

BEAUTIFUL PEOPLE SG LTD.

[UEN. 201525056H]

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

[Incorporated in the Republic of Singapore]

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

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SUHAIMI SALLEH & ASSOCIATES

(UEN. S88PF0247L)

Public Accountants and

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Directors' Statement

Beautiful People SG Ltd. [UEN. 201525056H] For the year ended 31 March 2021

The directors present their statement to the members together with the audited financial statements of Beautiful People SG Ltd. (the "Company") for the financial year ended 31 March 2021.

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 at 31 March 2021, and of the financial performance, changes in funds and cash flows of the Company for the financial year then ended; and
- b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

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

Kwee Mei Wan Melissa

Lim Sze Wei

Meena Mylvaganam-Tay

Ng Mei Wan

Rajendram Priyanka

Shahrul Bahriyah Bt Rhazaly Noentil

(Appointed on 1 October 2020)

Wong Kai Ling

Woon Lai Har

Yong Yoek Ling

Arrangements to enable directors to acquire benefits

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 object is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Other matters

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

Independent auditor

The independent auditor, Messrs. Suhaimi Salleh & Associates, Public Accountants and Chartered Accountants of Singapore, has expressed its willingness to accept re-appointment.

On behalf of the Board of Directors,



Kwee Mei Wan Melissa
Director



Lim Sze Wei
Director

Singapore,

Independent Auditor's Report

Beautiful People SG Ltd. [UEN. 201525056H]

For the year ended 31 March 2021

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Beautiful People SG Ltd. (the "Company"), which comprise the statement of financial position as at 31 March 2021, and the statement of financial activities, statement of changes in funds and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Companies Act"), the Charities Act, Chapter 37 and other relevant regulations (the "Charities Act and Regulations") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the Company as at 31 March 2021 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 Statement by the Board (set out on page 2) but does not include the financial statements and our auditor's report thereon and the annual report.

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

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report 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 moneys 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.

Suhaimi Salleh & Associates

Public Accountants and
Chartered Accountants

Singapore,

Partner-in-charge: Gan Chek Huat

PAB No.: 01939

Statement of Financial Activities

Beautiful People SG Ltd. [UEN. 201525056H]

For the year ended 31 March 2021

	NOTE	UNRESTRICTED FUND - GENERAL FUND	RESTRICTED - DREAM FUND	PRESIDENT'S CHALLENGE	TOTAL UNRESTRICTED AND RESTRICTED FUNDS
2021					
INCOME					
Income from generated funds					
Voluntary income					
Tax deductible donations	5	157,256	-	-	157,256
Non-tax deductible donations	5	64,843	49,029	-	113,872
Grants and funding					
Government funding		22,841	-	10,800	33,641
Total income from generated funds		244,940	49,029	10,800	304,769
Other income					
Sales of honey		3,357	-	-	3,357
Interest income		1,530	-	-	1,530
Total other income		4,887	-	-	4,887
Total income		249,827	49,029	10,800	309,656
LESS: EXPENDITURE					
Cost of charitable activities					
Programme expense		37,966	35,295	-	73,261
Governance and administrative costs					
Audit fee		4,912	-	-	4,912
Depreciation	11	2,667	-	-	2,667
Fund-raising expenses		30	-	-	30
Insurance		820	-	-	820
IT expenses		1,982	-	-	1,982
Printing and stationery		556	-	-	556
Publicity and promotion		1,140	-	-	1,140
Rental of office	13	4,078	-	-	4,078
Secretarial fee		995	-	-	995
Staff costs	6	58,126	-	-	58,126
Telephone expense		920	-	-	920
Traineeship fee		15,909	-	-	15,909
Other expenses	7	664	-	-	664
Total governance and administrative costs		92,799	-	-	92,799
Total expenditure		130,765	35,295	-	166,060
Net income for the financial year		119,062	13,734	10,800	143,596
Total funds brought forward		269,356	63,445	-	332,801
Total funds carried forward		388,418	77,179	10,800	476,397

