

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 FINANCIAL YEAR ENDED 31 DECEMBER 2024

CONTENTS

Directors' Statement	2
Independent Auditor's Report	4
Statement of Financial Activities	8
Statement of Financial Position	12
Statement of Changes in Funds	13
Statement of Cash Flows	15
Notes to the Financial Statements	16

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) 6491.5218

DIRECTORS' STATEMENT

The directors present their statement to the members together with the audited financial statements of Mercy Relief Limited (the "Company") for the financial year ended 31 December 2024.

In the opinion of the directors,

- a) the financial statements of the Company are drawn up so as to give a true and fair view of the financial position of the Company as at 31 December 2024 and of the financial performance, changes in funds and cash flows of the Company for the financial year then ended; and
- b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

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

Nalini Naidu	
Ng Siew Hoong	
Koh Yee Ling (Xu Yiling)	
Lam Wy-ning	
Mohamad Saiful Bin Saroni	
Suhaimi Bin Rafdi	
Vincent Ling Chi-Hsin (Lin Jixun)	
Alwi Bin Abdul Hafiz	
Satwant Singh S/O Sarban Singh	
Dutta Binayak	(Resignation on 01 April 2024)
Cheong Tuck Yan	(Resignation on 03 May 2024)
Chairul Fahmy Bin Hussaini	(Resignation on 29 August 2024)
Mejar Signh Gill	(Appointed on 19 August 2024)
Wan Rizal Bin Wan	(Appointed on 19 August 2024)

Arrangements to enable directors to acquire benefits

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose object is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of the Company or any other body corporate.

Other matters

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

Mercy Relief Limited

[UEN. 200306035Z]

*Audited Financial Statements
Financial Year Ended 31 December 2024*

Independent auditor

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

On behalf of the Board of Directors,

Signed by:

Satwant Singh

D1A0C367962C413...

Satwant Singh S/O Sarban Singh
Director

Singapore, 08 May 2025

DocuSigned by:

Mohamad Saiful Bin Saroni

0C8BD142F06F4BA...

Mohamad Saiful Bin Saroni
Director

Suhaimi Salleh & Associates

Public Accountants and
Chartered Accountants of Singapore

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Independent auditor's report to the members of:

MERCY RELIEF LIMITED

[UEN: 200306035Z]

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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 2024, and the statement of financial activities, statement of changes in funds and statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Companies Act"), the Charities Act 1994 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 2024 and of the financial performance, changes in funds and cash flows of the Company for the financial year then 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 Auditors' 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 information included in the Directors' statement (set out on page 2 to 3), but does not include the financial statements and our auditor's report thereon which we obtained prior to the date of this auditor's report, and the annual report, which we expected to be made available to us after that date.

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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F: (65) 6491.5218

(CONT'D)

Independent auditor's report to the members of:

MERCY RELIEF LIMITED

[UEN: 200306035Z]

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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 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.

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Independent auditor's report to the members of:

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

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

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

Report on Other Legal and Regulatory Requirements

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

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

- (a) the Company has not used of 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

Suhaimi Salleh & Associates

Public Accountants and
Chartered Accountants

Singapore, 08 May 2025

Partner in-charge: Gan Chek Huat
PAB No.: 01939

STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	2024			2023		
		Unrestricted fund	Restricted funds	Total unrestricted and restricted funds	Unrestricted fund	Restricted funds	Total unrestricted and restricted funds
		S\$	S\$	S\$	S\$	S\$	S\$
INCOME							
Income from generated funds							
<u>Voluntary income</u>							
Donations	5	679,649	796,527	1,476,176	481,468	717,537	1,199,005
Grants and funding:							
- Asean Youth Volunteer Program		25,381	0	25,381	0	0	0
- NCSS grants		4,011	0	4,011	5,596	0	5,596
		709,041	796,527	1,505,568	487,064	717,537	1,204,601
Other income							
Interest income		110,170	0	110,170	113,758	0	113,758
Others		9,811	0	9,811	3,966	0	3,966
		119,981	0	119,981	117,724	0	117,724
Total income		829,022	796,527	1,625,549	604,788	717,537	1,322,325

STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

	Note	2024			2023		
		Unrestricted fund	Restricted funds	Total unrestricted and restricted funds	Unrestricted fund	Restricted funds	Total unrestricted and restricted funds
		S\$	S\$	S\$	S\$	S\$	S\$
EXPENDITURE							
Cost of generating funds							
Publicity and promotions		5,215	0	5,215	473	0	473
Fund-raising expenses		8,256	0	8,256	0	38,283	38,283
		13,471	0	13,471	473	38,283	38,756
Cost of charitable activities							
Amortisation of intangible assets		2,816	0	2,816	0	0	0
Bank charges		6,702	0	6,702	381	1,146	1,527
Board expenses		232	0	232	0	0	0
Depreciation of property, plant and equipment	10	4,126	0	4,126	5,102	0	5,102
Insurance		4,278	0	4,278	1,043	0	1,043
Membership and subscriptions		367	0	367	0	0	0
Office rental		25,637	0	25,637	26,354	0	26,354
Office supplies		3,756	0	3,756	4,310	0	4,310
Partnership and collaborations		2,646	0	2,646	0	0	0
Printing and photocopying		2,204	0	2,204	1,912	0	1,912
Professional fees		19,673	0	19,673	0	0	0
Relief missions		24,362	330,608	354,970	12,052	570,739	582,791
Repairs and maintenance		3,718	0	3,718	3,784	0	3,784
Staff costs	6	265,116	0	265,116	277,872	0	277,872
Telecom and IT charges		9,758	0	9,758	12,146	0	12,146
Transport and travelling		7	100	107	727	0	727
Utilities		10,842	0	10,842	8,664	0	8,664
		386,240	330,708	716,948	354,347	571,885	926,232

STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

	Note	2024			2023		
		Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
		fund	funds	Unrestricted and	fund	funds	Unrestricted and
		S\$	S\$	restricted funds	S\$	S\$	restricted funds
				S\$			S\$
EXPENDITURE (CONT'D)							
Governance and administrative costs							
Amortisation of intangible assets		704	0	704			
Audit and certification fees		13,000	2,000	15,000	12,200	3,400	15,600
Bank charges		684	991	1,675	312	0	312
Board expense		58	0	58	1,710	0	1,710
Depreciation of property, plant and equipment	10	1,032	0	1,032	1,045	0	1,045
Insurance		1,070	0	1,070	214	0	214
Office rental		6,409	0	6,409	5,398	0	5,398
Office supplies		940	0	940	883	0	883
Membership and subscriptions		92	0	92	0	0	0
Partnership and collaborations		662	0	662	0	0	0
Printing and photocopying		551	0	551	392	0	392
Professional fees		4,918	0	4,918	13,563	0	13,563
Repairs and maintenance		929	0	929	775	0	775
Staff costs	6	66,279	0	66,279	56,988	0	56,988
Telecom and IT charges		2,440	0	2,440	2,488	0	2,488
Transport and travelling		27	0	27	149	0	149
Utilities		2,710	0	2,710	1,774	0	1,774
		<u>102,505</u>	<u>2,991</u>	<u>105,496</u>	<u>97,891</u>	<u>3,400</u>	<u>101,291</u>

STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

	Note	2024			2023		
		Unrestricted fund	Restricted funds	Total unrestricted and restricted funds	Unrestricted fund	Restricted funds	Total unrestricted and restricted funds
		S\$	S\$	S\$	S\$	S\$	S\$
Total expenditure before reallocation		502,216	333,699	835,915	452,711	613,568	1,066,279
Allocation of HQ expenses	16	(69,709)	69,709	0	(55,400)	55,400	0
Total expenditure after reallocation		432,507	403,408	835,915	397,311	668,968	1,066,279
Net income for the financial year		396,515	393,119	789,634	207,477	48,569	256,046
Net movement in funds		396,515	393,119	789,634	207,477	48,569	256,046
Total funds brought forward		2,644,453	2,306,600	4,951,053	2,436,976	2,258,031	4,695,007
Total funds carried forward		3,040,968	2,699,719	5,740,687	2,644,453	2,306,600	4,951,053

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

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2024

	Note	2024 S\$	2023 S\$
ASSETS			
Current assets			
Cash and cash equivalents	7	3,842,483	3,266,737
Fixed deposits	8	1,715,774	1,676,499
Other receivables	9	<u>181,624</u>	<u>97,371</u>
		<u>5,739,881</u>	<u>5,040,607</u>
Non-current assets			
Property, plant and equipment	10	2,568	7,726
Intangible asset	11	<u>31,680</u>	<u>0</u>
		<u>34,248</u>	<u>7,726</u>
Total assets		<u>5,774,129</u>	<u>5,048,333</u>
LIABILITIES			
Current liabilities			
Other payables	12	<u>33,442</u>	<u>97,280</u>
Total liabilities		<u>33,442</u>	<u>97,280</u>
NET ASSETS		<u>5,740,687</u>	<u>4,951,053</u>
FUNDS			
Unrestricted fund			
General fund	13	<u>3,040,968</u>	<u>2,644,453</u>
Restricted funds			
General relief fund	14	499,626	765,714
Nepal earthquake relief	14	278,446	278,446
Aceh earthquake relief	14	0	106,165
Lombok earthquake relief	14	199,647	188,936
Sulawesi earthquake relief	14	433,131	416,599
Sunda strait tsunami relief	14	141,794	130,122
Kerala floods relief	14	21,920	14,699
Myanmar conflicts and flood	14	0	58,490
Typhoon Rai relief	14	10,262	9,909
Pakistan Flood 2023	14	60,235	30,235
Cianjur Earthquake relief 2023	14	73,829	94,998
Morocco Earthquake 2023 relief aid	14	11,355	11,355
Turkey Earthquake relief 2023	14	87,574	87,574
Hope for Gaza	14	506,255	89,327
Bangladesh Flood Relief Aid 2024	14	18,938	0
Country funds	14	350,251	0
Other restricted funds	14	<u>6,456</u>	<u>24,031</u>
		<u>2,699,719</u>	<u>2,306,600</u>
TOTAL FUNDS		<u>5,740,687</u>	<u>4,951,053</u>

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

**STATEMENT OF CHANGES IN FUNDS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

	Balance at beginning of the financial year S\$	Net income/ (expenditure) for the financial year S\$	Transfer (from)/to S\$	Balance at end of the financial year S\$
2024				
Unrestricted fund				
General fund	<u>2,644,453</u>	<u>396,515</u>	<u>0</u>	<u>3,040,968</u>
Restricted funds				
General relief fund	765,714	(69,810)	(196,278)	499,626
Nepal earthquake relief	278,446	0	0	278,446
Aceh earthquake relief	106,165	0	(106,165)	0
Lombok earthquake relief	188,936	10,711	0	199,647
Sulawesi earthquake relief	416,599	16,532	0	433,131
Sunda strait tsunami relief	130,122	11,672	0	141,794
Kerala floods relief	14,699	7,221	0	21,920
Myanmar conflicts and flood	58,490	0	(58,490)	0
Typhoon Rai relief	9,909	353	0	10,262
Pakistan flood 2023	30,235	0	30,000	60,235
Cianjur earthquake relief 2023	94,998	(21,168)	0	73,830
Morocco Earthquake 2023				
Relief Aid	11,355	0	0	11,355
Turkey Earthquake Relief 2023	87,574	0	0	87,574
Hope for Gaza	89,327	416,927	0	506,254
Country funds – Bangladesh	0	1,743	348,508	350,251
Bangladesh Flood Relief 2024	0	18,938	0	18,938
Other restricted funds	<u>24,031</u>	<u>0</u>	<u>(17,575)</u>	<u>6,456</u>
	<u>2,306,600</u>	<u>393,119</u>	<u>0</u>	<u>2,699,719</u>
Total funds	<u>4,951,053</u>	<u>789,634</u>	<u>0</u>	<u>5,740,687</u>
2023				
Unrestricted fund				
General fund	<u>2,436,976</u>	<u>207,477</u>	<u>0</u>	<u>2,644,453</u>
Restricted funds				
General relief fund	865,714	0	(100,000)	765,714
Nepal earthquake relief	279,796	(1,350)	0	278,446
Aceh earthquake relief	106,165	0	0	106,165
Lombok earthquake relief	192,086	(3,150)	0	188,936
Sulawesi earthquake relief	427,284	(10,685)	0	416,599
Sunda strait tsunami relief	132,816	(2,694)	0	130,122
Kerala floods relief	14,699	0	0	14,699
Myanmar conflicts and flood	58,490	0	0	58,490
Hope for Gaza	0	89,327	0	89,327
Typhoon Rai relief	43,705	(33,796)	0	9,909
Pakistan flood 2023	107,648	(77,413)	0	30,235
Cianjur earthquake relief 2023	3,698	61,300	30,000	94,998
Morocco Earthquake 2023				
Relief Aid	0	11,355	0	11,355
Turkey Earthquake Relief 2023	0	57,574	30,000	87,574
Other restricted funds	<u>25,930</u>	<u>(41,899)</u>	<u>40,000</u>	<u>24,031</u>
	<u>2,258,031</u>	<u>48,569</u>	<u>0</u>	<u>2,306,600</u>
Total funds	<u>4,695,007</u>	<u>256,046</u>	<u>0</u>	<u>4,951,053</u>

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

**STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

	Note	2024 S\$	2023 S\$
Cash flows from operating activities			
Net income for the financial year		789,634	256,046
Adjustments for:			
- Amortisation of intangible assets	11	3,520	0
- Depreciation of property, plant and equipment	10	5,158	6,147
- Interest income		<u>(112,428)</u>	<u>(113,758)</u>
Operating cash flow before working capital changes		685,884	148,435
Changes in working capital			
- Other receivables		(124,860)	(43,772)
- Other payables		<u>(63,838)</u>	<u>60,082</u>
Net cash generated from operating activities		<u>497,186</u>	<u>164,745</u>
Cash flows from investing activities			
Interest income received		113,760	111,120
Purchases of intangible assets	11	<u>(35,200)</u>	<u>0</u>
Net cash generated from investing activities		<u>78,560</u>	<u>111,120</u>
Net increase in cash and cash equivalents		575,746	275,865
Cash and cash equivalents at beginning of financial year		<u>3,266,737</u>	<u>2,990,872</u>
Cash and cash equivalents at end of financial year	7	<u><u>3,842,483</u></u>	<u><u>3,266,737</u></u>

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

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

1. General information

Mercy Relief Limited (the "Company") is incorporated and domiciled in Singapore. The Company's registered office and principal place of business is located at Block 160, Lorong 1 Toa Payoh, #01-1568, Singapore 310160.

