SMA CHARITY FUND
(UEN: 201305017E)

AUDITED FINANCIAL STATEMENTS
AND OTHER INFORMATION
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

LAU/YL

SMA CHARITY FUND
(UEN: 201305017E)

DIRECTORS' STATEMENT

The directors present their statement to the members together with the audited financial statements of SMA Charity Fund (the "company") for the year ended 31 December 2020.

1. OPINION OF THE DIRECTORS

In the opinion of the directors,

i) the accompanying financial statements together with the notes thereto are drawn up so as to give a true and fair view of the financial position of the company as at 31 December 2020, and the financial performance, changes in funds and cash flows of the company for the year ended on that date; and

ii) 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.

2. DIRECTORS

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

KOH WEI PENG (XU WEIPING)
LIM FUNG WAN, COLIN
LIM KHENG CHOON (LIN JINGCUN)
NOORUL FATHA AS'ART
TAN SZE WEE
THALI KOATTIATH UDAIRAM
WONG CHIANG YIN
ROLAND XU WEIXIANG
CHONG YEH WOEI
KOH LIN-NET

3. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES OR DEBENTURES

The company is a company limited by guarantee and has no share capital.

4. OTHER MATTERS

As the company is limited by guarantee and does not have a share capital, matters relating to the issue of shares or share option are not applicable.

DIRECTORS' STATEMENT

5. AUDITOR

The auditor, Kreston David Yeung PAC, has expressed its willingness to accept re-appointment.

On behalf of the Board,

TAN SZE WEE
Director

WONG CHIANG YIN
Director

Singapore, 23 March 2021

KRESTON
DAVID YEUNG PAC

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SMA CHARITY FUND (UEN: 201305017E)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of SMA Charity Fund (the "company"), which comprise the statement of financial position of the company as at 31 December 2020, the statement of financial activities, statement of changes in funds and statement of cash flows of the company 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 December 2020 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 and annual report, but does not include the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's 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. When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those changed with governance and take appropriate actions in accordance with SSAs.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SMA CHARITY FUND (UEN: 201305017E) (Continued)

Responsibilities of Management and Directors 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.

The directors' 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 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SMA CHARITY FUND (UEN: 201305017E) (Continued)

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

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

We communicate with the directors 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 (Fund raising expenses) of the Charities (Institutions of a Public Character) Regulations.

KRESTON DAVID YEUNG PAC
Public Accountants and
Chartered Accountants

Singapore, 23 March 2021

SMA CHARITY FUND
(UEN: 201305017E)

STATEMENT OF FINANCIAL POSITION
As at 31 DECEMBER 2020

	Note	2020 S$	2019 S$
ASSETS			
Non-current asset			
Plant and equipment	3	16,406	2,139
Current assets			
Grant and other receivables	4	15,272	1,460
Prepayment		535	535
Cash at bank		934,976	694,810
Total current assets		950,783	696,805
Total assets		967,189	698,944
FUND AND LIABILITIES			
Funds			
Restricted Funds			
Medical Students' Assistance Fund	5	199,075	153,580
Unrestricted Fund			
Accumulated Fund		689,726	485,268
Total funds		888,801	638,848
Current liabilities			
Accrued operating expenses		2,675	4,615
Other payable and deferred capital grant	6	75,713	55,481
Total current liabilities		78,388	60,096
Total funds and liabilities		967,189	698,944

The notes set out on pages 10 to 20 form an integral part of and should be read in conjunction with this set of financial statements.

SMA CHARITY FUND
(UEN: 201305017E)

