)	-	(591)
Net (deficit)/surplus for the year		(11,834)	43,483	31,649
Taxation	11	-	-	-
Net (loss)/income for the year		(11,834)	43,483	31,649

2023	Note	Unrestricted Funds		
		General Fund S\$	Designated Fund S\$	Total S\$
Income				
Income from generated funds				
Donation income	8	11,295	50,345	61,640
Investment income		105	-	105
Other income	9	3,027		3,027
Expenditures				
Charitable activities	10	(9,513)	(6,158)	(15,671)
Governance costs		(10,051)	-	(10,051)
Other expenditures		(768)	-	(768)
Net (deficit)/surplus for the year		(5,905)	44,187	38,282
Taxation	11	-	-	-
Net (loss)/income for the year		(5,905)	44,187	38,282

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

SG SERVE LTD.

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STATEMENT OF CHANGES IN FUNDS FOR THE YEAR ENDED 30 SEPTEMBER 2024

	Unrestricted Funds		Total S\$
	General Fund S\$	Designated Fund S\$	
At 1 October 2022	63,056	136,752	199,808
Net (loss)/income for the year	<u>(5,905)</u>	<u>44,187</u>	<u>38,282</u>
At 30 September 2023	57,151	180,939	238,090
Net (loss)/income for the year	<u>(11,834)</u>	<u>43,483</u>	<u>31,649</u>
At 30 September 2024	<u><u>45,317</u></u>	<u><u>224,422</u></u>	<u><u>269,739</u></u>

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

SG SERVE LTD.

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STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 SEPTEMBER 2024

	2024 S\$	2023 S\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Surplus for the year	31,649	38,282
<i>Adjustment for:</i>		
Depreciation of plant and equipment	52	2,237
Interest income	(106)	(105)
Operating surplus before changes in working capital	31,595	40,414
Working capital changes, excluding changes related to cash:		
Other receivables	255	(549)
Other payables	857	-
Net cash generated from operating activities	32,707	39,865
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of plant and equipment	(629)	-
Placement of fixed deposit	(50)	(51)
Interest received	106	105
Net cash (used in)/generated from investing activities	(573)	54
Net increase in cash and cash equivalents	32,134	39,919
Cash and cash equivalents at beginning of year	191,091	151,172
Cash and cash equivalents at end of year (Note 4)	223,225	191,091

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

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2024

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 on 9 August 2016 as a public company limited by guarantee. The Company has been registered as a charity under the Charities Act 1994, (the Charities Act) on 28 August 2017, with its Sector Administrator being the Ministry of Social and Family Development. Effective from 30 November 2021, the Company is now under the purview of the Ministry of Health.

The Company is a member of the National Council of Social Service (the NCSS) and has been conferred with the status of an Institution of a Public Character (IPC) by the Ministry of Health.

The principal activities of the Company consist of community services, health education and services for the elderly and needy families. The Company's main objectives are 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.

Each member of the Company has undertaken to contribute such amount not exceeding S\$100 to the assets of the Company in the event the Company is wound up while he is a member or within one year after he ceases to be a member and the monies are required for payment of the liabilities of the Company. The Company has 6 members at the end of the reporting period.

The financial statements of the Company for the year ended 30 September 2024 were authorised for issue in accordance with a resolution of the Directors on 10 January 2025.

2 MATERIAL ACCOUNTING POLICY INFORMATION**2.1 Basis of Preparation**

The financial statements are prepared in accordance with the provisions of the Singapore Charities Act 1994, the Companies Act 1967 (the Companies Act), the Charities Act 1994, other relevant regulations (the Charities Act and Regulations), and the 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.

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2024

2 MATERIAL ACCOUNTING POLICY INFORMATION - cont'd**2.1 Basis of Preparation - cont'd**

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.

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

	<u>Years</u>
Computer equipment	1
Office equipment	3
Furniture and fittings	3

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 to:

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

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2024

2 MATERIAL ACCOUNTING POLICY INFORMATION - cont'd**2.3 Financial Assets - cont'd****2.3.1 Recognition and Measurement - cont'd**

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.