Statement of Financial Activities

Beautiful People SG Ltd. [UEN. 201525056H]

For the year ended 31 March 2021

	NOTE	UNRESTRICTED FUND - GENERAL FUND	RESTRICTED - DREAM FUND	RESTRICTED - COMMUNITY CHEST CHARITY SUPPORT FUND	TOTAL UNRESTRICTED AND RESTRICTED FUNDS
2020					
INCOME					
Income from generated funds					
Voluntary income					
Tax deductible donations	5	115,755	-	-	115,755
Non-tax deductible donations	5	81,314	96,000	-	177,314
Grants and funding					
Community Chest Charity Support fund		-	-	50,000	50,000
Total Income from generated funds		197,069	96,000	50,000	343,069
Other income					
Interest income		3	-	-	3
Programme income		3,900	-	-	3,900
Sales of honey		3,070	-	-	3,070
Volunteer activities		1,840	-	-	1,840
Total other income		8,813	-	-	8,813
Total income		205,882	96,000	50,000	351,882
LESS: EXPENDITURE					
Cost of charitable activities					
Programme expense		1,547	46,745	42,216	90,508
Governance and administrative costs					
Audit fee		3,200	-	-	3,200
Depreciation	11	2,027	-	-	2,027
Fund-raising expenses		10,043	-	-	10,043
General expense		270	-	-	270
Insurance		713	-	-	713
IT expenses		769	-	-	769
Operating lease - rental of premises	13	4,200	-	-	4,200
Printing and stationery		766	-	-	766
Staff costs	6	46,540	-	7,784	54,324
Telephone expense		907	-	-	907
Other expenses	7	968	-	-	968
Total governance and administrative costs		70,403	-	7,784	78,187
Total expenditure		71,950	46,745	50,000	168,695
Net income for the financial year		133,932	49,255	-	183,187
Total funds brought forward		135,424	14,190	-	149,614
Total funds carried forward		269,356	63,445	-	332,801

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

Statement of Financial Position

Beautiful People SG Ltd. [UEN. 201525056H]

As at 31 March 2021

	NOTE	2021	2020
ASSETS			
Current assets			
Cash and cash equivalents	9	471,957	333,328
Other receivables	10	8,874	3,093
Total current assets		480,831	336,421
Non-current assets			
Plant and equipment	11	1,877	2,624
Total assets		482,708	339,045
LIABILITY			
Current liability			
Other payables	12	6,311	6,244
Total liability		6,311	6,244
NET ASSETS		476,397	332,801
FUNDS			
Unrestricted fund			
General fund	14	388,418	269,356
Restricted funds			
Dream fund	14	77,179	63,445
President's Challenge fund	14	10,800	-
Total restricted funds		87,979	63,445
TOTAL FUNDS		476,397	332,801

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

Statement of Changes in Funds

Beautiful People SG Ltd. [UEN. 201525056H]

For the year ended 31 March 2021

	2021	2020
FUNDS		
Unrestricted fund		
General fund		
Balance at beginning of financial year	269,356	135,424
Net income for the financial year	119,062	133,932
Balance at end of financial year	388,418	269,356
Restricted funds		
Dream fund		
Balance at beginning of financial year	63,445	14,190
Net income for the financial year	13,734	49,255
Balance at end of financial year	77,179	63,445
President's Challenge fund		
Balance at beginning of financial year	-	-
Net income for the financial year	10,800	-
Balance at end of financial year	10,800	-
Total restricted funds	87,979	63,445
TOTAL FUNDS	476,397	332,801
	2021	2020
Total funds		
Balance at beginning of financial year	332,801	149,614
Net income for the financial year	143,596	183,187
Balance at end of financial year	476,397	332,801

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

Statement of Cash Flows

Beautiful People SG Ltd. [UEN. 201525056H]