The Company is a company limited by guarantee. The Company was registered as a charity under the Charities Act 1994 on 19 December 2003. The Company has been accorded an Institutions of a Public Character ("IPC") status for the period from 01 December 2018 to 30 November 2022. The Company has renewed its IPC status from 01 December 2022 to 30 November 2024. During the current financial year, the Company further renewed its IPC status from 01 December 2024 to 30 November 2026.

The principal activities of the Company are those of providing humanitarian aid programmes, collaborate with other organisations involved in humanitarian aid and to raise funds for distribution to the needy and humanitarian aid projects.

Every member, except Associate and Honorary members, of the Company undertakes to contribute to the assets of the Company, in the event of the same being wound up while he is a member, or within one year after he ceases to be a member, for payment of the debts and liabilities of the Company contracted before he ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustments of the rights of the contributories among themselves, such amount as may be required not exceeding Singapore Dollars One Thousand (\$1,000) only. The Company has total 11 members (2023: 10 members) as at 31 December 2024.

2. Significant accounting policies

2.1 Basis of preparation

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

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

The preparation of these financial statements in conformity with CAS requires management to exercise its judgement in applying the Company's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

The management has assessed that the going concern basis of preparation for this set of financial statements remains appropriate.

2.2 Income recognition

Income comprises the fair value of the consideration received or receivable in the ordinary course of the Company's activities.

Income 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. Significant accounting policies (Cont'd)

2.2 Income recognition (Cont'd)

Income is recognised as follows: (Cont'd)

2.2.2 Fund raising

Income from special events is recognised on completion of event.

2.2.3 Other income

Other income is recognised when received.

2.3 Government grants

Government grants are recognised as income in the financial statements over the periods necessary to match them with the related costs, which they are intended to compensate, on a systematic basis. Government grants related to assets after recognition will then be reduced over the useful life of the asset in line with its depreciation.

2.4 Expenditure recognition

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

2.4.1 Cost of generating funds

Cost of generating funds comprises all directly attributable costs incurred in the generating voluntary income and fundraising activities. These costs include costs related to constitutional and statutory requirements and an apportionment of overhead and shared costs.

2.4.2 Cost of charitable activities

Cost of charitable activities comprises all directly attributable 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.

2.4.3 Governance and administrative costs

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

2.4.4 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 incurred basis

2. Significant accounting policies (Cont'd)

2.5 Property, plant and equipment

2.5.1 Measurement

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

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any costs that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by Management.

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

Property, plant and equipment are not revalued and are not required to be assessed for impairment under CAS.

2.5.2 Depreciation

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

	Useful lives
Computer and office equipment	3 to 5 years
Furniture and fittings	5 years
Renovation	shorter of 5 years or premise's lease term

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

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

2.5.3 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 repairs and maintenance expenses in the statement of financial activities during the financial year in which it is incurred.

2.5.4 Disposal

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

2. Significant accounting policies (Cont'd)

2.6 Intangible assets

Acquired computer software licences

Acquired computer software licences are initially capitalised at cost which includes the purchase prices (net of any discounts and rebates) and other directly attributable costs of preparing the asset for its intended use. Direct expenditures including employee costs, which enhance or extend the performance of computer software beyond its specifications and which can be reliably measured, are added to the original cost of the software. Costs associated with maintaining the computer software are expensed off when incurred.

Computer software licences are subsequently carried at cost less accumulated amortisation. These costs are amortised to profit or loss using the straight-line method over their estimated useful lives of 5 years.

The amortisation period and amortisation method of intangible assets other than goodwill are reviewed at least at each reporting date. The effects of any revision are recognised in the statement of financial activities when the changes arise.

Intangible assets are not required to be assessed for impairment under the CAS.

2.7 Financial assets

2.7.1 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.

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

2.7.2 Derecognition

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

2.7.3 Impairment

The Company assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired.

An allowance for impairment of other receivables is recognised 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. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the receivable is impaired. The amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The amount of the allowance for impairment is recognised in the statement of financial activities within "Governance and administrative costs".

Subsequently, if the amount of an impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss will be reversed. The reversal will not result in any carrying amount of the financial asset (net of any allowance account) that exceeds what the carrying amount would have been had the impairment not previously been recognised. The amount of reversal is recognised in the statement of financial activities.

2. Significant accounting policies (Cont'd)

2.8 Cash and cash equivalents

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

Fixed deposits that have short maturities of three months or less from the date of acquisition are reported as cash and cash equivalents. All other fixed deposits are reported separately in the statement of financial position.

2.9 Financial liabilities

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

Financial liabilities which are due to be settled within 12 months after the reporting date are presented as current liabilities in the statement of financial position even though the original term was for a period longer than 12 months and an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the reporting date and before the financial statements are authorised for issue. Other financial liabilities due to be settled more than 12 months after the reporting date are presented as non-current liabilities in the statement of financial position.

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

2.10 Other payables

Other payables excluding accruals, are recognised at their transaction price, excluding transaction cost, if any, both at 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.

2.11 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 can be reliably estimated.

2.12 Funds

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

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

2. Significant accounting policies (Cont'd)

2.13 Operating leases as lessee

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 recognised as an expense in the period in which termination takes place.

Rental on operating lease is charged to the statement of financial activities.

2.14 Employee compensation

2.14.1 Defined contribution plans

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

2.14.2 Employee leave entitlement

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

2.15 Contingencies

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

2.16 Events after the reporting date

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

3. 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 judgements in applying the entity's accounting policies

In the process of applying the Company's accounting policies, the management has made certain judgements, apart from those including estimations which have significant effect on the amounts recognised in the financial statements.

Government grants

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

3.2. 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. There are 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 as follows.

Useful lives of intangible assets

Management determines the estimated useful lives and the related depreciation for its intangible assets based on the period over which the intangible assets are expected to provide economic benefits. Management's estimation of the useful lives of intangible assets are based on collective assessment of industry practice, internal technical evaluation and experience with similar assets.

The estimation of the useful lives of the intangible assets could change significantly due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of intangible assets. The depreciation charge is increased where useful lives are less than previously estimated lives.

The carrying value of intangible assets as of 31 December 2024 and 2023 are disclosed in Note 11 respectively of the financial statements.

Based on Management's assessment, no change in the estimated useful lives of intangible assets are required as of 31 December 2024 and 2023.

4. Income tax

The Company is a charity registered under the Charities Act since 19 December 2003. Consequently, the income of the Company is exempted from tax under the provisions of Section 13 of the Income Tax Act, Chapter 134.

5. Donations

	2024 S\$	2023 S\$
Tax deductible donations	520,957	228,228
Non-tax deductible donations	<u>955,219</u>	<u>970,777</u>
	<u><u>1,476,176</u></u>	<u><u>1,199,005</u></u>

During the financial year, the Company issued tax-exempt receipts for donations collected amounting to S\$519,857 (2023: S\$228,228) pursuant to its Institutions of a Public Character ("IPC") status.