STATEMENT OF FINANCIAL ACTIVITIES
For the year ended 31 December 2020

	Note	Unrestricted Funds S$	Restricted Fund S$	2020 S$	2019 S$
Incoming resources					
Income from generating funds:					
Voluntary income					
Donation	7	34,248	200,436	234,684	451,034
Bicentennial Community Fund (BCF)	8	400,000	-	400,000	-
Community Chest Charity Support Fund	9	-	-	-	50,000
DonateNow grant		-	-	-	4,000
Job support scheme grant	4	22,100	-	22,100	-
NCSS Support Fund		4,800	-	4,800	-
Special employment income		216	-	216	247
Wage credit income		7,283	-	7,283	600
Other income		200	-	200	-
Total income		468,847	200,436	669,283	505,881
Resources expended					
Cost of generating funds					
Bank charges		823	-	823	1,077
Cost of fund-raising initiatives		28,814	-	28,814	12,134
General expenses		-	-	-	181
Management fee		7,184	-	7,184	6,972
Postage		130	-	130	132
Printing and stationery		1,508	-	1,508	1,589
Refreshment		-	-	-	723
Staff cost		40,862	-	40,862	35,754
Transaction charge		-	-	-	2,954
		79,321	-	79,321	61,516
Cost of charitable activities					
Management fee		7,184	-	7,184	6,972
Medical Students' Assistance Fund		45,059	154,941	200,000	190,000
Programme to promote exposure		-	-	-	6,451
Programme to promote mentorship		696	-	696	-
Programme to promote volunteerism		11,000	-	11,000	44,500
Staff cost		45,970	-	45,970	40,224
		109,909	154,941	264,850	288,147
Governance and administrative costs					
Audit and secretarial fee		2,675	-	2,675	2,675
Bank charges		210	-	210	142
Depreciation of plant and equipment		8,738	-	8,738	1,069
General expenses		5,579	-	5,579	-
Insurance		3,695	-	3,695	3,161
Management fee		33,525	-	33,525	32,537
Medical fee		278	-	278	547
Meeting expenses		-	-	-	77
Printing and stationery		1,384	-	1,384	1,903
Repair and maintenance		1,942	-	1,942	-
Secretarial fee		1,495	-	1,495	2,529
Staff cost		15,323	-	15,323	13,471
Staff training		305	-	305	861
Transportation		10	-	10	19
		75,159	-	75,159	58,991
Total expenditures		264,389	154,941	419,330	408,654
Net surplus	10	204,458	45,495	249,953	97,227
Total fund brought forward		485,268	153,580	638,848	541,621
Total fund carried forward		689,726	199,075	888,801	638,848

The notes set out on pages 10 to 20 form an integral part of and should be read in conjunction with this set of financial statements.

SMA CHARITY FUND
(UEN: 201305017E)

STATEMENT OF CHANGES IN FUNDS
For the year ended 31 December 2020

	Accumulated Fund S$	Medical Students' Assistance Fund S$	Total Funds S$
Balance as at 01.01.2019	541,621	-	541,621
Net surplus/(deficit) for the year			
- Unrestricted funds	(56,353)	-	(56,353)
- Restricted fund	-	153,580	153,580
Balance as at 31.12.2019/01.01.2020	485,268	153,580	638,848
Net surplus for the year			
- Unrestricted funds	204,458	-	204,458
- Restricted fund	-	45,495	45,495
Balance as at 31.12.2020	689,726	199,075	888,801

The notes set out on pages 10 to 20 form an integral part of and should be read in conjunction with this set of financial statements.

SMA CHARITY FUND
(UEN: 201305017E)

STATEMENT OF CASH FLOWS
For the year ended 31 December 2020

	2020 S$	2019 S$
Cash flows from operating activities		
Net surplus/(deficit) before taxation	204,458	(56,353)
Adjustment for:-		
Depreciation of plant and equipment	8,738	1,069
Operating surplus/(deficit) before working capital changes	213,196	(55,284)
Changes in working capital:-		
Increase in other receivable and prepayment	(13,812)	(569)
(Decrease)/Increase in accruals and other payables	(4,713)	57,222
Cash generated from operations	194,671	1,369
Increase in specific funds	45,495	153,580
Net cash generated from operating activities	240,166	154,949
Cash flows from investing activity		
Purchase of plant and equipment	-	(3,208)
Net cash used in investing activity	-	(3,208)
Net increase in cash and cash equivalents	240,166	151,741
Cash and cash equivalents at beginning of year	694,810	543,069
Cash and cash equivalents at end of year	934,976	694,810

The notes set out on pages 10 to 20 form an integral part of and should be read in conjunction with this set of financial statements.

