SILVER RIBBON (SINGAPORE)
[UEN. T05SS0315B]

[Registered under the Societies Act
(Chapter 311) in the Republic of Singapore]

**AUDITED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
31 JULY 2017**

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STATEMENT BY THE BOARD MEMBERS

In the opinion of the Board Members,

a) the financial statements as set out on pages 6 to 23 are drawn up so as to present fairly, in all material respects, the state of affairs of the Society as at 31 July 2017 and the results, changes in funds and cash flows of the Society for the financial year then ended; and

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

The Board Members, comprising the following, authorised the issue of these financial statements on 27 SEP 2017

President	Lee Cheng
Vice President	Thirumalai Chandran @ T. Chandroo
Honorary Secretary	Teh Ee-Von
Honorary Treasurer	Chong Siow Ann
Member	Alvin Tan Cheong Kheng
Member	Angela Lim Ann Qi
Member	Chan Li Shan
Member	Ellen Lee Geck Hoon
Member	Leon Luai Hong Kheng
Member	Lim Cheng Hwa

For and on behalf of the Board Members,

Lee Cheng
President

Chong Siow Ann
Honorary Treasurer

Singapore, 27 SEP 2017

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Independent auditor's report to the members of:

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Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Silver Ribbon (Singapore) (the "Society"), which comprise the statement of financial position as at 31 July 2017, and the statement of financial activities, statement of changes in funds and statement of cash flows of the Society for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Societies Act, Chapter 311 (the "Societies Act"), the Charities Act, Chapter 37 and other relevant regulations (the "Charities Act and Regulations") and Charities Accounting Standard in Singapore ("CAS") so as to present fairly, in all material respects, the state of affairs of the Society as at 31 July 2017 and the results, changes in funds and cash flows of the Society for the financial year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Society 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 Members set out on page 2, but does not include the financial statements and our auditor's report thereon.

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

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

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(CONT'D)

Independent auditor's report to the members of:

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the provisions of the Societies Act, the Charities Act and Regulations and CAS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Society'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 Society or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Society'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 Society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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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 Society'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 Society 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 Society have been properly kept in accordance with the provisions of the Societies Regulations enacted under the Societies Act, the Charities Act and Regulations.

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

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

Fiducia LLP
Public Accountants and
Chartered Accountants
Singapore, 27 SEP 2017

Partner-in-charge: Lee Choon Keat
PAB No.: 01721

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 JULY 2017

		2017						
		Unrestricted funds – General funds			Restricted funds			
	Note	Accumulated fund S$	Raintree Sanctuary S$	The Linkage S$	Care and Share S$	Tze Hng Wellness Studio S$	Total S$	2016 Total S$
INCOME								
Income from generating funds								
Voluntary income								
Donations	5	36,405	0	0	0	0	36,405	140,305
Income from charitable activities								
AIC reimbursement for HFH		0	0	0	0	0	0	578
AIC reimbursement for TL		0	0	98,178	0	0	98,178	100,317
Care and Share		0	0	0	21,192	0	21,192	141,690
Conference income		25,000	0	0	0	0	25,000	1,200
Grants		0	0	0	0	16,224	16,224	3,120
NCSS Tote Board funding		0	0	0	0	183,097	183,097	163,637
Training income		2,800	450	600	0	28,426	32,276	19,847
		27,800	450	98,778	21,192	227,747	375,967	430,389
Other income								
Bank interest		124	0	0	0	0	124	124
Employment grants		6,201	0	0	0	0	6,201	28,166
		6,325	0	0	0	0	6,325	28,290
Total income		70,530	450	98,778	21,192	227,747	418,697	598,984
EXPENDITURE								
Costs of charitable activities								
Capacity building		0	0	0	4,565	0	4,565	0
Conference fee		26,122	0	0	0	0	26,122	207
CPF and SDL contributions		0	13,402	11,214	0	20,554	45,170	46,196
Event expenses		0	7,130	435	0	2,267	9,832	26,489
IT / web expenses		0	0	0	0	900	900	4,842
Medical fee		0	604	336	0	161	1,101	1,238
Salaries, allowance and bonuses		0	77,627	65,028	0	140,034	282,689	289,573
Balance carried forward		26,122	98,763	77,013	4,565	163,916	370,379	368,545

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 JULY 2017 (CONT'D)