For the year ended 31 March 2021

	NOTE	2021	2020
Cash flows from operating activities			
Net income for the financial year		143,596	183,187
Adjustments for:			
Depreciation	11	2,667	2,027
Interest income		(1,530)	(3)
Operating cash flow before changes in working capital		144,733	185,211
Changes in working capital			
Other receivables		(5,781)	8,277
Other payables		67	2,414
Cash generated from operations		139,019	195,902
Interest received		1,530	3
Net cash generated from operating activities		140,549	195,905
Cash flows from investing activity			
Purchase of property, plant & equipment	11	(1,920)	-
Net increase in cash and cash equivalents		138,629	195,905
Cash and cash equivalents			
Cash and cash equivalents at beginning of financial year		333,328	137,423
Cash and cash equivalents at end of financial year (Note 9)		471,957	333,328
Net change in cash and cash equivalents for the financial year		138,629	195,905

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

Notes to the Financial Statements

Beautiful People SG Ltd. [UEN. 201525056H] For the year ended 31 March 2021

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

1. General information

Beautiful People SG Ltd. (the "Company") is a public company limited by guarantee and not having share capital. The Company is incorporated and domiciled in Singapore.

Every member of the Company undertakes to contribute to the assets of the Company if the Company is wound up during the time he is a member, or within one year afterwards, for payment of the Company's debts and liabilities contracted before he ceases to be a member and the costs and expenses of the winding up, and for adjusting the rights among contributors, any amount may be required, but not exceeding the sum of S\$2 only.

The Company's registered address is located at 183 Jalan Pelikat #B2-02 The Promenade@Pelikat, Singapore 537643. The Company's principal place of business is at 1 Lorong 2 Toa Payoh, #07-00 Braddell House, Singapore 319637.

The Company was registered as charity under the Charities Act, Chapter 37 on 3 September 2015. The Company has been accorded an Institutions of a Public Character ("IPC") status from 01 December 2019 to 30 November 2022.

The principal activities of the Company are those of providing social services without accommodation for children, youth and families.

2. Significant accounting policies

2.1 Basis of preparation

These financial statements have been prepared in accordance with Financial Reporting Standards in Singapore ("FRSs") and the disclosure requirements of the Charities Act (Chapter 37). These financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

These financial statements are presented in Singapore Dollar ("S\$") which is the Company's functional currency.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

2.1.1 Interpretations and amendments to published standards effective in 2020

The Company has adopted all the new and revised FRSs and Interpretations of FRS ("INT FRSs") that are relevant to its operations and effective on 1 April 2020. Changes to the Company's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRSs and INT FRSs.

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

Early adoption of Amendments to FRS 116 Leases – COVID-19 Related Rent Concessions

The Company has elected to early adopt the amendments to FRS 116 which introduced a practical expedient for a lessee to elect not to assess whether a rent concession is a lease modification, if all the following conditions are met:

- (a) the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
- (b) any reduction in lease payments affects only payments originally due on or before 30 June 2021; and
- (c) there is no substantive change to other terms and conditions of the lease.

The Company has elected to apply this practical expedient to all property leases. As a result of applying the practical expedient, rent concessions of S\$122 was recognised as negative variable lease payments in the profit or loss during the year.

2.1.2 Standards issued but not yet effective

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

Description	Effective for annual periods beginning on or after
Amendments to:	
- FRS109, FRS 39, FRS 107, FRS 104 and	
- FRS 116: Interest Rate Benchmark Reform – Phase 2	1 January 2021
- FRS103: Reference to the Conceptual Framework	1 January 2022
- FRS 16 Property, Plant and Equipment – Proceeds before Intended Use	1 January 2022
- FRS37: Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022
Annual Improvements to FRS 2018-2020	1 January 2022
Amendments to:	
- FRS1: Classification of Liabilities as Current or Non-current	1 January 2023
-FRS 110 and FRS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

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

2.2 Income recognition

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

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

Income is recognised as follows:

2.2.1 Donations

Donations are taken up and accrued as and when they are committed. Those uncommitted donations, income from charity events and all income except as listed below, are recognised on receipt basis. Donations-in-kind are recognised when the fair value of the assets received can be reasonably ascertained.