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2020

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

1. GENERAL

The company is registered as a public company limited by guarantee and domiciled in the Republic of Singapore. Each member of the company has undertaken to contribute such amount not exceeding S$1 to the assets of the company in the event the company is wound up and the money are required for payment of liabilities of the company.

The company has been registered under the Charities Act, Cap. 37 with effect from 17 April 2013 and it is an approved Institution of a Public Characrer ("IPC"). The IPC status has been renewed for a further period until 26 December 2022.

The principal activities of the company consist of financial assistance bursaries, health and public health-related education, and promotion of volunteerism.

The registered office and principal place of business of the company is located at 2985 Jalan Bukit Merah #02-2C, SMF Building, Singapore 159457.

The financial statements of the company for the year ended 31 December 2020 are authorised for issue in accordance with a resolution of the directors on

2. SIGNIFICANT ACCOUNTING POLICIES

a) **Basis of Preparation**

The financial statements of the company have been prepared in accordance with the historical cost convention, except as disclosed in the accounting policies below, and in accordance with the provisions of the Charities Act Chapter 37 and other relevant regulations, the Companies Act, Chapter 50 and Singapore Financial Reporting Standards ("FRS").

In the current financial year, the company has adopted all the new and revised FRS and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for annual periods beginning on or after 1 January 2020. The adoption of these new/revised FRSs, and INT FRSs has no material effect on the financial statements.

b) **Significant Accounting Estimates and Judgements**

Estimates, assumption concerning the future and judgements are made in the preparation of the financial statements. They affect the application of the company's accounting policies, reported amounts of assets, liabilities, income and expense and disclosures made. They are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. The management is of the opinion that there are no critical estimates and judgements involved that have a significant effect on the amount recognised in the financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

c) Plant and Equipment

Plant and equipment are stated at cost less accumulated depreciation and impairment losses.

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual values, useful live and depreciation method are reviewed at end of each reporting period, and adjusted as appropriate. The effects of any revision are recognised in profit or loss when the changes arise.

Depreciation is calculated on the straight-line method to write off the costs of the plant and equipment over their estimated useful lives as follows:-

Office equipment	1 year
Computer	3 years

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 arising on derecognition of the asset is included in statement of financial activities in the year the asset is derecognised.

d) Cash and Cash Equivalents

Cash and cash equivalents comprise cash at bank which are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

e) Financial Instruments

i) Financial Assets

Initial recognition and measurement

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.

When financial assets are recognised initially, they are measured at fair value, plus, transaction costs that are directly attributable to the acquisition of the financial asset.

Subsequent measurement

Debt instruments

Subsequent measurement of debt instruments depends on the company's business model for managing the asset and the contractual cash flow characteristics of the asset. The company only has debt instruments at amortised cost.

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

e) **Financial Instruments** (Continued)

i) **Financial Assets** (Continued)

Subsequent measurement (Continued)

Amortised cost

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measure at amortised cost using the effective interest method, less impairment. Gains or losses are recognised in profit or loss when the assets are derecognised or impaired, and through amortisation process.

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received is recognised in profit or loss.

ii) **Financial Liabilities**

Initial recognition and measurement

Financial liabilities 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. The company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value and directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

Derecognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

f) Impairment of Financial Assets

The company recognises an allowance for expected credit losses (ECL) for all debt instruments not held at fair value through profit or loss and financial guarantee contracts. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held of other credit enhancement that are integral to the contractual term.

Financial assets carried at amortised cost

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-months ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

g) Impairment of Non-Financial Assets

The company assesses at the end of each reporting period whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the company makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used.

For assets excluding goodwill, an assessment is made at the end of each reporting period as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the company estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

h) Provisions

Provisions are recognised when the company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate.

i) Income Recognition

Revenue 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.

Revenue is recognised when the company satisfies a performance obligation by transferring a promised good or 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 revenue recognised is the amount allocated to the satisfied performance obligation.

