

MERCY RELIEF LIMITED

[UEN No. 200306035Z]

[A Company limited by guarantee and not
having share capital]
[Incorporated in the Republic of Singapore]

**AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2016**

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**Suhaimi Salleh &
Associates**

[UEN: S88PF0247L]

Public Accountants and
Chartered Accountants of Singapore

71 Ubi Crescent
Excalibur Centre, #08-01
Singapore 408571.

T: (65) 6846.8376

F: (65) 6725.8161

DIRECTORS' STATEMENT

The Directors present their report together with the audited financial statements of the Company for the financial year ended 31 December 2016.

In the opinion of the Directors,

- a) the financial statements as set out on pages 6 to 25 are drawn up so as to give a true and fair view of the financial position of the Company at 31 December 2016, and of the financial activities, 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 in office at the date of this report are as follows:

Loh Lik Peng	
Michael Tay Wee Jin	
Mohd Mukhlis Bin Abu Bakar	
Nicholas Fang Kuo Wei	
Suhaimi Bin Rafdi	
Satwant Singh s/o Sarban Singh	
Westerhout Dawn Angela	
Thali Koattiath Udairam	
Vincent Ling Chi-Hsin (Lin Jixun)	(Appointed on 22 April 2016)
Mohamad Saiful Saroni	(Appointed on 22 April 2016)
Ong Bon Chai	(Resigned on 22 April 2016)

Arrangements to enable directors to acquire shares or debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement 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.

Auditors

The auditors, Messrs. Suhaimi Salleh & Associates, Public Accountants & Chartered Accountants of Singapore have expressed its willingness to accept re-appointment.

On behalf of the directors,



Suhaimi Bin Rafdi
Director



Nicholas Fang Kuo Wei
Director

Singapore, 03 APR 2017

Suhaimi Salleh & Associates

Public Accountants and
Chartered Accountants of Singapore

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Excalibur Centre, #08-01
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Independent auditor's report to the members of:

MERCY RELIEF LIMITED
[UEN: 200306035Z]

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[Incorporated in the Republic of Singapore]

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Mercy Relief Limited** (the "Company"), which comprise the statement of financial position as at 31 December 2016, and 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 Charities Accounting Standard in Singapore (the "CAS") so as to give a true and fair view of the financial position of the Company as at 31 December 2016 and of the financial activities, changes in funds and cash flows of the Company for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Management is responsible for the other information. The other information comprises the Directors' statement set out on 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.

Suhaimi Salleh & Associates

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Chartered Accountants of Singapore

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Singapore 408571.
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(CONT'D)

Independent auditor's report to the members of:

MERCY RELIEF LIMITED
[UEN: 200306035Z]

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Suhaimi Salleh & Associates

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(CONT'D)

Independent auditor's report to the members of:

MERCY RELIEF LIMITED
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Auditor's Responsibilities for the Audit of the Financial Statements (Cont'd)

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required to be kept by the Company have been properly kept in accordance with the provisions of the Companies Act, and the Charities Act and Regulations.

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

- (a) the Company has not used the donation 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,