2.2.2 Sale of goods

Revenue from sale of goods is recognised upon the issuance of invoice. Satisfaction of performance obligation is at a point of time. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

2.2.3 Interest income

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

2.2.4 Other income

Other income is recognised when received.

2.3 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 the statement of financial activities over the expected useful life of the relevant asset by equal annual instalments.

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.

2.4 Expenditure recognition

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

2.4.1 Cost of charitable activities

Cost of charitable activities comprises all directly attributable costs incurred in the pursuit of the charitable objects of the Company and an apportionment of overhead and shared costs.

2.4.2 Governance and administrative costs

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

2.5 Employee compensation

2.5.1 Defined contribution plans

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

2.5.2 Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

2.6 Leases

At the inception of the contract, the Company assesses if the contract contains a lease. A contract contains a lease if the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

As lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities representing the obligations to make lease payments and right-of-use assets representing the right to use the underlying leased assets.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in Note 2.10.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Company has applied the amendment to FRS 116 Leases: Covid-19-Related Rent Concessions. The Company applies the practical expedient allowing it not to assess whether a rent concession related to COVID-19 is a lease modification. The Company applies the practical expedient consistently to contracts with similar characteristics and in similar circumstances. For rent concessions in leases to which the Company chooses not to apply the practical expedient, or that do not qualify for the practical expedient, the Company assesses whether there is a lease modification.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

Variable lease payments

Variable lease payments that are not based on an index or a rate are not included as part of the measurement and initial recognition of the lease liability. The Company shall recognise those lease payments in the statement of financial activities in the periods that triggered those lease payments.

2.7 Financial assets

2.7.1 Classification and measurement

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

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

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

(i) At initial recognition

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial assets. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

(ii) At subsequent measurement

Debt instruments

Debt instruments of the Company mainly comprise of cash and cash equivalents and other receivables.

There are three prescribed subsequent measurement categories, depending on the Company's business model in managing the assets and the cash flow characteristics of the assets. The Company managed these group of financial assets by collecting the contractual cash flows and these cash flows represents solely payment of principal and interest. Accordingly, these group of financial assets are measured at amortised cost subsequent to initial recognition.

A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets are recognised using the effective interest rate method.

2.7.2 Impairment

The Company assesses on forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost.

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

2.7.3 Recognition and derecognition

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

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

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to profit or loss.

2.8 Cash and cash equivalents

Cash and cash equivalents include cash at bank and short-term deposit, which are subject to an insignificant risk of changes in value.

2.9 Plant and equipment

2.9.1 Measurement

All plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of plant and equipment initially recognised includes its purchase price and any costs that are 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.

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

2.9.2 Depreciation

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

	Useful lives
Computer	3 years
Office equipment	5 years

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

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

2.9.3 Subsequent expenditure

Subsequent expenditure relating to plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Other subsequent expenditure is recognised as repairs and maintenance expenses in profit or loss during the financial year in which it is incurred.

2.9.4 Disposal

On disposal of an item of plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss.

2.10 Impairment of non-financial assets

Non-financial assets are tested for impairment whenever there is any indication that these assets may be impaired.

For the purpose of impairment testing of the assets, recoverable amount (i.e. the higher of the fair value less cost to sell and value in use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, recoverable amount is determined for the cash-generating unit ("CGU") to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

An impairment loss for an asset is reversed if, and only if, there has been a change in the estimates used to determine the assets' recoverable amount since the last impairment loss was recognised. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset is recognised in profit or loss.

2.11 Financial liabilities

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

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

2.12 Other payables

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

2.13 Provisions for other liabilities and charges

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

2.14 Funds

Restricted fund balances are restricted by outside sources and may only be utilised in accordance with the purposes for which they are established. Designated funds are earmarked for specific purposes and are largely made up of funds allocated at the discretion of the Board of Directors. These designated funds are treated as restricted funds as they contain funds restricted by outside sources.

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

2.15 Contingencies

Contingent liabilities are not recognised in the financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is not recognised in the financial statements but disclosed when an inflow of economic benefit is probable.

