RAY OF HOPE

(Registration No: 201229333H)

Statement by Directors and Financial Statements

Year Ended: 31 December 2023

RAY OF HOPE

Statement by Directors and Financial Statements

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Statement by Directors

The directors of the company are pleased to present the financial statements of the company for the reporting year ended 31 December 2023.

1. Opinion of the directors

In the opinion of the directors,

(a) the accompanying financial statements are drawn up so as to give a true and fair view of the financial position and performance covered by the financial statements; and

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

The board of directors approved and authorised these financial statements for issue.

2. Directors

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

Yeoh Swee Yen
Kenneth Kan Shung Kei
Yeo Ann Li, Michelle
Martin Tan Beng Chong
Quak Hiang Whai
Wong Mun Hoong, Mark
Yong Ming Chong (Yang Mingzhang)

3. Arrangements to enable directors to acquire benefits by means of the acquisition of shares and debentures

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

4. Options

The company is a company limited by guarantee. As such, there are no share options or unissued shares under option.

RAY OF HOPE

5. Independent auditor

RSM SG Assurance LLP has expressed willingness to accept re-appointment. This audit firm was known as RSM Chio Lim LLP before 1 March 2024.

On behalf of the directors

DocuSigned by:

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Yeoh Swee Yen
Director

DocuSigned by:

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Martin Tan Beng Chong
Director

14 June 2024

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8 Wilkie Road, #03-08, Wilkie Edge
Singapore 228095
T +65 6533 7600
Assurance@RSMSingapore.sg
www.RSMSingapore.sg

Independent Auditor's Report to the Members of
RAY OF HOPE

Report on the audit of the financial statements

Opinion

We have audited the accompanying financial statements of Ray of Hope, which comprise the statement of financial position as at 31 December 2023, and the statement of financial activities, and statement of cash flows for the reporting year then ended, and notes to the financial statements, including the material accounting policy information.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act"), the Charities Act 1994 and other relevant regulations (the "Charities Act and Regulations") and the Financial Reporting Standards in Singapore ("FRS") so as to give a true and fair view of the financial position of the company as at 31 December 2023 and of the financial performance, changes in funds and cash flows of the company for the year ended on that date.

Basis for opinion

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

Other information

Management is responsible for the other information. The other information comprises the statement by directors 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 is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a misstatement therein, we are required to communicate the matter to the directors and take appropriate actions in accordance with SSAs.

Independent Auditor's Report to the Members of
RAY OF HOPE

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 Act, Charities Act and Regulations and the financial reporting standards and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

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

The directors' responsibilities include overseeing the company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level 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:

a) 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.

b) 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.

c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Auditor's responsibilities for the audit of the financial statements (cont'd)

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.

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

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

Report on other legal and regulatory requirements

In our opinion:

(a) the accounting and other records required to be kept by the company have been properly kept in accordance with the provisions of the Act and the Charities Act and Regulations; and

(b) the accounting and other records required to be kept by the subsidiary incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

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.

Independent Auditor's Report to the Members of
RAY OF HOPE

Report on other legal and regulatory requirements (cont'd)

The engagement partner on the audit resulting in this independent auditor's report is Kelly Lee Pei Woon.

DocuSigned by:

RSM SG Assurance LLP

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RSM SG Assurance LLP
Public Accountants and
Chartered Accountants
Singapore

14 June 2024

Statement of Financial Activities
Year Ended 31 December 2023

	Notes	2023 $	2022 $
Income			
Donation income	4	7,882,604	5,173,954
Other income	6	1,978	85,373
Total Income		7,884,582	5,259,327
Expenditure			
Cost of charitable activities (grant disbursements)	7	(7,164,674)	(4,020,455)
Employee benefits expenses	8	(497,710)	(471,242)
Governance costs		(27,554)	(21,680)
Finance costs	9	(2,742)	(5,052)
Other expenditure	10	(442,262)	(339,497)
Total Expenditure		(8,134,942)	(4,857,926)
Net (deficit) surplus for the year		(250,360)	401,401
Accumulated fund balance at beginning of the year		1,627,305	1,225,904
Accumulated fund balance at end of the year		1,376,945	1,627,305