Donation

Income from donations (including BCF) are recognised at a point in time when received, except for committed donations is recognised when there is certainty over the amount committed by the donors, and the company had fulfilled all conditions related to the donations. Such income is only deferred and recognised over time when: the donor specifies that the grant or donation must only be used in future accounting periods; or the donor has imposed conditions which must be met before the company has unconditional entitlement.

Government grants

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

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

j) Employee Benefits

Defined Contribution Plans

As required by law, the company makes contributions to the state pension scheme, the Central Provident Fund (CPF). CPF contributions are recognised as compensation expense in the same period as the employment that gives rise to the contribution.

Employee Leave Entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. Accruals are made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period.

k) Currency Translation

Functional and presentation currency

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the company operates (the "functional currency"). The financial statements of the company are presented in Singapore dollar which is the functional currency of the company.

Transactions and balances

Transactions in a currency other than Singapore dollar ("foreign currency") are translated into Singapore dollar using the exchange rates prevailing at the dates of the transactions. At the end of each reporting period, recorded foreign currency monetary items are adjusted to reflect the rate at end of reporting period. All realised and unrealised differences are taken to statement of financial activities.

Monetary financial assets and liabilities are denominated in Singapore dollar unless stated otherwise.

l) Contingent Liabilities and Assets

A contingent liability or asset is a possible obligation or asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future events not wholly within the control of the company.

Contingent liabilities and assets are not recognised on the statement of financial position of the company.

m) Key Management Personnel

Key management personnel of the company are those having authority and responsibility for planning, directing and controlling the activities of the company. The Directors and Chief Administrator are considered as key management personnel.

3. PLANT AND EQUIPMENT

	Office Equipment S$	Computer S$	Total S$
Cost			
As at 01.01.2019	1,905	-	1,905
Additions	-	3,208	3,208
As at 31.12.2019	1,905	3,208	5,113
Additions	-	23,005	23,005
As at 31.12.2020	1,905	26,213	28,118
Accumulated Depreciation			
As at 01.01.2019	1,905	-	1,905
Charge for the year	-	1,069	1,069
As at 31.12.2019	1,905	1,069	2,974
Charge for the year	-	8,738	8,738
As at 31.12.2020	1,905	9,807	11,712
Net Book Value			
As at 31.12.2020	-	16,406	16,406
As at 31.12.2019	-	2,139	2,139

During the year, the company utilised S$23,005 of general fund to acquire computer software – infocaresuite.

4. GRANT AND OTHER RECEIVABLES

	2020 S$	2019 S$
Other receivables	12,372	1,460
Grant receivables - JSS	2,900	-
	15,272	1,460

Other receivables represent amount due from entity with common key management personnel with significant influence.

The grant receivable - JSS for the financial year of S$2,900 represents Jobs Support Scheme (JSS) receivable from government. The JSS is government assistance intended to provide wage support to the entities who retain their local employees during the period of economic uncertainty till March 2021. The company's operation was significantly impacted from April 2020, following the circuit-breaker measures which took effect on 7 April 2020. JSS grant income of S$22,100 has been recognised during the financial year.

5. MEDICAL STUDENTS' ASSISTANCE FUND

The fund is set up for the purpose of providing financial assistance to needy medical students.

	2020 S$	2019 S$
Balance at beginning of year	153,580	-
Add: Donation received	200,436	219,040
Less: Disbursement during the year	(154,941)	(65,460)
	199,075	153,580

6. OTHER PAYABLE AND DEFERRED CAPITAL GRANT

	2020 S$	2019 S$
Related party	47,893	46,481
Third party	23,005	9,000
Deferred JSS grant (Note 4)	4,815	-
	75,713	55,481

7. DONATION

Voluntary income comprises:-		
- Tax-deductible donations	232,846	445,001
- Non-tax deductible donations	1,838	6,033
	234,684	451,034

The donation income was derived from the fundraising events of the financial year.

8. BICENTENNIAL COMMUNITY FUND (BCF)

Bicentennial Community Fund (BCF) is an initiative that provides dollar-for-dollar matching for cash donations of IPC for the qualifying period from 1 April 2019 to 31 March 2020 (extended to 31 December 2020). The BCF is provided up to a cap of S$400,000 per IPC. The BCF supports the SG Cares movement to build a caring & inclusive home for all and it is non-restricted fund in nature. The company recognised the fund received as income of S$400,000 during the financial year.