6. Staff costs

	2024 S\$	2023 S\$
Salaries and allowances	291,275	299,607
Employer's CPF contribution	37,837	34,100
FWL and skills development levy	498	555
Other staff related costs	<u>1,785</u>	<u>598</u>
	<u><u>331,395</u></u>	<u><u>334,860</u></u>
The staff costs were allocated as follows:		
• Costs of charitable activities	265,116	277,872
• Governance and administrative costs	<u>66,279</u>	<u>56,988</u>
	<u><u>331,395</u></u>	<u><u>334,860</u></u>

7. Cash and cash equivalents

	2024 S\$	2023 S\$
Cash at bank	1,881,305	1,339,324
Fixed deposits	<u>1,961,178</u>	<u>1,927,413</u>
	<u><u>3,842,483</u></u>	<u><u>3,266,737</u></u>

The fixed deposits mature within 1 to 3 months (2023: 1 to 3 months) from the financial year end and earn interest rates ranging from 2.65% to 3.30% (2023: 3.00% to 3.50%) per annum.

8. Fixed deposits

	2024 S\$	2023 S\$
Fixed deposits	<u>1,715,774</u>	<u>1,676,499</u>

The fixed deposits mature within 3 to 8 months (2023: 3 to 8 months) from the financial year end and earn interest rates ranging from 2.70% to 3.15% (2023: 3.00% to 3.10%) per annum.

At the reporting date, the tenure of fixed deposits are as follows:

	2024 S\$	2023 S\$
6 months	761,404	750,000
12 months	<u>954,370</u>	<u>926,499</u>
	<u><u>1,715,774</u></u>	<u><u>1,676,499</u></u>

9. Other receivables

	2024 S\$	2023 S\$
Deposits	3,695	3,695
Donation receivables	150,384	61,891
Interest receivable on fixed deposits	21,105	24,695
Other receivables	<u>6,440</u>	<u>7,090</u>
	<u>181,624</u>	<u>97,371</u>

10. Property, plant and equipment

	Computer and office equipment S\$	Furniture and fittings S\$	Renovation S\$	Total S\$
Cost				
At 1 January 2023, 31 December 2023 and 31 December 2024	75,776	32,585	142,310	250,671
Accumulated depreciation				
At 1 January 2023	61,903	32,585	142,310	236,798
Depreciation	6,147	0	0	6,147
At 31 December 2023	68,050	32,585	142,310	242,945
Depreciation	5,158	0	0	5,158
At 31 December 2024	73,208	32,585	142,310	248,103
Carrying amount				
31 December 2023	7,726	0	0	7,726
31 December 2024	2,568	0	0	2,568

	2024			2023		
	Unrestricted fund S\$	Restricted funds S\$	Total S\$	Unrestricted Fund S\$	Restricted funds S\$	Total S\$
The breakdown of the depreciation charge as follows:						
Cost of charitable activities	4,126	0	4,126	5,102	0	5,102
Governance and other administrative costs	<u>1,032</u>	<u>0</u>	<u>1,032</u>	<u>1,045</u>	<u>0</u>	<u>1,045</u>
	5,158	0	5,158	6,147	0	6,147

During the financial year 2021, the Company acquired SAP cloud updated, HR system and Face reader with an aggregate cost of S\$20,229. Cash payments were made to purchase the computer and office equipment. This included S\$15,507 for grant received from NCSS for the acquisition of property, plant and equipment as disclosed in Note 12.

11. Intangible assets

	2024 S\$	2023 S\$
<u>Computer software</u>		
Cost		
At 1 January 2023	0	0
Additions	35,200	0
At 31 December 2024	35,200	0
Accumulated amortisation		
At 1 January 2023	0	0
Amortisation	3,520	0
At 31 December 2024	3,520	0
	<u>31,680</u>	<u>0</u>

During the financial year ended 31 December 2024, the Company acquired intangible assets with an aggregate cost of S\$35,200. Cash payments were made to purchase the intangible assets. This included S\$23,968 for grants received from NCSS for the acquisition of intangible assets as disclosed in Note 12.

12. Other payables

	2024 S\$	2023 S\$
<u>Current</u>		
Accruals	12,200	96,085
Deferred capital grant income – NCSS	21,152	1,195
Other payables	90	0
	<u>33,442</u>	<u>97,280</u>

During the financial year ended 31 December 2024, the Company received NCSS grant amounting to S\$23,968 for the acquisition of software as disclosed in Note 11.

During the financial year 2021, the Society received NCSS grant amounting to S\$15,507. This includes SAP cloud updated, HR system and Face reader. The cost of computer and office equipment assets have been capitalised under property, plant and equipment as disclosed in Note 10.

13. Unrestricted fund

General Fund

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.

14. Restricted funds

The Company receives donations from the public in response to international public appeals for relief efforts in disaster and crisis-stricken countries. The funds received are retained in the Company and are disbursed to the national societies of affected countries for specific relief cause and development work specified in the public appeal.

14. Restricted funds (Cont'd)

Movement of the restricted funds during the financial year are as follows:

2024

Designated country/disaster	At beginning of the year S\$	Collection S\$	Relief mission S\$	Development S\$	Other expenditure* S\$	Transfer of funds S\$	At end of the year S\$
General relief fund	765,714	0	0	0	(69,810)	(196,278)	499,626
Nepal earthquake relief	278,446	0	0	0	0	0	278,446
Aceh earthquake relief	106,165	0	0	0	0	(106,165)	0
Lombok earthquake relief	188,936	14,517	(3,766)	0	(40)	0	199,647
Sulawesi earthquake relief	416,599	16,532	0	0	0	0	433,131
Sunda strait tsunami relief	130,122	13,376	(1,704)	0	0	0	141,794
Kerala floods relief	14,699	7,221	0	0	0	0	21,920
Myanmar conflicts and flood	58,490	0	0	0	0	(58,490)	0
Typhoon Rai relief	9,909	353	0	0	0	0	10,262
Pakistan flood 2023	30,235	0	0	0	0	30,000	60,235
Cianjur earthquake relief 2023	94,998	3,007	(24,101)	0	(74)	0	73,830
Morocco Earthquake 2023			0	0	0	0	
Relief Aid	11,355						11,355
Turkey Earthquake Relief 2023	87,574	0	0	0	0	0	87,574
Hope for Gaza	89,327	716,440	(297,636)	0	(1,877)	0	506,254
Bangladesh Flood Relief 2024	0	20,907	(1,969)	0	0	0	18,938
<u>Country funds</u>							
Country fund – Bangladesh	0	0	0	0	0	29,401	29,401
Country fund – India	0	0	0	0	0	5,681	5,681
Country fund – Indonesia	0	1,332	0	0	0	114,549	115,881
Country fund – Laos	0	0	0	0	0	4,281	4,281
Country fund – Myanmar	0	0	0	0	0	131,172	131,172
Country fund – Philippines	0	2,843	(1,432)	0	(1,000)	12,946	13,357
Country fund – Vietnam	0	0	0	0	0	50,478	50,478
Other restricted funds	24,031	0	0	0	0	(17,575)	6,456
Total funds	2,306,600	796,528	(330,608)	0	(72,801)	0	2,699,719

*Other expenditure comprise of the recharge of staff costs and allocated support costs.