03 APR 2017

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

STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

Restricted Funds																		
		Unrestricted Fund	General Relief Fund	SAP Fund	Nepal Earthquake Relief	Japan Earthquake Relief	South India Floods	Typhoon Haima Relief	Aceh Earthquake Relief	Gaza Conflict Relief	Myanmar Conflicts & Floods	Typhoon Haiyan Relief	Typhoon Nina Relief	IDP 2015/2016	MFA Timor Leste Project	Sub total	2016 Grand Total	2015
Note		S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$
INCOME																		
Voluntary income																		
Donations	5	505,553	237,617	0	100,000	333,200	32,966	178,080	267,549	0	0	0	0	23,780	0	1,173,192	1,678,745	2,685,430
Grants																		
Tote Board		50,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	50,000	50,000
Economic Development Board		75,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	75,000	0
Activities for Generating Funds																		
Fundraising events		69,363	0	0	0	0	0	0	0	0	0	0	0	0	0	0	69,363	221,985
Income from Charitable Activities																		
MOVE facilitation fees		8,923	0	0	0	0	0	0	0	0	0	0	0	0	0	0	8,923	56,211
Other income		22,391	0	0	0	0	0	0	0	0	0	0	0	0	0	0	22,391	13,510
Total Income																		
		731,230	237,617	0	100,000	333,200	32,966	178,080	267,549	0	0	0	0	23,780	0	1,173,192	1,904,422	3,027,136
EXPENDITURES																		
Cost of generating voluntary income																		
Publicity and promotions		30,184	0	0	0	0	0	447	0	0	0	0	0	0	0	447	30,631	17,606
Advertisement		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	163
Tele-mercy Charges		7,449	0	0	0	0	0	0	0	0	0	0	0	0	0	0	7,449	7,448
Fundraising expenses		74,510	0	0	0	107	980	0	0	0	0	0	0	0	0	1,087	75,597	2,868
Total																		
		112,143	0	0	0	107	980	447	0	0	0	0	0	0	0	1,534	113,677	28,085
Cost of charitable activities																		
Asset written off		0	6,500	0	0	0	0	0	0	0	0	0	0	0	0	6,500	6,500	0
Bank charges		2,779	0	0	0	181	156	0	1,598	0	0	0	0	0	0	1,935	4,714	10,192
Bad debts		0	2,367	0	0	0	0	0	0	0	0	0	0	0	0	2,367	2,367	0
Depreciation		13,587	6,723	0	0	0	0	0	0	0	0	0	0	0	0	6,723	20,310	12,841
Development		0	8,168	0	75,071	0	10,535	0	0	0	0	18,699	0	(5,669)	2,887	109,691	109,691	65,819
Events		1,237	0	0	0	0	252	0	0	0	0	0	0	0	0	252	1,489	48,808
Insurance		6,925	7,959	0	0	0	0	0	0	0	0	0	0	0	0	7,959	14,884	30,151
Office and warehouse rental		41,088	0	0	0	0	0	0	0	0	0	0	0	0	0	0	41,088	49,736
Office supplies		3,508	0	0	0	0	0	0	0	0	128	0	0	0	0	128	3,636	5,836
Printing & photocopying		3,687	4,115	0	0	295	613	450	450	0	0	0	0	0	0	5,923	9,610	7,458
Reconstruction		0	0	0	27,953	171,617	50,785	0	0	0	19,088	73,536	0	0	0	342,979	342,979	562,040
Relief missions		0	0	0	9,074	70,224	30,411	52,840	18,876	0	0	3,868	10,047	0	0	195,340	195,340	133,725
Repair and maintenance		3,917	0	300	0	0	0	0	0	0	0	0	0	0	0	300	4,217	2,553
Staff Costs		456,656	13,378	0	0	0	0	0	0	0	0	0	0	0	0	13,378	470,034	502,014
Telecom and IT charges		8,499	0	979	14	32	0	0	0	0	0	4	0	0	0	1,029	9,528	10,529
Transport and travelling		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	540
Utilities		10,394	0	0	0	0	0	0	0	0	0	0	0	0	0	0	10,394	11,881
Total																		
		552,277	49,210	1,279	112,112	242,349	92,752	53,290	20,924	0	19,216	96,107	10,047	(5,669)	2,887	694,504	1,246,781	1,454,123

STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016 (CONT'D)

Note	Restricted Funds															2016 Grand Total	2015
	Unrestricted Fund	General Relief Fund	SAP Fund	Nepal Earthquake Relief	Japan Earthquake Relief	South India Floods	Typhoon Haima Relief	Aceh Earthquake Relief	Gaza Conflict Relief	Myanmar Conflicts & Floods	Typhoon Haiyan Relief	Typhoon Nina Relief	IDP 2015/2016	MFA Timor Leste Project	Sub total		
	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$
Cost of Administration and Governance																	
Audit fees-	13,400	0	0	0	1,900	0	1,300	1,300	0	0	0	0	0	0	4,500	17,900	19,700
Bank charges	695	0	0	0	0	0	0	0	0	0	0	0	0	0	0	695	0
Board expense	222	0	0	0	0	0	0	0	0	0	0	0	0	0	0	222	308
Depreciation	3,397	0	0	0	0	0	0	0	0	0	0	0	0	0	0	3,397	1,112
Events	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	11,255
Insurance	1,731	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,731	2,725
Office rental	10,272	0	0	0	0	0	0	0	0	0	0	0	0	0	0	10,272	9,755
Office Supplies	877	0	0	0	0	0	0	0	0	0	0	0	0	0	0	877	1,342
Printing & photocopying	922	0	0	0	0	0	0	0	0	0	0	0	0	0	0	922	1,016
Professional fees	2,547	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2,547	2,941
Repair and maintenance	979	0	0	0	0	0	0	0	0	0	0	0	0	0	0	979	589
Staff costs	112,988	0	0	0	0	0	0	0	0	0	0	0	0	0	0	112,988	115,849
Telecom and IT charges	2,125	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2,125	1,955
Utilities	2,598	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2,598	2,742
	152,753	0	0	0	1,900	0	1,300	1,300	0	0	0	0	0	0	4,500	157,253	171,289
Total expenditures before reallocation	817,173	49,210	1,279	112,112	244,356	93,732	55,037	22,224	0	19,216	96,107	10,047	(5,669)	2,887	700,538	1,517,711	1,653,497
Less: Allocation of HQ expenses 17	(135,312)	0	0	12,450	39,320	13,497	19,745	27,200	0	4,800	18,300	0	0	0	135,312	0	0
Total expenditures after reallocation	681,861	49,210	1,279	124,562	283,676	107,229	74,782	49,424	0	24,016	114,407	10,047	(5,669)	2,887	835,850	1,517,711	1,653,497
NET INCOME /(EXPENDITURE)	49,369	188,407	(1,279)	(24,562)	49,524	(74,263)	103,298	218,125	0	(24,016)	(114,407)	(10,047)	29,449	(2,887)	337,342	386,711	1,373,639
Transfer from funds	0	31,943	0	0	0	0	0	0	0	0	0	0	0	0	31,943	31,943	308,427
Transfer to funds	0	0	0	0	0	0	0	0	(31,943)	0	0	0	0	0	(31,943)	(31,943)	(308,427)
Net transfer in funds	0	31,943	0	0	0	0	0	0	(31,943)	0	0	0	0	0	0	0	0
Net movement in funds	49,369	220,350	(1,279)	(24,562)	49,524	(74,263)	103,298	218,125	(31,943)	(24,016)	(114,407)	(10,047)	29,449	(2,887)	337,342	386,711	1,373,639
Total funds brought forward	1,143,059	322,906	13,738	875,994	0	113,577	0	0	31,943	85,255	233,472	0	204,477	0	1,881,362	3,024,421	1,650,782
Total funds carried forward	1,192,428	543,256	12,459	851,432	49,524	39,314	103,298	218,125	0	61,239	119,065	(10,047)	233,926	(2,887)	2,218,704	3,411,132	3,024,421