9. COMMUNITY CHEST CHARITY SUPPORT FUND

The fund is a government grant which will be used to support local community service projects as part of SMA Charity Fund "Advocating Volunteerism" Programme. The purpose of the programme is to fund the projects curated by student volunteers which aim at improving the psycho-social well-being of its beneficiaries.

	2020 S$	2019 S$
Grant received	-	50,000

10. NET SURPLUS

Staff costs consist of:-		
- CPF Contribution and skill development levy	24,317	24,163
- Staff salaries and other costs	77,838	65,286

The company has no paid staff with annual remuneration above S$100,000.

11. TAXATION

The company is a registered charity under the Charities Act and is exempted from income tax under the Income Tax Act Cap. 134.

12. RELATED PARTY TRANSACTIONS

In addition to the related parties information disclosed elsewhere to the financial statements, the following related party transactions took place at terms mutually agreed between the parties:-

	2020 S$	2019 S$
Entities with common key management personnel with significant influence:-		
Management fee expenses	47,893	46,481
Donation income	-	57,000

The nature of management fees relates to services provided by Singapore Medical Association, including services provided by the Chief Administrator to the company. The Chief Administrator does not receive any remuneration from the company. His support cost is charged by the related party included under management fee.

During the year, donation income of S$20,100 (2019: S$13,180) was derived from the directors.

12. RELATED PARTY TRANSACTIONS (Continued)

The directors are volunteers and receive no monetary remuneration for the contribution, except for reimbursement of out-of-pocket expenses, if any claimed.

All directors and staff members of the company are required to read and understand the conflict of interest policy in place and make full disclosure of interests, relationships and holding that could potentially result in conflict of interests. When a conflict of interest situation arises, the members or staff shall abstain from participating in the discussion, decision making and voting on the matter.

13. FINANCIAL RISK MANAGEMENT

Financial Risk Management Objectives and Policies

The company does not have written financial risk management policies and guidelines which set out its tolerance for risk and its general risk management philosophy but management may use natural hedges or closely monitor the company's business risk exposures in connection with its financial assets and financial liabilities and adopts the appropriate measures including the use of other financial instruments when considered necessary to reduce any potential financial risk exposures or losses.

Credit Risk

The company has no significant concentrations of credit risk except for cash and cash equivalents. Cash is placed with established financial institutions and the credit risk exposure is not significant. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

Grant and other receivables

The company measured the impairment loss allowance using12-month ECL and determined that the ECL is insignificant.

Liquidity Risk

The company monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the company's operations and mitigate the effects of fluctuations in cash flows.

The maturity profile of the company's financial liabilities is within 12 months from the end of the reporting period.

Interest Rate Risk

The company is not exposed to interest rate risk as all financial assets and liabilities bear no interest rate as at the year end.

13. FINANCIAL RISK MANAGEMENT (Continued)

Foreign Currency Risk

The company is not exposed to foreign currency risk as all its transactions are denominated in Singapore dollar.

14. FAIR VALUE

The carrying amounts of financial assets and financial liabilities are recorded in the financial statements at their approximate fair values due to short term maturities of the instruments.

15. FUNDS MANAGEMENT

The management reviews and manages the fund on an ongoing basis to ensure that the company will be able to continue as a going concern and fulfill its objectives and services to the community. There have been no changes to the company's fund management objectives during the both financial years.

16. NEW OR REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS

Certain new accounting standards, amendments and interpretations to existing standards have been published that are mandatory for accounting periods beginning on or after 1 January 2021. The directors expect that the adoption of these standards will have no material impact on the financial statements in the period of initial application.

17. SIGNIFICANT EVENT OCCURRED DURING THE REPORTING PERIOD

The development of the COVID-19 outbreak has significantly disrupted charity activities of the company from April 2020 onwards. During the financial year, the company received significant funding from government and/or government related agencies, which mitigate the drop in its cash donations. As at the date of this report, the outbreak of the pandemic is under control and the company has resumed its activities substantially.