14. Restricted funds (Cont'd)

Movement of the restricted funds during the financial year are as follows: (Cont'd)

2023

Designated country/disaster	At beginning of the year S\$	Collection S\$	Relief mission S\$	Development S\$	Other expenditure* S\$	Transfer of funds S\$	At end of the year S\$
General relief fund	865,714	0	0	0	0	(100,000)	765,714
Nepal earthquake relief	279,796	0	(1,350)	0	0	0	278,446
Aceh earthquake relief	106,165	0	0	0	0	0	106,165
Lombok earthquake relief	192,086	0	(3,150)	0	0	0	188,936
Sulawesi earthquake relief	427,284	0	(6,685)	0	(4,000)	0	416,599
Sunda strait tsunami relief	132,816	0	(2,694)	0	0	0	130,122
Kerala floods relief	14,699	0	0	0	0	0	14,699
Myanmar conflicts and flood	58,490	0	0	0	0	0	58,490
Typhoon Rai relief	43,705	0	(25,515)	0	(8,281)	0	9,909
Pakistan flood 2023	107,648	0	(63,710)	0	(13,703)	0	30,235
Cianjur earthquake relief 2023	3,698	240,562	(170,938)	0	(8,324)	30,000	94,998
Morocco Earthquake 2023							
Relief Aid	0	11,355	0	0	0	0	11,355
Turkey Earthquake Relief 2023	0	337,700	(260,354)	0	(19,772)	30,000	87,574
Hope for Gaza	0	127,610	0	0	(38,283)	0	89,327
Other restricted funds	25,930	310	(36,343)	0	(5,866)	40,000	24,031
Total funds	2,258,031	717,537	(570,739)	0	(98,229)	0	2,306,600

14. Restricted funds (Cont'd)

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.

Donations are received with the understanding that the Company has discretion over the use of the donated funds. Every effort will be made to use the donation received or raised in accordance with the indicated intentions. However, donations to programmes or projects that are oversubscribed, or had been substantially completed, may be re-directed to those that have a similar intent, including the general fund which administers these projects centrally, and within the objects of the Company.

As approved in the Board meeting and disclosed in the Company's website for fund raising campaign, any new fund raising balance starting from FY2022 will be transfer to General Fund for those projects that are oversubscribed, or had been substantially completed, may be re-directed to those that have a similar intent, including the general fund which administers these projects centrally, and within the objects of the Company. And those fund balances for project prior to 01.01.2023 will be transfer to General Relief Fund once it's been substantially completed.

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.

Aceh earthquake relief

On 07 December 2016, 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.

On 10 October 2024, the Board approved the closure of this fund and transfer the unutilised fund balances to the Country Fund – Indonesia under restricted funds.

Myanmar conflicts 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.

14. Restricted funds (Cont'd)

Myanmar conflicts and flood (Cont'd)

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.

On 10 October 2024, the Board approved the closure of this fund and transfer the unutilised fund balances to the Country Fund – Myanmar under restricted funds.

Lombok Earthquake Relief

This fund was set up to provide humanitarian assistance to communities in Lombok, Indonesia. A deadly magnitude-6.9 earthquake struck Lombok on 5 Aug. killing at least 430 people and injuring more than 1,300 others. Hundreds of thousands of people have been displaced, rendered homeless amid hundreds of powerful aftershocks. More than 67,000 houses and 600 schools are damaged. In response to this disaster, Mercy Relief deployed its disaster response team to the ground in first week August 2018 who worked closely with ground partner, YAKKUM Emergency Unit, to provide water, generator sets, feeding and medical services to over 6,475 people in the North Lombok district. Recovery efforts to restore normalcy back to the lives of the affected are still going on followed by planned recovery, mitigation and preparedness programmes over the next two years working with local partners.

Sulawesi Earthquake Relief

This fund was set up to provide humanitarian assistance to communities in Sulawesi, Indonesia. A deadly magnitude-7.4 earthquake struck Sulawesi on 28 September, killing 4,340 people, injuring 4,612 and displacing 223,751 from their homes in Palu city and districts of Donggala, Sigi, and Parigi Moutong. Around 68,451 houses, 327 places of worship, 265 schools, 78 offices and 362 shops were also damaged in the quake. The earthquake caused a tsunami and major soil liquefaction which contributed to the devastation. In response to an international appeal, Mercy Relief deployed its disaster response team in first week October 2018 who worked closely with ground partner, YAKKUM Emergency Unit, to provide food packs and water, mobile medical services, shelter kits and generators set to benefit over 5,233 people in Palu city and Sigi district. Recovery efforts continue to first quarter 2019 with major development and reconstruction work planned for next two years.

Sunda Strait Tsunami Relief

This fund was set up to provide humanitarian assistance to communities in Sunda Strait region. Believed to be triggered by a series of landslide from Krakatoa Volcano, a tsunami struck coastal areas around the Sunda Strait between the islands of Sumatra and Java on 22 Dec night. This disaster has resulted in 437 deaths, 14,059 injuries, 33,719 displaced people and 2,752 houses damaged. In response to an appeal from our partner, Pusat Kajian dan Perlindungan Anak (PKPA), Mercy Relief deployed its disaster response team to provide water, hygiene kits, food packs, blankets and mattresses to over 1,950 survivors in Pandeglang district.

Kerala Floods Relief

This fund was set up to provide humanitarian assistance to communities in Kerala, India. From 9 August 2018, severe floods and landslides affected the south Indian state of Kerala, due to unusually high rainfall during the monsoon season. The Kerala flood disaster has claimed 483 lives and affected more than 1.45 million people. In response to this disaster, Mercy Relief deployed its disaster response team in mid-August 2018 who worked closely with ground partner, Rapid Response, to provide food packs, hygiene kits and well cleaning services to over 1,875 beneficiaries in the district of Ernakulam and Alappuzha. Next phase of mitigation and preparedness efforts are expected to start in mid-2019 in Ernakulam.

14. Restricted funds (Cont'd)

Typhoon Rai Relief 2022

This fund is for humanitarian assistance to victims of Typhoon Rai, also called Odette, in the Philippines. Rai had become a Category 5-equivalent typhoon in the western Pacific Ocean this year and is one of the strongest storms of 2022.

As of 28 Dec 2022, 397 people were dead, 83 missing and 1,147 injured.

Pakistan Flood 2023

This fund was set up to provide the flood emergency response for the affected community and people, maternal Healthcare Relief Aid for Pregnant Mothers and Mobile Healthcare Services, and Winter Clothing Distribution in Sindh Province. In response to these unprecedented floods, Mercy Relief launched a multi-country relief distribution operation where the response team worked alongside ground partners in Pakistan.

From 14 June to October 2023, floods in Pakistan killed 1,739 people and caused Rs 3.2 trillion (\$14.9 billion) of damage and Rs 3.3 trillion (\$15.2 billion) of economic losses. The immediate causes of the floods were heavier than usual monsoon rains and melting glaciers that followed a severe heat wave, both of which are linked to climate change. On 25 August, Pakistan declared a state of emergency because of the flooding.

The flooding was the world's deadliest flood since the 2020 South Asian floods and was described as the worst in the country's history. It was also recorded as one of the costliest natural disasters in world history.

Cianjur Earthquake Relief 2023

This fund was set up to provide emergency relief assistance for severely affected families caused by Cianjur Earthquake in 2023. As well as the company has engaged to obtain assistance to wash Cianjur and pre-schools at Cianjur and early recovery projects.