		2017						
		Unrestricted funds - General funds			Restricted funds			
EXPENDITURE (CONT'D)	Note	Accumulated fund S$	Raintree Sanctuary S$	The Linkage S$	Care and Share S$	Tze Hng Wellness Studio S$	Total S$	2016 Total S$
Costs of charitable activities (Cont'd)								
Balance brought forward		26,122	98,763	77,013	4,565	163,916	370,379	368,545
Staff training expenses		0	235	0	0	0	235	2,740
Subscription fees		0	0	0	0	0	0	289
Trainers' and speakers' fees		0	0	0	0	0	0	1,847
Training materials		0	0	0	0	2,281	2,281	1,027
		26,122	98,998	77,013	4,565	166,197	372,895	374,448
Governance and other administrative costs								
Accounting fee								
– current year		0	0	0	3,000	0	3,000	3,200
– prior year		0	0	0	1,000	0	1,000	500
Ambulatory services		0	0	0	200	0	200	350
Audit fee		0	2,033	1,819	0	2,354	6,206	6,206
Bank charges		144	0	0	0	0	144	184
Collaterals printing		80	2,815	8,478	0	20,490	31,863	7,543
Depreciation of property, plant and equipment	8	0	8,832	2,168	0	2,236	13,236	12,816
Equipment purchase		0	0	0	0	0	0	896
Insurance		0	529	791	528	528	2,376	2,365
Miscellaneous expenses		32	0	0	0	279	311	154
Overseas presentation		0	0	0	0	0	0	3,169
Postage and courier		0	0	0	0	227	227	65
Printing and stationery		0	1,113	1,595	0	2,215	4,923	4,554
Refreshments		0	32	10	0	425	467	1,101
Balance carried forward		256	15,354	14,861	4,728	28,754	63,953	43,103

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 JULY 2017 (CONT'D)

	2017						
	Unrestricted funds - General funds			Restricted funds			
EXPENDITURE (CONT'D)	Accumulated fund S$	Raintree Sanctuary S$	The Linkage S$	Care and Share S$	Tze Hng Wellness Studio S$	Total S$	2016 Total S$
Governance and other administrative costs							
Balance carried forward	256	15,354	14,861	4,728	28,754	63,953	43,103
Rental of premises	0	1,950	5,100	0	0	7,050	4,350
Repair and maintenance	0	450	0	0	1,065	1,515	405
Telecommunications	0	206	5	0	1,625	1,836	2,426
Transportation	0	1,673	1,349	0	1,839	4,861	4,783
Utility	0	0	0	0	999	999	1,129
	256	19,633	21,315	4,728	34,282	80,214	56,196
Total expenditure	26,378	118,631	98,328	9,293	200,479	453,109	430,644
NET INCOME / (EXPENDITURE)	44,152	(118,181)	450	11,899	27,268	(34,412)	168,340
TOTAL FUND BROUGHT FORWARD	776,543	279,401	32,699	172,319	(161,818)	1,099,144	930,804
TOTAL FUND CARRIED FORWARD	820,695	161,220	33,149	184,218	(134,550)	1,064,732	1,099,144

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

STATEMENT OF FINANCIAL POSITION AS AT 31 JULY 2017

	Note	2017 S$	2016 S$
ASSETS			
Current assets			
Cash and cash equivalents	6	1,015,794	1,071,673
Other receivables	7	40,116	12,138
		1,055,910	1,083,811
Non-current assets			
Property, plant and equipment	8	15,349	25,061
Total assets		1,071,259	1,108,872
LIABILITIES			
Current liabilities			
Other payables	9	6,527	9,728
NET ASSETS		1,064,732	1,099,144
FUNDS			
Unrestricted funds			
General funds	10	1,015,064	1,088,643
Restricted funds			
Care and Share	11	184,218	172,319
Tze Hng Wellness Studio	12	(134,550)	(161,818)
Total funds		1,064,732	1,099,144

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

STATEMENT OF CHANGES IN FUNDS
FOR THE FINANCIAL YEAR ENDED 31 JULY 2017

	Note	Balance at beginning of financial year S$	Net (expenditure) / income for the year S$	Balance at end of financial year S$
2017				
Unrestricted funds				
General funds	10	1,088,643	(73,579)	1,015,064
Restricted funds				
Care and Share	11	172,319	11,899	184,218
Tze Hng Wellness Studio	12	(161,818)	27,268	(134,550)
Total funds		1,099,144	(34,412)	1,064,732

	Note	Balance at beginning of financial year S$	Net income / (expenditure) for the year S$	Balance at end of financial year S$
2016				
Unrestricted funds				
General funds	10	1,004,499	84,144	1,088,643
Restricted funds				
Care and Share	11	75,441	96,878	172,319
Tze Hng Wellness Studio	12	(149,136)	(12,682)	(161,818)
Total funds		930,804	168,340	1,099,144