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

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2016**

	Note	2016 S\$	2015 S\$
ASSETS			
Current Assets			
Cash and cash equivalents	6	2,659,002	2,557,114
Other receivables		475,732	368,250
Advances, deposits and prepayments	7	36,812	22,857
Inventories	8	86,400	86,400
Total current assets		3,257,946	3,034,621
Non-Current Assets			
Property, plant and equipment	9	197,123	32,791
Total Assets		3,455,069	3,067,412
LIABILITIES			
Current Liabilities			
Trade and other payables	10	43,937	42,991
Total Liabilities		43,937	42,991
NET ASSETS		3,411,132	3,024,421
FUNDS			
Unrestricted Fund			
General Fund	11	1,192,428	1,143,059
Restricted Funds			
General Relief Fund	12	543,256	322,906
SAP Fund		12,459	13,738
Nepal Earthquake Relief		851,432	875,994
Japan Earthquake Relief		49,524	0
South Indian Floods		39,314	113,577
Typhoon Haima Relief		103,298	0
Aceh Earthquake Relief		218,125	0
Gaza Conflict Relief		0	31,943
Myanmar Conflicts & Flood		61,239	85,255
Typhoon Haiyan Relief		119,065	233,472
Typhoon Nina Relief		(10,047)	0
IDP 2015/2016		233,926	204,477
MFA Timor Leste Project		(2,887)	0
TOTAL FUNDS		3,411,132	3,024,421

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

**STATEMENT OF CHANGES IN FUNDS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016**

	Note	Balance at beginning of year S\$	Net income/ (expenditure) for the year S\$	Transfer from/ (to) S\$	Balance at end of year S\$
2016					
UNRESTRICTED FUND					
General Fund	11	1,143,059	49,369	0	1,192,428
RESTRICTED FUNDS					
General Relief Fund	12	322,906	188,407	31,943	543,256
SAP Fund		13,738	(1,279)	0	12,459
Nepal Earthquake Relief		875,994	(24,562)	0	851,432
Japan Earthquake Relief		0	49,524	0	49,524
South Indian Floods		113,577	(74,263)	0	39,314
Typhoon Haima Relief		0	103,298	0	103,298
Aceh Earthquake Relief		0	218,125	0	218,125
Gaza Conflict Relief		31,943	0	(31,943)	0
Myanmar Conflicts & Flood		85,255	(24,016)	0	61,239
Typhoon Haiyan Relief		233,472	(114,407)	0	119,065
Typhoon Nina Relief		0	(10,047)	0	(10,047)
IDP 2015/2016		204,477	29,449	0	233,926
MFA Timor Leste Project		0	(2,887)	0	(2,887)
TOTAL FUNDS		3,024,421	386,711	0	3,411,132
	Note	Balance at beginning of year S\$	Net income/ (expenditure) for the year S\$	Transfer from/ (to) S\$	Balance at end of year S\$
2015					
UNRESTRICTED FUND					
General Fund	11	505,957	637,102	0	1,143,059
RESTRICTED FUNDS					
General Relief Fund	12	315,030	(28,388)	36,264	322,906
SAP Fund		15,608	(1,870)	0	13,738
Nepal Earthquake		0	875,994	0	875,994
South Indian Floods		0	113,577	0	113,577
Gaza Conflict Relief		133,605	(101,662)	0	31,943
Myanmar Conflicts & Flood		24,887	60,368	0	85,255
Typhoon Haiyan Relief		402,924	(169,322)	(130)	233,472
IDP 2015		0	(16,868)	221,345	204,477
IHP 2013		221,345	0	(221,345)	0
Mentawi & Merapi Relief		18,063	0	(18,063)	0
Gansu Earthquake		18,201	0	(18,201)	0
Bohol Earthquake		25,344	0	(25,344)	0
Typhoon Hagupit		(30,182)	4,708	25,474	0
TOTAL FUNDS		1,650,782	1,373,639	0	3,024,421