On 21 November 2023, a Magnitude 5.6 earthquake struck near Cianjur in West Java, Indonesia. The strike-slip earthquake occurred with a focal depth of 11 km (6.8 mi). Between 335 and 635 people died, 7,729 were injured and five remain missing. More than 62,628 homes were damaged across 16 districts in Cianjur Regency and the surrounding region. It is the deadliest earthquake to hit Indonesia since the 2018 Sulawesi earthquake.

Morocco Earthquake 2023 Relief

A 6.8 magnitude Earthquake struck Morocco on 8 Sep 2023. It was the deadliest earthquake experienced in six decades. An aftershock of 4.9m struck 19 minutes later. The epicenter of the earthquake was at a depth of 18.5km, in the Moroccan High Atlas Mountain range, occurring at about 72 km northeast of Marrakech, also near to Toukbal, the highest peak in North Africa. The earthquake claimed the lives of over 2960, with 5,674 injured. Known for its historical landmarks, Morocco's renown monuments around the city suffered grave damages.

The Company partnered with local ground partners and community leaders to alleviate the immediate needs of the impacted population, stabilize the affected communities and prevent further deterioration of living conditions.

Through funds raised from generous donations from the public and provided immediate support to victims of the earthquake by facilitating the procurement and distribution of food packages potable water which were delivered to stricken communities.

14. Restricted funds (Cont'd)

Türkiye Earthquake Relief 2023

The first earthquake struck near Gaziantep, Türkiye, on February 6th at 4:17 AM local time, followed by a significant aftershock nine hours later. The devastation was immense, with Türkiye experiencing over 38,000 casualties and more than 108,000 injuries. In Syria, the earthquake claimed the lives of over 5,800 people and left 7,000 injured. Numerous buildings were destroyed across multiple provinces, including Kahramanmaraş, Adıyaman, and Hatay, leaving thousands without shelter and basic necessities.

In response to the immediate needs of the affected populations, which included winter clothes, blankets, tents, hot meals, and search and rescue equipment, Mercy Relief (MR) partnered with Hayrat Humanitarian Aid Association (Hayrat Aid) to deliver emergency aid. Mobile kitchens were deployed to provide hot meals, and essential supplies such as food packages, hygiene sets, and coal burners were distributed to those in need. A relief team comprising MR staff and media representatives conducted a ground assessment from February 15th to 21st, distributing relief items and evaluating future assistance needs. A subsequent relief mission from August 28th to September 1st focused on handing over 20 container homes, visiting affected areas, and meeting with local partners to discuss ongoing and future support.

Hope for Gaza 2023

The conflict that began on 7 October had initially displaced up to 1.9m people (over 85%) of the population, with 1.37m internally displaced persons shelter in 156 UNRWA facilities. In this period, over 21,500 Palestinians were killed in Gaza Strip and West Bank, with over 53,688 injured. The nature of the conflict had also killed over 140 humanitarians and disrupted key communications, further making any humanitarian effort challenging. Food, healthcare, shelter and WASH became crucial priorities for survival.

In response, Mercy Relief worked with international partners in UN Logistics Cluster to determine the most appropriate relief work that complemented the global effort for Gaza, West Bank and Refugee Camps. Mercy Relief focused its relief efforts on food trucks, food boxes, healthcare kits, hygiene packs, shelter and WASH, serving over 215,000 individuals. This was implemented through local partner, UNRWA, and national consignment. The effort continued beyond 2023, as the conflict became protracted and complex.

Country Funds

The Country funds are allocated to future relief and development projects within the specified geographical scope. Currently, the following country funds are set up: India, Vietnam, Philippines, Indonesia, Myanmar and Bangladesh.

At the reporting date, the balances of Country Funds comprise of:

	2024 S\$	2023 S\$
Country fund – Bangladesh	29,401	0
Country fund – India	5,681	0
Country fund – Indonesia	115,881	0
Country fund – Laos	4,281	0
Country fund – Myanmar	131,172	0
Country fund – Philippines	13,357	0
Country fund – Vietnam	50,478	0
	<u>350,251</u>	<u>0</u>

14. Restricted funds (Cont'd)

Bangladesh Flood Relief 2024

This fund aims to support flood-stricken communities in Bangladesh following the severe floods in August 2024.

Other restricted funds comprise of:

i. Bangladesh Refugees

This fund was set up to provide humanitarian assistance in respond to the crisis of refugees flowing into Bangladesh from neighbouring Rakhine state. Influx of refugees restarted following the attacks on the Myanmar Boarder Guard Police posts in Rakhine state on 25th August. Over half a million people were estimated to have crossed the border into Bangladesh who now live in makeshift huts, suffering from exhausting, sickness and hunger as most of them have walked 50-60km for up to six days. It is estimated that 90% of the new arrivals are children, women and the elderly. In response to this refugee crisis, Mercy Relief worked alongside Action Aid Bangladesh and provided solar lamps, dignity kits and tents to some 14,700 refugees. Moving forward, Mercy Relief continues to work alongside ground partners to address pressing concerns of identified vulnerable families targeting especially needs of women and children.

On 10 October 2024, the Board approved the closure of this fund and transfer the unutilised fund balances to the General Relief Fund under restricted funds.

ii. 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.

On 10 October 2024, the Board approved the closure of this fund and transfer the unutilised fund balances to the General Relief Fund under restricted funds.

iii. Typhoon Hagibis

This fund was set up to provide humanitarian assistance to communities in Japan affected by floods and landslide triggered by heavy rains brought by Typhoon Hagibis in Oct 2019. This typhoon was classified the typhoon as 'very strong', the highest classification level on Japan's typhoon scale, by Japan's Meteorological Agency (JMA). This typhoon has unleashed strong winds and torrential rain across 38 out of the country's 47 prefectures in Japan, resulting in 99 fatalities, 381 injured and 3 missing. 112,651 building structures were damaged, while embankments in 73 locations along 52 rivers were collapsed. In response to an appeal for international assistance made by Mercy Relief's ground partner Association for Aid and Relief (AAR), Japan, Mercy Relief deployed its disaster response team who worked closely with the ground partner to start hot meal provision for more than 4,900 survivors in the heavily affected Miyagi, Fukushima and Nagano Prefectures. Currently, Mercy Relief is supporting recovery and mitigation efforts by peoples with disabilities, one of the most vulnerable groups in the affected communities in Japan.

14. Restricted funds (Cont'd)

Other restricted funds comprise of: (Cont'd)

iv. 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).

On 10 October 2024, the Board approved the closure of this fund and transfer the unutilised fund balances to the Country Fund - Philippines under restricted funds.

v. Myanmar conflict Rakhine

Many Muslims in Northern Rakhine – described by the United Nations as among the most persecuted minority groups worldwide – have been living in camps since communal violence broke out in between ethnic Rakhine Buddhists and Muslims in 2012. On October 9, 2016, gunmen attacked three police outposts in Maungdaw townships near the Bangladesh border, reportedly leaving nine police officers dead. As a result, there was a fresh outburst of violence causing more than 30,000 people to flee their homes. In response, Mercy Relief launched a short-term emergency food assistance programme in collaboration with ground partner, Myanmar Heart Development Organization. The programme benefited a total of 2,200 conflict-affected households who each received a one-month food supply one-to-two month food supply depending on the size of their family.

vi. 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.