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

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 JULY 2017

	Note	2017 S$	2016 S$
Cash flows from operating activities			
Net (expenditure) / income for the financial year		(34,412)	168,340
Adjustments for:			
- Depreciation of property, plant and equipment	8	13,236	12,816
- Interest income		(124)	(124)
Operating cash flow before working capital changes		(21,300)	181,032
Changes in operating assets and liabilities:			
- Other receivables		(27,978)	6,817
- Other payables		(3,201)	501
Net cash (used in) / generated from operating activities		(52,479)	188,350
Cash flows from investing activities			
Interest received		124	124
Purchase of property, plant and equipment	8	(3,524)	0
Net cash (used in) / generated from investing activities		(3,400)	124
Net (decrease) / increase in cash and cash equivalents		(55,879)	188,474
Cash and cash equivalents at beginning of financial year		1,071,673	883,199
Cash and cash equivalents at end of financial year	6	1,015,794	1,071,673

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JULY 2017

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

1. General information

Silver Ribbon (Singapore) ("the Society") was registered under the Societies Act (Chapter 311) on 21 December 2005. The Society became a registered charity under the Charities Act (Chapter 37) on 14 June 2006.

The address of its registered office and principal place of business are located at 616 Hougang Avenue 8, #01-386, Singapore 530616.

The principal activities of the Society are those of combat mental health stigma, encourage early treatment and facilitate integration of people with mental illness within the Society through innovative means of promoting mental health literacy.

The Society has renewed its Institution of Public Character ("IPC") status for the period from 12 May 2016 to 11 May 2018.

2. Significant accounting policies

2.1 Basis of preparation

The financial statements have been prepared in accordance with Charities Accounting Standard ("CAS") and the disclosure requirements of the Societies Act (Chapter 311) and Charities Act (Chapter 37). The 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 Society's functional currency.

The preparation of these financial statements in conformity with CAS requires management to exercise its judgement in the process of applying the Society's accounting policies. It also requires the use of certain critical accounting estimates and assumptions that affects 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 income and expenditure during the financial year. Although these estimates are based on Board Members' best knowledge of current events and actions, actual results may ultimately differ from those estimates.

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

2. Significant accounting policies (Cont'd)

2.2 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the services rendered in the ordinary course of the Society's activities. Revenue is recognised as follows:

2.2.1 Donations

Donations are recognised and accrued as and when they are committed. Uncommitted donations, income from charity events are recognised on receipt basis.

2.2.2 Training income

Training income is recognised in the period in which the event takes place.

2.2.3 Grants

Grants from the Government or non-profit organisations are recognised at their fair value where there is a reasonable assurance that the grants will be received and the Society will comply with all attached conditions.

2.2.4 Interest income

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

2.3 Expenditure recognition

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

2.3.1 Cost of charitable activities

Cost of charitable activities comprises all costs incurred in the pursuit of the charitable objects of the Society. The total costs of charitable expenditure are apportionment of overhead and shared costs.

2.3.2 Governance and administrative costs

Governance and administrative costs include costs of governance arrangement, which relate to the general running of the Society, 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. Significant accounting policies (Cont'd)

2.4 Property, plant and equipment

2.4.1 Measurement

All other items of property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation.

The cost of an item of property, 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.

2.4.2 Depreciation

Depreciation on other items of property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

	Useful life
Air-condition	5 years
Computers and office equipment	5 years
Renovation	5 years
Website design	3 years

Fully depreciated assets are retained in the financial statements until they are no longer in use.

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

2.4.3 Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that have 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 Society and the cost of the item can be measured reliably. Other subsequent expenditure is recognised as repair and maintenance expenses in statement of financial activities during the financial year in which it is incurred.

2.4.4 Disposal

On disposal of an item of property, plant and equipment, the difference between the net disposals proceeds and its carrying amount is taken to the statement of financial activities.

2. Significant accounting policies (Cont'd)

2.5 Financial assets

2.5.1 Recognition and measurement

Receivables, excluding prepayments, are initially recognised at their transaction price, excluding transaction costs, if any. Transaction costs shall be recognised as expenditure in the statement of financial activities as incurred. Prepayments are initially recognised at the amount paid in advance for the economic resources expected to be received in the future.

Receivables are subsequently measured at cost less accumulated impairment losses.

2.5.2 Derecognition

Financial assets are derecognised when the right to receive cash flow from the financial assets have expired or have been transferred and the Society has transferred substantially all risk and rewards of ownership.