(ii) Other receivables

Other receivables, excluding prepayments, are 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.

After initial recognition, other receivables, excluding prepayments, shall be measured at cost less any accumulated impairment losses.

(iii) Cash and bank balances

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

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2024

2 MATERIAL ACCOUNTING POLICY INFORMATION - cont'd**2.4 Cash and Cash Equivalents**

Cash and cash equivalents comprise cash at banks and fixed deposits with financial institutions which are subject to an insignificant risk of changes in value, and are used by the Company in the management of its short-term commitments.

2.5 Impairment of Financial Assets

At the end of each reporting year, the Company shall assess whether there is objective evidence that a financial asset is impaired. 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 is 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.

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.

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2024

2 MATERIAL ACCOUNTING POLICY INFORMATION - cont'd**2.6 Financial Liabilities*****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
- (ii) 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 estimate of the amount payable.

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 expenditures are accounted for on an accrual basis and have 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 and on time basis allocated for the respective cost classification.

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2024

2 MATERIAL ACCOUNTING POLICY INFORMATION - cont'd**2.8 Expenditures - cont'd****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.

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. Governance costs will normally include both direct costs such as internal and external audit, legal advice for governing board members, and costs associated with constitutional and statutory requirements, and related support costs which include apportioned manpower costs and indirect costs in supporting the governance activities.

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 Revenue Recognition

Income is recognised in the statement of financial activities to the extent that the Company becomes entitled to the income, when it is probable that the income will be received; and when the amount of the income can be measured with sufficient reliability.

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2024

2 MATERIAL ACCOUNTING POLICY INFORMATION - cont'd**2.9 Revenue Recognition - cont'd****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 members 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.

2.9.1 Donations

Donations are recognised on receipt. 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.

2.9.2 Fund-raising Income

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

Investment Income**2.9.3 Interest Income**

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

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2024

2 MATERIAL ACCOUNTING POLICY INFORMATION - cont'd**2.10 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.

2.11 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.

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.

2.11.1 Unrestricted Funds

Unrestricted funds comprises general fund and designated fund. General funds are used for the general purposes of the Company and are expendable for any activity within the Company at the discretion of the Management Committee in furtherance of the Company's charitable objectives. If part of an unrestricted fund is earmarked for a particular project or specific programme, it may be designated as a separate fund, but the designation has an administrative purpose only, and does not restrict the Management Committee's discretion to apply the fund or re-designate the fund for another purpose within the same project or programme.

2.11.2 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.

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2024**3 PLANT AND EQUIPMENT**

2024	Computer Equipment S\$	Office Equipment S\$	Total S\$
Cost			
At 1 October 2023	3,835	398	4,233
Addition	629	-	629
At 30 September 2024	4,464	398	4,862
Accumulated Depreciation			
At 1 October 2023	3,835	398	4,233
Depreciation	52	-	52
At 30 September 2024	3,887	398	4,285
Carrying Amount			
At 30 September 2024	577	-	577
2023	Computer Equipment S\$	Office Equipment S\$	Total S\$
Cost			
At 1 October 2022	3,835	398	4,233
At 30 September 2023	3,835	398	4,233
Accumulated Depreciation			
At 1 October 2022	1,598	398	1,996
Depreciation	2,237	-	2,237
At 30 September 2023	3,835	398	4,233
Carrying Amount			
At 30 September 2023	-	-	-

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2024**4 CASH AND CASH EQUIVALENTS**

	2024	2023
	S\$	S\$
Cash at bank	112,905	80,827
Fixed deposits	<u>160,722</u>	<u>160,616</u>
	<u><u>273,627</u></u>	<u><u>241,443</u></u>

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

	2024	2023
	S\$	S\$
Cash and cash equivalents (as above)	273,627	241,443
Less: Fixed deposit with maturity more than 3 months	<u>(50,402)</u>	<u>(50,352)</u>
	<u><u>223,225</u></u>	<u><u>191,091</u></u>

The fixed deposits have maturity period ranging from 3 to 12 months and earned interest at 0.10% (2023: 0.10%) per annum.