On 10 October 2024, the Board approved the closure of this fund and transfer the unutilised fund balances to the General Relief Fund under restricted funds.

vii. Laos Dam Floods Disaster

This fund was set up to provide humanitarian assistance to communities in Laos. The collapse of the Xe-Pian Xe-Namnoy dam, killed 43 people including six who were injured and died in hospital. Some 28 people are still missing and thousands have been left homeless. In response to an appeal from ground partner, Shanti Volunteer Association, Mercy Relief deployed its disaster response team to provide relief packs, solar lamps as well as large pots and kitchen utensils for providing hot meals to the camp of over 1,800 survivors in Attapeu province.

On 10 October 2024, the Board approved the closure of this fund and transfer the unutilised fund balances to the Country Fund – Laos under restricted funds.

14. Restricted funds (Cont'd)

Other restricted funds comprise of: (Cont'd)

viii. 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 Padang and Philippines.

On 10 October 2024, the Board approved the closure of this fund and transfer the unutilised fund balances to the General Relief Fund under restricted funds.

ix. Myanmar Water Kaiyan

In Kayin state, about 50% of households do not have access to improved water sources, this is worse than the national average of 18%. Furthermore, a trend analysis of diarrhoea rates reveal that lack of access to safe drinking water is a major contributor to diarrhoea prevalence in Kayin state. Water for Life 2 is an expansion and scaling of the 2017 water project to improve the access of safe drinking water to a further 4 villages (Htoe Kaw Koe, Kone Ma Lay, Kyaw Koh and Phar Klue) to benefit 702 households. This will allow the families to significantly reduce the time spent on fetching water from the spring source, which can take up to 3 to 6 hours a day. The families will then be able to allocate more time to other income generating activities or school. In addition, as part of the project, the team will also run water, sanitation and hygiene (WASH) campaigns to improve the overall hygiene standards of the community to reduce the rates of illness in the community. Lastly, the project will also support disadvantaged families within these 4 communities to provide an additional source of livelihood through animal husbandry.

On 10 October 2024, the Board approved the closure of this fund and transfer the unutilised fund balances to the Country Fund – Myanmar under restricted funds.

x. South Asia floods

This fund was set up to provide humanitarian assistance to communities in India, Nepal and Bangladesh. From July through September, widespread monsoon flooding occurred across the South Asian countries of Bangladesh, India and Nepal, affecting almost 45 million people and left more than 1,288 dead. In response to this unprecedented disaster, Mercy Relief launched a multi-country relief distribution operation where the response team worked alongside ground partners in India, Bangladesh and Nepal to distribute emergency food relief supplies and hygiene kits more than 1,000 households across all 3 affected countries. In India, the team also introduced a Water, Sanitation and Hygiene (WASH) programme to 80 affected households where survivors learnt how to purify water, utilize hygiene kits and practice proper handwashing techniques to reduce the spread of water-borne diseases, which are common during floods. Mercy Relief has since also begun recovery activities of providing supplies for shelter and farming to families whose homes and livelihoods have been destroyed. With a growing need for transitional shelters, the team is in the midst of exploring more sustainable ways to build and maintain sanitation facilities within the community such as toilets.

On 10 October 2024, the Board approved the closure of this fund and transfer the unutilised fund balances to the General Relief Fund under restricted funds.

xi. Jakarta Floods

This fund is set up to provide humanitarian assistance to communities in Jakarta affected by torrential downpour causing flooding and landslides in Jan 2020. At least 510,000 people were affected with more than 27,000 displaced.

On 10 October 2024, the Board approved the closure of this fund and transfer the unutilised fund balances to the General Relief Fund under restricted funds.

14. Restricted funds (Cont'd)

Other restricted funds comprise of: (Cont'd)

xii. Southeast Asia Flood and Typhoon Relief

This fund is set up to provide humanitarian assistance to communities in Vietnam and Philippines affected by tropical storms, typhoon, and flooding in Oct 2020. Relief aid involved distribution of food packs, hygiene kits and filtration systems to more than 6,000 beneficiaries.

On 10 October 2024, the Board approved the closure of this fund and transfer the unutilised fund balances to the General Relief Fund under restricted funds.

xiii. COVID-19 Intervention Projects

Bangladesh, India and Indonesia are heavily affected by COVID-19. Relief aid consisted of provision of food packs, dry rations, hygiene kits, swap booths, personal protective equipment, goggles and face shields, as well as running public health awareness programs.

On 10 October 2024, the Board approved the closure of this fund and transfer the unutilised fund balances to the Country Fund - Bangladesh under restricted funds.

xiv. Tropical Storm Megi 2023

This fund was set up to provide emergency relief assistance for severely affected families caused by Tropical Storm Megi 2023.

Tropical Storm Megi, known in the Philippines as Tropical Storm Agaton, was a weak but deadly tropical cyclone that impacted the Philippines in April 2023. It was the third tropical depression, and the second tropical storm of the 2023 Pacific typhoon season. Megi originated from an area of convection in the Philippine Sea where it slowly tracked northwestward into Leyte Gulf, where it remained almost stationary, slowly tracking to the east. Megi made two landfalls, one in Calicoan Island in Guiuan, and another in Basey, Samar. It continued to track southwestward and reentered the Philippine Sea before dissipating.

Heavy rains and gales led to the sinking of two ships. Major landslides pushed mud over villages in Leyte, burying around 210 houses. As of April 29, 2023, the Philippines' National Disaster Risk Reduction and Management Council (NDRRMC) has reported 214 deaths, 132 missing, and 8 injured.

On 10 October 2024, the Board approved the closure of this fund and transfer the unutilised fund balances to the General Relief Fund under restricted funds.

xv. South Asia Flood 2022

This fund was set up to provide the flood emergency response for the affected community and people in Nagaon, Assam, and Bangladesh. In response to these unprecedented floods, Mercy Relief launched a multi-country relief distribution operation where the response team worked alongside ground partners in India and Bangladesh.

From January to October 2023, excessive rainfall and widespread monsoon flooding occurred in the South Asian countries of Afghanistan, Bangladesh, India, Nepal, Pakistan, and Sri Lanka. It has become the region's deadliest floods since 2020, with over 3,700 people dead.

On 10 October 2024, the Board approved the closure of this fund and transfer the unutilised fund balances to the General Relief Fund under restricted funds.

14. Restricted funds (Cont'd)

Other restricted funds comprise of: (Cont'd)

xvi. Mount Marapi Relief 2023

On December 3rd, 2023, Mount Marapi in Indonesia's West Sumatra province erupted, showering ash up to 3 kilometers high. This caused significant ash fall, harming nearby communities and raising concerns about respiratory problems. The government advised residents to stay indoors and wear masks when outside.

In response to the eruption's health risks, ASAR Humanity and the Company joined forces to deliver aid to Sungai Pua, Agam Regency, on December 14th, 2023. Their efforts focused on protecting health, boosting immunity and maintaining well-being.

On 10 October 2024, the Board approved the closure of this fund and transfer the unutilised fund balances to the General Relief Fund under restricted funds.

xvii. Surigao del Sur Earthquake Relief 2023

A powerful 7.4 magnitude earthquake struck Surigao Del Sur in the Philippines on December 2nd, 2023, causing widespread damage to infrastructure and homes. Mercy Relief responded swiftly, collaborating with the Citizens' Disaster Response Center (CDRC) and the Mindanao Interfaith Services Foundation, Inc. (MISFI) to deliver aid.