2.5.3 Impairment

The Society assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired and recognises an allowance for impairment when such evidence exists.

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments is considered indicators that the receivable is impaired.

An allowance for impairment of loans and receivables including trade and other receivables is recognised when there is objective evidence that the Society will not be able to collect all amounts due according to the original terms of the receivables.

The amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. When the amount becomes uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are recognised against the same line item in the Statement of financial activity.

The allowance for impairment loss account is reduced through the statement of financial activities in a subsequent period when the amount of impairment losses decreases and the related decrease can be objectively measured. The carrying amount of the asset previously impaired is increased to the extent that the new carrying amount does not exceed the amortised cost had no impairment been recognised in prior periods.

2. Significant accounting policies (Cont'd)

2.6 Cash and cash equivalents

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

2.7 Financial liabilities

Financial liabilities are recognised when the Society 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 the statement of financial activities. Financial liabilities include "Other payables".

Financial liabilities are derecognised when the obligations under the liability are 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 the statement of financial activities.

2.8 Provisions for other liabilities and charges

Provisions for other liabilities and charges are recognised when the Society 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.

2.9 Employee compensation

2.9.1 Defined contribution plans

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

2.9.2 Employee leaves entitlement

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

2. Significant accounting policies (Cont'd)

2.10 Related parties

A related party is defined as follows:

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

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

(b) An entity is related to the Society if any of the following conditions applies:
(i) The entity and the Society are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others;
(ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
(iii) Both entities are joint ventures of the same third party.
(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
(v) The entity is a post-employment benefit plan for the benefit of employees of either the Society or an entity related to the Society. If the Society is itself such a plan, the sponsoring employers are also related to the Society;
(vi) The entity is controlled or jointly controlled by a person identified in (a);
(vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
(viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

3. Critical accounting estimates, assumptions and judgements

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

The key assumptions concerning the future and other key sources of estimation uncertainty 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.

3. Critical accounting estimates, assumptions and judgements (Cont'd)

3.1 Critical accounting estimates and assumptions

3.1.1 Estimated useful lives of property, plant and equipment

The Society reviews annually the estimated useful lives of property, plant and equipment based on factors such as business plans and strategies, expected level of usage and future technological developments. It is possible that future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned.

3.2 Critical judgements in applying the entity's accounting policies

3.2.1 Allowance for impairment of receivables

The Society reviews the adequacy of allowance for impairment of receivables at each closing by reference to the ageing analysis of receivables, and evaluates the risks of collection according to the credit standing and collection history of individual customer. If there are indications that the financial position of a customer has deteriorated resulting in an adverse assessment of his risk profile, an appropriate amount of allowance will be provided.

4. Income tax

The Society has been registered as a charity under the Charities Act and is exempt from income tax under Section 13(1) of the Income Tax Act. No provision for income tax is required to be made in the financial statements.

5. Donations

	2017 S$	2016 S$
Tax exempt	35,302	138,185
Non-tax exempt	1,103	2,120
	36,405	140,305

6. Cash and cash equivalents

	2017 S$	2016 S$
Cash in bank	1,015,794	1,071,673

7. Other receivables

	2017 S$	2016 S$
Agency for Integrated Care	12,509	12,138
Care and Share	13,245	0
NCSS Tote Board	14,362	0
	40,116	12,138

8. Property, plant and equipment

2017	Balance at beginning of year S$	Additions S$	(Disposals) S$	Balance at end of year S$
Cost				
Air-condition	3,143	0	0	3,143
Computers and office equipment	23,477	3,524	0	27,001
Renovation	55,537	0	0	55,537
Website design	3,700	0	0	3,700
	85,857	3,524	0	89,381

	Balance at beginning of year S$	Depreciation charge S$	(Written back/ off) S$	Balance at end of year S$
Accumulated depreciation				
Air-condition	1,152	629	0	1,781
Computers and office equipment	15,587	4,506	0	20,093
Renovation	40,815	7,643	0	48,458
Website design	3,242	458	0	3,700
	60,796	13,236	0	74,032

	Balance at beginning of year S$	Balance at end of year S$
Net book value		
Air-condition	1,991	1,362
Computers and office equipment	7,890	6,908
Renovation	14,722	7,079
Website design	458	0
	25,061	15,349