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

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

	Note	2016 S\$	2015 S\$
Cash flows from operating activities			
Net income for the year		386,711	1,373,639
Adjustments for:			
- Bad debt written off		2,367	
- Depreciation	9	23,707	13,953
- Fixed asset written off	9	6,500	0
Operating cash flow before working capital changes		419,285	1,387,592
Changes in operating assets and liabilities			
- Inventories		0	13,575
- Trade and other receivables		(123,804)	120,114
- Trade and other payables		946	(21,352)
Net cash provided by operating activities		<u>296,427</u>	<u>1,499,929</u>
Cash flows from investing activity			
Purchases of property, plant and equipment	9	<u>(194,539)</u>	<u>0</u>
Net cash used in investing activity		<u>(194,539)</u>	<u>0</u>
Net increase in cash and cash equivalents		101,888	1,499,929
Cash and cash equivalents at beginning of financial year		<u>2,557,114</u>	<u>1,057,185</u>
Cash and cash equivalents at end of financial year		<u>2,659,002</u>	<u>2,557,114</u>
Cash and cash equivalents comprise:			
Cash at bank		2,658,402	2,556,614
Cash in hand		600	500
	6	<u>2,659,002</u>	<u>2,557,114</u>

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

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

1. General information

The Company is domiciled and incorporated in Singapore with its registered address at Block 160 Toa Payoh #01-1568 Singapore 310160.

The Company is a registered charity with Institute of Public Character ('IPC') status for the period from 01 December 2014 to 30 November 2016 and renewed from 01 December 2016 to 30 November 2018.

The principal activity of the Company is to provide humanitarian aid programmes, collaborate with other organisations involved in humanitarian aid and to raise funds for distribution to the needy and humanitarian aid projects.

There have been no significant changes in the nature of these activities during the financial year.

These financial statements are presented in Singapore Dollars, which is the Company's functional currency.

2. Significant accounting policies

2.1 Basis of preparation

The financial statements have been prepared in accordance with Charities Accounting Standard ("CAS"). The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of these financial statements in conformity with CAS requires management to exercise its judgement in the process of applying the Company's accounting policies. It also requires the use of 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.

2.2 Revenue recognition

Revenue is recognised as follows:

2.2.1 Donations

Donations are recognised in the statement of financial activities upon receipt. Donations-in-kind are recognised when the fair value of the assets received can be reasonably ascertained.

2.2.2 Tele - mercy

Revenue from donations received through telephone calls are recorded when funds are received from the telecommunications companies.

2. Significant accounting policies (Cont'd)

2.2 Revenue recognition (Cont'd)

2.2.3 Fundraising

Revenue from special events is recognised when the event takes place.

2.2.4 Interest Income

Interest income is recognised as the interest accrues taking into account the effective yield of the asset.

2.2.5 Gifts-in-kind

A gift is included in the statement of financial activities based on an estimate of the fair value at the date of the receipts of the gifts of the non-monetary asset or the grant of a right to the monetary asset. The gift is recognised if the amount of the gift can be reliably measured and there is no uncertainty that it will be received. Assets, which are donated for resale, distribution or consumption, are not recorded when received, as it is usually not practical to ascertain the value of the items involved. No value is ascribed to volunteer services.

2.2.6 Grants

Grants are recognized as income where there is reasonable assurance that the grants will be received and all attaching conditions will be complied with.

2.2.7 Other income

Other income is recognized when earned.

2.3 Expenditures

Expenditures are recognised in the statement of financial activities once the goods or services have been delivered or rendered. Expenditure on performance-related grants are recognised to the extent the specified service or goods have been provided. Expenditures in the statement of financial activities are classified under the costs of generating funds, costs of charitable activities and governance costs.

2.3.1 Cost of generating funds

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

2.3.2 Cost of charitable activities

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

2. Significant accounting policies (Cont'd)

2.3 Expenditures (Cont'd)

2.3.3 Governance costs

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

2.3.4 Allocation of Costs

Where appropriate, expenditure, which is specifically identifiable to each cost classification, is allocated directly to the type of costs incurred. Where apportionment between each costs classification is necessary, the following apportionment bases are applied:

- Usage
- Headcount i.e. on the number of people employed within an activity
- Floor area occupied by an activity; and
- On time basis

2.4 Property, plant and equipment

2.4.1 Measurement

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

	Useful Lives
Computer & office equipment	5 years
Furniture and fittings	5 years
Renovation	5 years
Road show equipment	5 years

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

2. Significant accounting policies (Cont'd)

2.4 Property, plant and equipment (Cont'd)

2.4.3 Subsequent expenditure

Subsequent expenditure relating to property, 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 repair and maintenance expenses in the 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.

2.5 Inventories

Inventories are valued at the lower of cost and net realisable value. Cost is determined on the first-in-first-out basis and comprises costs incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price less all estimated costs to completion and costs to sell.