2.16 Events after the reporting period

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

3. Significant accounting judgements and estimates

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of income, expenditure, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3.1 Judgements made in applying accounting policies

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

Government grants

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

3.2 Key sources of estimation uncertainty

Management is of the opinion that there are no key sources of estimation uncertainty at the end of the financial year that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

	NOTE	2021	2020
4. Revenue from contracts with customers			
a) Income for the year:			
Income from:			
Donations	5	271,128	293,069
Government funding		33,641	50,000
Interest income		1,530	3
Programme income		-	3,900
Sales of honey		3,357	3,070
Volunteer activities		-	1,840
Total		309,656	351,882

	NOTE	2021	2020
b) Disaggregation of revenue from contracts with customers			
Revenue from:			
Donations	5	271,128	293,069
Programme income		-	3,900
Sales of honey		3,357	3,070
Volunteer activities		-	1,840
Total		274,485	301,879
Timing of transfer of goods and services			
At a point in time		274,485	301,879

There are no contract liabilities balances.

	NOTE	2021	2020
5. Donations			
Tax deductible donations		157,256	115,755
Non-tax deductible donations		113,872	177,314
Total donations		271,128	293,069

During the financial year, the Company issued tax-deductible receipts for donations collected amounting to S\$157,256 (2019: S\$115,755) pursuant to its Institutions of a Public Character ("IPC") status.

	NOTE	2021	2020
6. Staff costs			
Bonus		3,300	6,480
Employer's CPF and SDL		8,524	7,935
Staff salaries		45,680	39,120
Staff training		82	295
Staff welfare		540	494
Total staff costs		58,126	54,324

Staff costs comprised of the following:

	NOTE	2021	2020
Staff costs comprised of the following:			
Governance and administrative costs		58,126	54,324

	NOTE	2021	2020
7. Other expenses			
Bank charges		336	85
Membership fee		40	179
Postage		13	166
Refreshment		126	218
Transport expense		149	214
Upkeep		-	106
Total other expenses		664	968

8. Income tax

The Company is a charity registered under the Charities Act, Chapter 37 since 3 September 2015. Consequently, the income of the Company is exempted from tax under the provisions of Section 13 of the Income Tax Act, Chapter 134.

	NOTE	2021	2020
9. Cash and cash equivalents			
Cash at banks		471,957	183,328
Fixed deposit		-	150,000
Total cash and cash equivalents		471,957	333,328

Fixed deposit has a maturity of Nil months (2020: 6 months) with interest rate of Nil % (2020: 1.80%) per annum.

Fixed deposits with maturity of more than 3 months are included as cash and cash equivalents as these can be readily converted into cash without incurring significant penalty.

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

	NOTE	2021	2020
10. Other receivables			
Deposit		350	350
Grants receivable - SGUnited Traineeships Programme		6,000	-
Prepayments		2,524	2,743
Total other receivables		8,874	3,093

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

	NOTE	2021	2020
11. Plant and equipment			
Computer			
Cost			
Beginning of financial year		5,184	6,782
Additions		1,920	-
Write off		-	(1,598)
End of financial year		7,104	5,184

	NOTE	2021	2020
Accumulated depreciation			
Beginning of financial year		3,456	3,326
Depreciation		2,368	1,728
Write off		-	(1,598)
End of financial year		5,824	3,456
Carrying amount			
Beginning of financial year		1,728	3,456
End of financial year		1,280	1,728
Office equipment			
Cost			
Beginning of financial year		1,494	1,494
Additions		-	-
End of financial year		1,494	1,494
Accumulated depreciation			
Beginning of financial year		598	299
Depreciation		299	299
End of financial year		897	598
Carrying amount			
Beginning of financial year		896	1,195
End of financial year		597	896
Total			
Cost			
Beginning of financial year		6,678	8,276
Additions		1,920	-
Write off		-	(1,598)
End of financial year		8,598	6,678
Accumulated depreciation			
Beginning of financial year		4,054	3,625
Depreciation		2,667	2,027
Write off		-	(1,598)
End of financial year		6,721	4,054
Carrying amount			
Beginning of financial year		2,624	4,651
End of financial year		1,877	2,624

Additions during the current year pertains to the purchase of laptops for the new staff and for the replacement of old laptop.