8. Property, plant and equipment (Cont'd)

2016	Balance at beginning of year S$	Additions S$	(Disposals) S$	Balance at end of year S$
Cost				
Air-condition	3,143	0	0	3,143
Computers and office equipment	23,477	0	0	23,477
Renovation	55,537	0	0	55,537
Website design	3,700	0	0	3,700
	85,857	0	0	85,857

	Balance at beginning of year S$	Depreciation charge S$	(Written back/ off) S$	Balance at end of year S$
Accumulated depreciation				
Air-condition	524	628	0	1,152
Computers and office equipment	11,542	4,045	0	15,587
Renovation	33,172	7,643	0	40,815
Website design	2,742	500	0	3,242
	47,980	12,816	0	60,796

	Balance at beginning of year S$	Balance at end of year S$
Net book value		
Air-condition	2,619	1,991
Computers and office equipment	11,935	7,890
Renovation	22,365	14,722
Website design	958	458
	37,877	25,061

9. Other payables

	2017 S$	2016 S$
Accrued expenses	6,527	9,728

10. General funds

	2017 S$	2016 S$
Balance at beginning of financial year	1,088,643	1,004,499
Net (expenditure) / income for the financial year	(73,579)	84,144
Balance at end of financial year	1,015,064	1,088,643

General fund are intended to meet the expenditure in accordance with the objectives of the Society.

11. Care and Share

	2017 S$	2016 S$
Balance at beginning of financial year	172,319	75,441
Net income for the financial year	11,899	96,878
Balance at end of financial year	184,218	172,319

Care and share fund is a matching grant from Ministry of Social and Family Development ("MSF"), based on eligible donations raised by the Society are matched dollar-for-dollar by the government.

12. Tze Hng Wellness Studio

	2017 S$	2016 S$
Balance at beginning of financial year	(161,818)	(149,136)
Net income / (expenditure) for the financial year	27,268	(12,682)
Balance at end of financial year	(134,550)	(161,818)

The fund is set up for the expenses incurred on various activities organised by the Society.

13. Remuneration of key management personnel

The key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Society. The key management personnel for the reporting year pertain to the Executive Director whom received the following remuneration during the financial year:

	2017 S$	2016 S$
Salaries and other short-term employee benefits	106,143	98,472
Post-employment benefits – contribution to CPF	15,304	14,450
	121,447	112,922

The remuneration of key management personnel is determined by the Board Members.

The Society is governed by the Board Members, whom are volunteers and received no monetary remuneration for their contribution.

14. Remuneration of the top three paid staff

Remuneration band	2017 Number of personnel	2016 Number of personnel
S$100,001 to S$200,000	1	1

None of the staff was remunerated more than S$100,000, except the key management personnel.

15. Reserve position and policy

The Society's reserve position for financial year ended 31 July 2017 is as follows:

		2017	2016	Increase / (Decrease)
		S$	S$	%
A	Unrestricted Funds			
	- General funds	1,015,064	1,088,643	(6.76)
B	Restricted Funds			
	- Care and Share	184,218	172,319	6.91
	- Tze Hng Wellness Studio	(134,550)	(161,818)	16.85
C	Endowment Funds			
D	Total Funds	1,064,732	1,099,144	(3.13)
E	Total Annual Operating Expenditure	453,109	430,644	5.22
F	Ratio of Funds to Annual Operating Expenditure (A/E)	2.24	2.53	

Reference:

C. An endowment fund consists of assets, funds or properties, which are held in perpetuity, which produce annual income flow for a foundation to spend as grants.
D. Total Funds include unrestricted, restricted/ designated and endowment funds.
E. Total Annual Operating Expenditure includes expenses related to Cost of Charitable Activities and Governance and Other Operating and Administration expenses.

The Society's reserve policy is as follows:

The Society would hold its reserves up to not more than three years of the amount of the annual operating expenditure.

16. Management of conflict of interest

During the financial year, none of the Board Members received any remuneration from the Society.

Board Members are required to disclose any interest that they may have, whether directly or indirectly, that the Society may enter into or in any organisations that the Society has dealings with or is considering dealing with; and any personal interest accruing to him as one of the Society's supplier, user of services or beneficiary. Should there be any potential conflict of interest, the affected Board Members 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.

17. Comparative figures

Certain comparative figures have been reclassified to conform to the current year's presentation, as shown below:

2016	As previously reported S$	Reclassification S$	As restated S$
Statement of financial activities			
Income from charitable activities	458,555	(28,166)	430,389
Other income	124	28,166	28,290
	458,679	0	458,679

18. Authorisation of financial statements

These financial statements were authorised for issue in accordance with a resolution of the Board Members of the Society on 27 SEP 2017