2.6 Financial assets

2.6.1 Recognition and measurement

Receivables, excluding prepayments, are initially recognised at their transaction price, excluding transaction costs, if any. Transaction costs are 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.

Investments in financial assets are investments in debt or equity instruments, which are recognised when it becomes a party to the contractual provisions of the instrument. These are initially measured at the transaction price excluding transaction costs, if any, which are recognised as expenditure immediately in the statement of financial activities. They are included in non-current assets unless management intends to dispose of the assets within twelve months after the reporting date.

Receivables and investments in financial assets are subsequently measured at cost less accumulated impairment losses.

2.6.2 Derecognition

Financial assets are derecognized 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 sale of a financial asset, the difference between the net sale proceeds and its carrying amount is taken to the statement of financial activities.

2. Significant accounting policies (Cont'd)

2.6 Financial assets

2.6.3 Impairment

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

Loans and receivables

An allowance for impairment of loans and receivables including other receivables is recognized when there is objective evidence that the Company 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 undiscounted future cash flows. When the amount becomes uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are recognized against the same line item in profit or loss.

2.7 Trade and other payables

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

2.8 Operating lease

Leases of assets in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are taken to the statement of financial activities on a straight-line basis over the period of the lease. When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognized as an expense in the period in which termination takes place.

Rental on operating lease is charged to statement of financial activities. Contingent rents are recognized as an expense in the statement of financial activities in the financial year in which they are incurred.

2.9 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.

2.10 Currency translation

Transactions denominated 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. Currency translation gains and losses resulting from the settlement of such transactions and from the translation at the closing rate at the statement of financial position date of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of financial activities.

2. Significant accounting policies (Cont'd)

2.11 Employee compensation

a) 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 contributions have been paid. The Company's contribution to defined contribution plans are recognised as employee compensation expense when they are due.

2.12 Cash and cash equivalents

Cash and cash equivalents include cash on hand, cash at bank and short term, highly liquid investments that are readily convertible to known amount of cash which are subject to an insignificant risk of change in value.

2.13 Related parties

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

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

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

- (i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others;
- (ii) One entity is an associate or joint venture of the other entity (or 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) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others;
- (v) 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).
- (vi) Both entities are joint ventures of the same third party.
- (vii) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
- (viii) The entity is a post-employment benefit plan for the benefit of employees of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company;

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.

3.1 Critical accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions 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 (Cont'd)

3.1.1 Estimated useful lives of property, plant and equipment

The Company reviews annually the estimated useful lives of property, plant and equipment based on factors such as operating 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

The key assumptions concerning the future and other key sources of estimation uncertainty at the financial year end, 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.

3.2.1 Net realisable value of inventories

The Company writes down the cost of inventories whenever net realisable value of inventories becomes lower than cost due to damage, physical deterioration, obsolescence, changes in price levels or other causes. The lower of cost and net realisable value of inventories is periodically reviewed to reflect the accurate valuation in the financial records. Inventory items identified to be obsolete and unusable are also written off and charged as expense for the period.

3.2.2 Allowance for impairment of receivables

The Company 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 company is an approved charity organisation under the Charities Act, Chapter 37. It is also an institution of public character under the Income Tax Act, Chapter 134. No provision for taxation has been made in the financial statements, as the Company is exempt from tax under the provisions of Section 13 of the Income Tax Act Cap. 134.

5. Donations

	2016 S\$	2015 S\$
Tax deductible donations	402,900	900,373
Non-tax deductible donations	1,275,845	1,785,057
	<u>1,678,745</u>	<u>2,685,430</u>

The Company issued tax-exempt receipts for donations collected amounting to S\$ 402,900 (2015: S\$ 900,373).

6. Cash and cash equivalents

	2016 S\$	2015 S\$
Cash in hand	600	500
Cash at bank	<u>2,658,402</u>	<u>2,556,614</u>
	<u>2,659,002</u>	<u>2,557,114</u>

7. Advances, deposits and prepayments

	2016 S\$	2015 S\$
Advances to staff	25,970	5,804
Deposit	6,064	6,554
Prepayment	<u>4,778</u>	<u>10,499</u>
	<u>36,812</u>	<u>22,857</u>

8. Inventories

	2016 S\$	2015 S\$
Relief supplies-shelters and inflatable boats	72,400	72,400
Relief supplies-water filtration system	<u>14,000</u>	<u>14,000</u>
	<u>86,400</u>	<u>86,400</u>