The Company, along with local partners, conducted a rapid assessment to identify the most urgent needs in affected areas from 6th of December to 10th of December, 2023 and provided essential supplies to a total of 2,000 people across the location.

On 10 October 2024, the Board approved the closure of this fund and transfer the unutilised fund balances to the Country Fund - Philippines under restricted funds.

xviii. Myanmar conflict Rakhine

Many Muslims in Northern Rakhine – described by the United Nations as among the most persecuted minority groups worldwide – have been living in camps since communal violence broke out in between ethnic Rakhine Buddhists and Muslims in 2012. On October 9, 2016, gunmen attacked three police outposts in Maungdaw townships near the Bangladesh border, reportedly leaving nine police officers dead. As a result, there was a fresh outburst of violence causing more than 30,000 people to flee their homes. In response, Mercy Relief launched a short-term emergency food assistance programme in collaboration with ground partner, Myanmar Heart Development Organization. The programme benefited a total of 2,200 conflict-affected households who each received a one-month food supply one-to-two month food supply depending on the size of their family.

15. Operating lease commitments

The Company leases office premises and office equipment from non-related parties under the arrangement that, either party by giving 1 month notice in writing without furnishing any reason whatsoever, thus there's no disclosure for operating lease commitments as at the current and previous financial reporting year end.

16. Related party transactions

(a) During the current and previous year, there were no transactions took place with related parties.

(b) Key management personnel compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company. The Management are the one who are considered as key management personnel and no sitting member received any remuneration for their position.

Included in staff costs are the salaries and allowances paid to key management personnel as follows:

	2024 S\$	2023 S\$
Salaries and other short-term employee benefits	132,600	116,674
Employer's contribution to CPF	<u>13,514</u>	<u>7,909</u>
	<u>146,114</u>	<u>124,583</u>

	2024 No. of key management personnel	2023
Remuneration band (S\$)		
- Above S\$100,000 and below \$150,000	<u>1</u>	<u>0</u>

Key management personnel is the Executive Director having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly.

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 projects at a rate of S\$100 per man hour and is separate from the direct administration and fundraising expenses which is capped at 5% of the donations.

18. Support costs

The following support costs for financial years ended 31 December 2024 and 2023 were allocated as follows:

	Charitable activities S\$	Governance and administrative costs S\$	Total support costs S\$	Basis of apportionment
2024				
Amortisation of intangible assets	2,816	704	3,520	Headcount
Bank charges	6,702	1,675	8,377	Headcount
Board expenses	232	58	290	Headcount
Depreciation of property, plant and equipment	4,126	1,032	5,158	Headcount
Insurance	4,278	1,069	5,347	Headcount
Membership and subscription	367	92	459	
Office rental	25,637	6,409	32,046	Headcount
Office supplies	3,758	940	4,698	Headcount
Partnership and collaboration	2,646	662	3,308	Headcount
Printing and photocopying	2,204	551	2,755	Headcount
Professional fees	19,673	4,918	24,591	Headcount
Repairs and maintenance	3,718	929	4,647	Headcount
Staff costs	265,116	66,279	331,395	Headcount
Telecom and IT charges	9,758	2,440	12,198	Headcount
Transport and travelling	107	27	134	Headcount
Utilities	10,842	2,710	13,552	Headcount
Total	361,980	90,495	452,475	

	Charitable activities S\$	Governance and administrative costs S\$	Total support costs S\$	Basis of apportionment
2023				
Bank charges	1,527	312	1,839	Headcount
Depreciation of property, plant and equipment	5,102	1,045	6,147	Headcount
Employer's CPF contribution	28,303	5,797	34,100	Headcount
Insurance	1,043	214	1,257	Headcount
Medical and dental	215	44	259	Headcount
Office rental	26,354	5,398	31,752	Headcount
Office supplies	4,310	883	5,193	Headcount
Printing and photocopying	1,912	392	2,304	Headcount
Repairs and maintenance	3,784	775	4,559	Headcount
Salary and allowances	248,615	50,993	299,608	Headcount
Skill development levy	461	94	555	Headcount
Telecom and IT charges	12,146	2,488	14,634	Headcount
Transport and travelling	727	149	876	Headcount
Utilities	8,664	1,774	10,438	Headcount
Welfare	278	60	338	Headcount
Total	343,441	70,418	413,859	

19. Fundraising expenses

	Note	2024 S\$	2023 S\$
Direct costs of fund-raising expenses		8,256	38,283
Donations received		<u>716,390</u>	<u>127,490</u>
Percentage of direct fund-raising expenses over gross donations		<u>1.15%</u>	<u>30.00%</u>

20. Reserve position and policy

The Company's reserve position for the financial year ended 31 December 2024 and 31 December 2023 are as follows:

		2024 S\$'000	2023 S\$'000	Increase/ (decrease) %
A	Unrestricted Fund			
	General Fund	3,041	2,644	15%
B	Restricted or Designated Funds			
	Designated Funds	N/A	N/A	
	Restricted Funds	2,700	2,307	17%
C	Endowment Fund	N/A	N/A	
D	Total Funds	5,741	4,951	16%
E	Total Annual Operating Expenditure	836	1,066	(22%)
F	Ratio of Funds to Annual Operating Expenditure (A/E)	3.64	2.48	

Reference:

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

The Company's reserve policy is as follows:

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

21. Management of conflict interest

During the current and previous financial year, none of the Board members received any remuneration from the Company.

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

22. Comparative figures

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

The following reclassifications have been made:

	As previously reported S\$	Reclassification S\$	As reclassified S\$
31 December 2023			
Statement of financial position			
Funds			
<u>Restricted funds</u>			
SAP fund	8,126	(8,126)	0
Laos dam floods disaster	4,281	(4,281)	0
IDP 2015/2016	10,651	(10,651)	0
Myanmar water kaiyan	33,982	(33,982)	0
South Asia floods	11,361	(11,361)	0
Jakarta floods 2020	(2,185)	2,185	0
SEA typhoon relief 2020	23,720	(23,720)	0
Bangladesh COVID-19 intervention	50,478	(50,478)	0
Tropical Storm Megi 2023	(79,152)	79,152	0
South Asia Flood 2022	(62,797)	62,797	0
Mount Marapi Eruption Response 2023	2,790	(2,790)	0
Philippines Earthquake in 2023	4,570	(4,570)	0
Other restricted funds	18,206	5,825	24,031
Statement of changes in funds			
<u>Restricted funds</u>			
SAP fund	8,126	(8,126)	0
Laos dam floods disaster	4,281	(4,281)	0
IDP 2015/2016	10,651	(10,651)	0
Myanmar water kaiyan	33,982	(33,982)	0
South Asia floods	11,361	(11,361)	0
Jakarta floods 2020	(2,185)	2,185	0
SEA typhoon relief 2020	23,720	(23,720)	0
Bangladesh COVID-19 intervention	50,478	(50,478)	0
Tropical Storm Megi 2023	(79,152)	79,152	0
South Asia Flood 2022	(62,797)	62,797	0
Mount Marapi Eruption Response 2023	2,790	(2,790)	0
Philippines Earthquake in 2023	4,570	(4,570)	0
Other restricted funds	18,206	5,825	24,031

23. Authorisation of financial statements

The financial statements for the financial year ended 31 December 2024 were authorised for issue in accordance with a resolution of the Board of Directors of the Company on 08 May 2025.