5 OTHER RECEIVABLES

	2024	2023
	S\$	S\$
Prepayment	1,392	1,537
Other receivables	<u>-</u>	<u>110</u>
	<u><u>1,392</u></u>	<u><u>1,647</u></u>

6 UNRESTRICTED FUNDS

General funds are set aside to provide for future operating expenses and expenses related to the principal activities of the Company directed by the Board members and Management Committee.

Designated funds are earmarked to be utilised for Project Hot Meals at Eunus and other locations within Singapore. The funds are to pay for expenses incurred for daily food distribution to the needy families. Designated funds include project fund raised specifically for specific project such as festive celebration events during Chinese New Year, Christmas season etc.

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2024**7 OTHER PAYABLES**

	2024	2023
	S\$	S\$
Accrued expenses	<u>5,857</u>	<u>5,000</u>

8 DONATION INCOME

The income from generated funds refers to donations in cash from individual and corporate donors for activities which includes Project Hot Meals at Eunus, festive celebration events and elderly gathering activities.

Included in donation income is tax-deductible donation of S\$10,721 (2023: S\$53,780), tax deductible receipts were issued directly by the Company to the donors.

9 OTHER INCOME

	2024	2023
	S\$	S\$
Government grants	<u>42,030</u>	<u>3,027</u>

Government grant received in 2024 pertained to Enhanced Fund-Raising Matching Grant provided by Tote Board and the Singapore Government. Government grant received in 2023 pertained to IT solutions subsidy under Tech-and-Go! Start Digital grant administered by NCSS.

10 CHARITABLE ACTIVITIES

Charitable activities include:

	2024	2023
	S\$	S\$
Donation to other charitable organisations	3,000	3,050
Event expenses	3,888	3,073
Food pack	-	3,085
Office rental	<u>3,133</u>	<u>3,533</u>

11 TAXATION

The Company is a registered charity under the Charities Act 1994, 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.

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2024

12 FAIR VALUE*Cash and Cash Equivalents, Other Receivables and Other Payables*

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

13 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 Management Committee 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.

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 (2023: Nil).

The Company's Board members were not paid any remuneration or given any benefits during the financial year (2023: Nil).

There were no loans or financial guarantee given to employees, committee members, related parties or any other third parties during the financial year (2023: Nil).

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2024

14 RESERVE POLICY

The Company has set aside reserves to provide for long-term stability of the operations and to ensure that there are sufficient resources to support the charity in the event of unforeseen circumstances. The Board intends to maintain a reserve at a level equivalent to S\$150,000 to S\$250,000. The Board performs annual review on the amount of reserves that are required to ensure that they are adequate to fulfil the Company's continuing obligations and to support its operations.

The Company does not have any externally imposed capital requirements for the financial year ended 30 September 2024.

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 1994, 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.

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.

Members of the Board and Management Committee are required to submit Conflict of Interest Disclosure Statement annually.

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) approved the renewal of SG Serve Ltd.'s IPC status for period from 25 October 2022 to 24 October 2025.

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2024

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 which comprises Tote Board's 40% matching, capped at S\$100,000 per project, and the government's additional matching contribution of 60% of funds raised, capped at S\$150,000 per applicant for each of the financial years from FY2022 to FY2024 (1 April 2022 to 31 March 2025).

This applies to funds raised on physical platforms and/or on approved digital fund-raising platforms.

The projects organised by the Company was fundraised via Giving.sg platform from 5 December to 31 December 2020 and via Giving.sg platform and physical approach (donation via cheque) from 15 March 2023 to 30 September 2023. The Company has since received the full matching grant of S\$3,188 in FY2021, Nil in FY2022 and FY2023, and full matching grant of S\$42,030 in FY2024.