9. Property, plant and equipment

	Balance at beginning of year S\$	Additions S\$	(Disposals/ Written off) S\$	Balance at end of year S\$
2016				
Cost				
Computer & Office Equipment	36,578	19,644	(12,853)	43,369
Furniture & Fittings	0	32,585	0	32,585
Renovation	0	142,310	0	142,310
Road Show Equipment	<u>40,114</u>	<u>0</u>	<u>(13,000)</u>	<u>27,114</u>
	<u>76,692</u>	<u>194,539</u>	<u>(25,853)</u>	<u>245,378</u>
	Balance at beginning of year S\$	Depreciation charge S\$	(Written back/off) S\$	Balance at end of year S\$
2016				
Accumulated depreciation				
Computer & Office Equipment	27,856	5,325	(12,853)	20,328
Furniture & Fittings	0	2,172	0	2,172
Renovation	0	9,487	0	9,487
Road Show Equipment	<u>16,045</u>	<u>6,723</u>	<u>(6,500)</u>	<u>16,268</u>
	<u>43,901</u>	<u>23,707</u>	<u>(19,353)</u>	<u>48,255</u>

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

	Balance at beginning of year S\$	Balance at end of year S\$
2016 (Cont'd)		
Net book value		
Computer & Office Equipment	8,722	23,041
Furniture & Fittings	0	30,413
Renovation	0	132,823
Road Show Equipment	24,069	10,846
	<u>32,791</u>	<u>197,123</u>

	Balance at beginning of year S\$	Additions S\$	(Disposals/ Written off) S\$	Balance at end of year S\$
2015				
Cost				
Computer & Office Equipment	36,938	0	(360)	36,578
Road Show Equipment	40,114	0	0	40,114
	<u>77,052</u>	<u>0</u>	<u>(360)</u>	<u>76,692</u>

	Balance at beginning of year S\$	Depreciation charge S\$	(Written back/off) S\$	Balance at end of year S\$
2015				
Accumulated depreciation				
Computer & Office Equipment	22,285	5,931	(360)	27,856
Road Show Equipment	8,023	8,022	0	16,045
	<u>30,308</u>	<u>13,953</u>	<u>(360)</u>	<u>43,901</u>

	Balance at beginning of year S\$	Balance at end of year S\$
2015		
Net book value		
Computer & Office Equipment	14,653	8,722
Road Show Equipment	32,091	24,069
	<u>46,744</u>	<u>32,791</u>

10. Trade and other payables

	2016 S\$	2015 S\$
Accruals	43,937	38,825
Other payables	0	4,166
	<u>43,937</u>	<u>42,991</u>

11. Unrestricted Fund

General Funds

This is a general-purpose fund to be used for non-specific purpose at the discretion of the directors in furtherance of the Company's objects.

12. Restricted Funds

General Relief Fund

This fund is for future emergency responses. This fund allows the Company to have access to ready funds such that it may execute ready response, versus the mode of having to wait for fresh pledge or donations before the Company could respond.

SAP Funds

This fund was set up for the expenses incurred on the Company's consolidated articles in the United Nations Publications and for the relevant maintenance support services to the SAP software implemented in 2012.

Nepal Earthquake Relief

This fund was set up to respond to the affected communities in Nepal following the devastating twin earthquakes of 7.9 and 7.3 magnitude which struck in April 2015 and displaced more than 2.8 million people. Mercy Relief worked with a host of local NGO partners in order to reach out to more than 18,000 people across 7 districts with emergency relief supplies. These partners were Heartbeat NGO, Kopan Monastery, Community Development and Relief Agency Nepal, Rotary Club – Kathmandu West and Rural Reconstruction Nepal. A medical team from Singapore comprising 4 personnel from Changi General Hospital and 2 personnel from Tan Tock Seng Hospital, along with 200kg of medical supplies, were deployed to provide emergency healthcare services and treatment for earthquake survivors.

Japan Earthquake Relief

This fund was set up to distribute critical aid essentials to the quake-hit communities to support immediate disaster relief efforts in the Kumamoto prefecture of Japan, where two earthquakes of magnitudes 6.5 and 7.3 hit in April 2016. Emergency relief efforts include;- setting up of hot kitchen to provide cooked meals for evacuees in emergency shelters with Association for Aid and Relief (AAR) Japan, providing medical care services including TCM treatments with Association of Medical Doctors of Asia (AMDA) at evacuation centres, and providing psychosocial activities and healthcare services for evacuees including for people with disabilities, together with Cannus Japan. In the long term, the Company also provided support for reconstruction efforts of social welfare facilities through Japan Disability Forum (JDF) to repair damaged infrastructure at 6 disability care facilities.

12. Restricted Funds (Cont'd)

South India Floods

This fund was set up to provide humanitarian assistance to communities in South India who were affected by severe flooding from record breaking rainfall and overflowing lakes in Nov and Dec 2015 that affected more than 3 million people. Mercy Relief worked with local NGO partner, Musthafa Sabiya Educational Trust (MSET) to distribute emergency relief supplies to 300 affected households in Chennai and 305 households in Cuddalore district of Tamil Nadu.

Typhoon Haima Relief

Typhoon Haima ripped through the province of Cagayan on 19 October 2016 with torrential rain and maximum sustained winds of up to 2225 kilometres per hour (kph). According to the Philippines National Disaster Risk Reduction and Management Council (NDRRMC), over 61,000 people were affected in the regions of Ilocos, Cagayan, Central Luzon, Bicol and Cardillera. Mercy Relief distributed emergency food supplies and essentials such as rice, oil, dried foods and blankets as well as 100 water filtration kits to communities who were affected by Typhoon Haima in the Philippines. In total, 3,750 beneficiaries were reached in the municipalities of Amulung and Rizal in the Cagayan region.