In the prior year, the Company have written-off a fully depreciated computer.

	NOTE	2021	2020
12. Other payables			
Accruals		6,311	6,244
Total other payables		6,311	6,244

At the reporting date, the carrying amounts of other payables approximate their fair values.

	NOTE	2021	2020
13. Leases			
Lease expense not capitalised as liabilities:			
Expense relating to short-term leases			
Rental of premises*			
- Governance and administrative costs		4,078	4,200

*This includes COVID-19 related rent concessions received from lessor of S\$122 to which the Company has applied the practical expedient as disclosed in Note 2.1.

During the financial year, the Company's total cash outflows for leases amounts to S\$4,078 (2020: S\$4,200).

14. Funds

Unrestricted fund

General fund

The general fund represents the accumulated income of the Company. It is for the purpose of meeting the expenditure in accordance with the objectives of the Company.

Restricted funds

Dream fund

The fund was established to support mentees' educational pursuits to achieve their dreams and independence. The receipts of this scholarship are encouraged to pay it forward' either through contribution back to the fund or through their involvement and service to the Company and the community. During the financial year, the Company received funds and donations amounting to S\$49,029 (2020: S\$96,000).

President's Challenge fund

This funding seeks to empower vulnerable groups by 'Building a Digitally Inclusive Society', where digital technologies are accessible to all, so that no one is left behind. During the current financial year, the Company received S\$10,800 or 30% of the fund allocation.

Community Chest Charity Support fund

The fund was established to provide funding to support smaller and under-supported social service organisations in meeting social service needs. The Community Chest Charity Support Fund will support programmes to empower social service users and families, capital expenditure and build capability for community engagements to benefit social service users.

The funding period is from 1 March 2019 to 28 Feb 2020.

The fund has been fully utilised as at year ended 31 March 2020.

15. Related party transactions

There was no transaction between the Company and related party for the financial years ended 31 March 2021 and 2020.

During the current and previous year, none of the directors and key management personnel received any remuneration from the Company.

16. Employees' remuneration

None of the Company's employees were remunerated more than or equal to S\$100,000 during the financial years ended 31 March 2021 and 2020.

17. Financial instruments by category

The aggregate carrying amounts of financial assets and financial liabilities at amortised costs are as follows:

	NOTE	2021	2020
Aggregate carrying amounts:			
Financial assets, at amortised cost (excluding prepayments)		478,307	333,678
Financial liability, at amortised cost		6,311	6,244

18. Financial risk management

The Company is mainly exposed to credit risk and liquidity risk.

Risk management is carried out under policies approved by the Board of Directors. The Board of Directors review and agree on policies and procedures for management of these risks.

18.1 Credit risk

Credit risk is the potential financial loss resulting from customer defaulting on its contractual obligations to the Company.

Risk management

The Company adopts the following policy to mitigate risk.

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

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

The Company has no significant concentration of risk.

Impairment of financial assets

The Company does not expect to incur material credit losses on their risk management of financial assets.

Financial assets that are neither past due nor impaired are mainly deposits with banks with high credit-ratings assigned by international credit-rating agencies. Other receivables that are neither past due nor impaired are with creditworthy debtors with good payment record with the Company.

There are no credit loss allowances for the financial assets at amortised cost as at 31 March 2021 and 2020.

18.2 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations due to shortage of funds. The Company exposure to liquidity risk primarily from mis-matches of the maturities of financial assets or liabilities.

Board of Directors monitors and ensure the Company maintains a level of cash and cash equivalents deemed adequate to finance the Company's operations.

The table below summarises the maturity profile of the Company's financial liability at the reporting date based on the contractual undiscounted repayment obligations:

	NOTE	2021	2020
Payable within one year			
Financial liability, at amortised cost			
Other payables		6,311	6,244

19. Fair values

As at 31 March 2021, the carrying amounts of the financial assets and liabilities recorded in the financial statements of the Company approximate their fair values due to their short-term nature.