Aceh Earthquake Relief

On 07 Dec, an earthquake of magnitude 6.5 struck Pidie Jaya regency in Aceh Province. This resulted in more than 91,000 displaced persons and over 100 fatalities in the area. Mercy Relief supported community kitchens with rice, fresh produce and utensils over 3 days for 700 villagers. The team also led a Maternal and Child Health programme to provide 217 pregnant, lactating mothers and their children with nutritional meals as well as health clinics. 266 mosquito nets were also distributed to the affected villagers to prevent the spread of diseases.

Gaza Conflict Relief

This fund was initially set up to enable the Company to work together with four partner organisations in Egypt and Israel – the Egyptians and Palestinian Red Crescent Societies, the United Nation Relief and Work Agency (UNRWA) and Hommes de Parole (a Swiss- based organisation of rabbis and imams)

In 2012, fresh public appeals were made for funds to provide humanitarian assistance to affected communities in the Gaza Strip after getting an appeal from the Palestinian Red Crescent Society following the 8-day armed conflict in November 2012. Mercy Relief worked with the Egyptian and Palestinian Red Crescent Societies and World Health Organisation (WHO).

Another armed conflict took place in July 2014, affecting the civilians' communities in the Gaza Strip. In response to the crisis, a public fundraising appeal was launched. The fund was set up to provide medical and other relief supplies to the beneficiaries, via Mercy Relief partners, Palestinian Red Crescent Society and Palestinian Wefaq Association.

12. Restricted Funds (Cont'd)

Myanmar Conflict and Flood

This fund was initially set up to distribute relief supplies through the United Nations Children's Fund and the local Ministry of Social Welfare, Relief and Resettlement to the victims of the landfall disaster near the mouth of the Irrawaddy River. Prior to 2012, this fund was named Myanmar Cyclone Nargis.

In 2012, fresh public appeal was made following an appeal from the Ministry of Social Welfare, Relief and Resettlement in Myanmar. The ethnic unrest and armed conflict together with the severe flooding caused by heavy monsoon rain accounted for massive displacement. Mercy Relief provided acute relief in the form of goods and non-food items, shelters and pedal pures. The fund has since been renamed Myanmar Conflict and Flood. Any balance from the previous year's appeal relating to Cyclone Nargis has been combined with the fresh funds obtained in 2012.

In August 2015, heavy monsoon downpours exacerbated by Cyclone Komen resulted in heavy flooding across several regions in Myanmar. Mercy Relief, working in collaboration with local NGO, Myanmar Heart Development Organisation (MHDO) distributed more than 20 tonnes of emergency food supplies to 18 vulnerable villages in the worst-affected Rahkine state in Myanmar.

Typhoon Haiyan Relief

This fund was set up to provide humanitarian assistance to affected communities in the Philippines in the aftermath of the Super Typhoon Haiyan, which struck the Philippine islands in early November 2013. The Company, in collaboration with local NGO partners and local government agency Department of Social Welfare and Development (DSWD), deployed and distributed 6 units of manual-powered water filtration system (PedalPure), 35,200 ready-to-eat meals (MRMs), food relief packs, shelter construction materials to bring basic stability to the survivors. Education kits and psychosocial activities were also provided to restore normalcy for the affected children. Together with Eastern Health Alliance, a group of medical professionals in Singapore, the Company with the support of local NGO partner PCDR provided healthcare services and treatment of post-traumatic syndromes through setting up of mobile clinics. The network of local NGO partners the Company had worked with were the Citizens' Disaster Response Centre (CDRC), Women Development Centre (WDC), Panay Centre for Disaster Response (PCDR), Southern Tagalog People's Centre (STPC), Centre for People's Resources and Services (CPRS) and Leyte Centre for Development (LCDE).

Typhoon Nina Relief

Typhoon Nina made landfall 8 times over eastern Philippines on 25th Dec 2016 and caused devastation to electrical services and housing infrastructure. Mercy Relief's distribution operation reached a total of 505 households or more than 2,500 beneficiaries altogether, in the Polangui and Libon municipalities of the Albay Province. Each beneficiary received an emergency relief pack containing rice, dried fish and canned goods.

IDP 2015/2016

This fund consists of surplus relief fund balances to be used for development projects for the respective beneficiaries, as intended by the donors. The beneficiaries are communities in Sichuan, Bopha, Padang and Philippines.

MFA Timor Leste Project

Mercy Relief partnered the Ministry of Foreign Affairs of Singapore (MFA) to deliver a Water, Sanitation and Hygiene-based (WAS) "Health Community Project" in Timor-Leste. To be launched end 2016, the six-month project roll out will share solutions with local Timor-Leste communities on challenges such as access to safe drinking water, better sanitation and hygiene. The partnership aims to enhance access to water, sanitation and hygiene in the region, and demonstrates Singapore's continued commitment to Goal 6 of the UN's 17 Sustainable Development Goals (SDG), which focuses on clean water and sanitation.

13. Operating lease commitment

At the reporting date, the Company has commitments for future minimum lease payments under non-cancellable operating leases as follows:

	2016 S\$	2015 S\$
Not later than one year	51,360	51,360
Later than one year but not later than five years	22,680	77,040
	<u>77,040</u>	<u>128,400</u>

The above operating lease commitments are based on known rental rates as at the date of this report and do not include any revision in rates which may be determined by the lessor.

14. Related party transactions

There were no sale and purchase of goods and services with related parties during the year.

15. Remuneration of key management personnel

The remuneration of key management personnel during the financial year was as follows:

	2016 S\$	2015 S\$
Salaries and other short-term benefits	188,340	185,521
Post-employment benefits – contribution to CPF	<u>21,415</u>	<u>16,272</u>
	2016 No. of key management personnel	2015 No. of key management personnel
Remuneration band (S\$)		
S\$100,001 to \$150,000	<u>1</u>	<u>0</u>

Key management personnel are the chief executive officer and the direct reporting senior officers having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly.

16. Financial risk management

The Company is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include interest rate risk and liquidity risk. The Management reviews and agrees policies and procedures for the management of these risks, which are executed by the management. The Company does not apply hedge accounting.

The following sections provide details regarding the Company's exposure to these risks:

Interest rate risk

The Company's income and operating cash flows are not substantially affected by changes in market interest rates, as they do not have significant interest-bearing assets or liabilities as at the reporting date.

16. Financial risk management (Cont'd)

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations due to the shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of the financial assets and liabilities. The Company adopts prudent liquidity risk management by maintaining sufficient cash and cash equivalents to finance its activities and minimize the liquidity risk.

Management monitors and ensures that the Company maintains a level of cash and cash equivalents deemed adequate to finance the Company's operations.

The table below summarizes the maturity profile of the Company's financial assets and liabilities at the end of the reporting period based on the contractual undiscounted repayment obligations:

	Within one year S\$	Later than one year but not later than five years S\$	Total S\$
2016			
Financial assets			
Cash and cash equivalents	2,659,002	0	2,659,002
Other receivables	475,732	0	475,732
Deposits	6,064	0	6,064
	<u>3,140,798</u>	<u>0</u>	<u>3,140,798</u>
Financial liabilities			
Trade and other payables	(43,937)	0	(43,937)
	<u>(43,937)</u>	<u>0</u>	<u>(43,937)</u>
Net financial assets	<u>3,096,861</u>	<u>0</u>	<u>3,096,861</u>
	Within one year S\$	Later than one year but not later than five years S\$	Total S\$
2015			
Financial assets			
Cash and cash equivalents	2,557,114	0	2,557,114
Other receivables	368,250	0	368,250
Deposits	6,554	0	6,554
	<u>2,931,918</u>	<u>0</u>	<u>2,931,918</u>
Financial liabilities			
Trade and other payables	(42,991)	0	(42,991)
	<u>(42,991)</u>	<u>0</u>	<u>(42,991)</u>
Net financial assets	<u>2,888,927</u>	<u>0</u>	<u>2,888,927</u>

17. Allocation of HQ expenses

HQ overhead expenses are charged to respective funds based on full headcount recovery. The headcount recovery is computed based on actual time tracked by all staff for the respective project multiply by \$100 per hour plus direct administrative & fundraising expenses (capped at 5% of income).

18. Support costs

During the year, all support costs were allocated as follows:

	Charitable Activities S\$	Governance Costs S\$	Total Support Costs S\$	Basis of Apportionment
Bank charges	2,779	695	3,474	Headcount
Depreciation	13,587	3,397	16,984	Headcount
Insurance	6,925	1,731	8,656	Headcount
Office rental	41,088	10,272	51,360	Headcount
Office supplies	3,508	877	4,385	Headcount
Printing & photocopying	3,687	922	4,609	Headcount
Repair & maintenance	3,917	979	4,896	Headcount
Staff costs	456,656	112,988	569,644	Headcount
Telecom & IT charges	8,499	2,125	10,624	Headcount
Utilities	10,394	2,598	12,992	Headcount
Total	551,040	136,584	687,624	

19. Reserve position and policy

The Company's reserve position (excluding non-current assets) for the financial year ended 31 December 2016 is as follows:-

		2016 S\$	2015 S\$	Increase/ (decrease) %
A	Unrestricted Fund			
	General Fund	1,192,428	1,143,059	4.32
B	Total Annual Operating Expenditure	681,861	623,489	9.36
C	Ratio of Funds to Annual Operating Expenditure (A/B)	1.75	1.83	

20. Authorisation of financial statements

These financial statements were authorized for issue in accordance with a resolution of the Board of Directors of the Company on **03 APR 2017**