20. Reserve position and policy

The Company's reserves position for financial years ended 31 March 2021 and 31 March 2020 is as follows:

	2021 S\$'000	2020 S\$'000	Increase (Decrease) %
A Unrestricted funds			
General fund	388	269	44%
B Restricted and designated funds			
Restricted funds	88	63	40%
C Endowment funds	N/A	N/A	N/A
D Total funds	476	333	43%
E Total annual operating expenditure	166	169	(2%)
F Ratio of funds to annual operating expenditure(A/E)	2.34	1.59	

References:

C. An endowment fund consists of assets, funds or properties that are held in perpetuity which produce annual income flow for a company to spend as grants.

D.Total funds include unrestricted, restricted/designated and endowment funds.

E.Total annual operating expenditure includes expenditure related to Cost of Charitable Activities and Governance and Administrative costs.

The Company's reserve policy is as follows:

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

21. Management of conflict of interest

There are no paid staff in the Company's Board of Directors.

Directors are required to disclose any interest that they may have, whether directly or indirectly, that the Company may enter into or in any organisations that the Company has dealings with or is considering dealing with; and any personal interest accruing to him as one of the Company's supplier, user of services or beneficiary. Should there be any potential conflict of interest, the affected Directors may not vote on the issue that was the subject matter of the disclosure. Detailed minutes will be taken on the disclosure as well as the basis for arriving at the final decision in relation to the issue at stake.

22. Comparative figures

Certain reclassifications have been made to the comparative information to enhance comparability with current year's financial statements

	As previously reported	Reclassification	As reclassified
2020			
Statement of financial activities			
Governance and administrative costs			
Bonus	6,480	(6,480)	-
Employer's CPF and SDL	7,935	(7,935)	-
Staff salaries	39,120	(39,120)	-
Staff training	295	(295)	-
Staff welfare	494	(494)	-
Staff costs	-	54,324	54,324
Bank charges	85	(85)	-
Membership fee	179	(179)	-
Postage	166	(166)	-
Refreshment	218	(218)	-
Transport expenses	214	(214)	-
Upkeep	106	(106)	-
Other expenses	-	968	968

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

The COVID-19 pandemic has affected almost all countries of the world, and resulted in border closures, production stoppages, workplace closures, movement controls and other measures imposed by the various governments. The Company's significant operations are in Singapore which have been affected by the spread of COVID-19 in 2020. The principal activities of the Company are those of providing social services without accommodation for children, youth and families and therefore the Company's operations has been impacted by COVID-19. Summarise the impact of COVID-19 as below on the Company's financial performance reflected in this set of financial statements for the year ended 31 March 2021:

- i. The Company has assessed that the going concern basis of preparation for this set of financial statements remains appropriate. The management is continuously monitoring the COVID-19 pandemic situation and will take further action as necessary in response to the service and operations disruption.
- ii. The Singapore Multi-Ministry Taskforce implemented an elevated set of safe distancing measures as a circuit breaker from 7 April 2020 to 1 June 2020, to pre-empt the trend of increasing local transmission of COVID-19. Except for those providing essential services and selected economic sectors which are critical for our local and the global supply chains, all businesses are required to suspend all in-person activities and majority of the Company's activities have to be online. The Company has also moved towards digitalisation of its workflow, documents and programmes.
- iii. In 2020, the Company has received rental rebates for its office rental. The effects of such rental concessions received are disclosed in Note 2.1.1.

As the global COVID-19 situation remains very fluid as at the date these financial statements were authorised for issuance, the Company cannot reasonably ascertain the full extent of the probable impact of the COVID-19 disruptions on its operating and financial performance for the financial year ending 31 March 2022. If the situation persists beyond management's current expectations, the Company's assets may be subject to further write downs in the subsequent financial periods.

24. Authorisation of financial statements

The financial statements for the financial year ended 31 March 2021 were authorised for issue in accordance with a resolution of the Board of Directors of the Company on