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

Statement of Financial Position
As at 31 December 2023

	Notes	2023 $	2022 $
ASSETS			
Non-current assets			
Plant and equipment	12	4,927	10,275
Right-of-use assets	13	29,677	74,192
Total non-current assets		34,604	84,467
Current assets			
Donation receivables		22,594	46,135
Prepayments		2,158	3,210
Cash and cash equivalents	14	1,599,133	1,733,040
Total current assets		1,623,885	1,782,385
Total assets		1,658,489	1,866,852
FUNDS AND LIABILITIES			
Funds			
Accumulated fund		1,376,945	1,627,305
Total fund		1,376,945	1,627,305
Non-current liabilities			
Lease liabilities	15	–	31,517
Current liabilities			
Other payables	16	133,544	68,229
Contract liabilities	17	116,484	94,543
Lease liabilities	15	31,516	45,258
Total current liabilities		281,544	208,030
Total liabilities		281,544	239,547
Total funds and liabilities		1,658,489	1,866,852

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

Statement of Cash Flows
Year Ended 31 December 2023

	2023 $	2022 $
Cash flows (used in) from operating activities		
(Deficit) Surplus before tax	(250,360)	401,401
Adjustments for:		
Depreciation of plant and equipment	5,348	5,642
Depreciation of right-of-use assets	44,515	44,516
Interest expense	2,742	5,052
Contract liabilities utilised	(27,132)	(59,311)
Operating cash flows before changes in working capital	(224,887)	397,300
Donation receivables	23,541	(36,350)
Prepayments	1,052	(1,374)
Other payables	65,315	3,784
Contract liabilities	49,073	64,604
Net cash flows (used in) from operating activities	(85,906)	427,964
Cash flows used in investing activity		
Purchase of plant and equipment	–	(3,245)
Net cash flows used in investing activity	–	(3,245)
Cash flows from financing activities		
Cash restricted in use	173,586	(147,005)
Amount owing to a related party	–	(12,000)
Repayment of lease liabilities	(48,000)	(48,000)
Net cash flows from (used in) financing activities	125,586	(207,005)
Net increase in cash and cash equivalents	39,680	217,714
Cash and cash equivalents, statement of cash flows, beginning balance	305,714	88,000
Cash and cash equivalents, statement of cash flows, ending balance (Note 14A)	345,394	305,714

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

Notes to the Financial Statements
31 December 2023

1. General

The company is incorporated in Singapore as a company limited by guarantee and is a charity registered under the Charities Act 1994. The company has been granted Institutions of a Public Character status on 31 March 2023. The financial statements are presented in Singapore dollars.

The board of directors approved and authorised these financial statements for issue on the date of the statement by directors. The directors have the power to amend and reissue the financial statements.

The principal activities of the company are to provide assistance to deserving individuals or families in Singapore who may otherwise have no other source or insufficient source of financial support.

Each member of the company has undertaken to contribute such amounts not exceeding $1 to the assets of the company in the event the company is wound up and the monies are required for payment of the liabilities of the company. The company has 8 (2022:8) members at the end of the reporting year.

The memorandum and articles of the company restricts the use of company monies to the furtherance of the objects of the company. They prohibit the payment of dividends to members.

The registered office is: 152 Beach Road #24-01/02 Gateway East, Singapore 189721.

Statement of compliance with financial reporting standards

These financial statements have been prepared in accordance with the Financial Reporting Standards ("FRSs") and the related interpretations to FRS ("INT FRS") as issued by the Accounting Standards Committee under ACRA ("ASC"). They are in compliance with the provisions of the Companies Act 1967 and the Charities Act 1994 and other relevant regulations.

Basis of preparation of the financial statements

The financial statements are prepared on a going concern basis under the historical cost convention except where a financial reporting standard requires an alternative treatment (such as fair values) as disclosed where appropriate in these financial statements. The accounting policies in the financial reporting standards may not be applied when the effect of applying them is not material. The disclosures required by financial reporting standards may not be provided if the information resulting from that disclosure is not material.

Foreign currency transactions

The functional currency is the Singapore dollar as it reflects the primary economic environment in which the entity operates. Transactions in foreign currencies are recorded in the functional currency at the rates ruling at the dates of the transactions. At each end of the reporting year, recorded monetary balances and balances measured at fair value that are denominated in non-functional currencies are reported at the rates ruling at the end of the reporting year and fair value measurement dates respectively. All realised and unrealised exchange adjustment gains and losses are dealt with in profit or loss except when a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. The presentation is in the functional currency.

2. Disclosures of material accounting policy and other explanatory information

Revenue recognition

General - Revenue is recognised at an amount that reflects the consideration to which the entity expects to be entitled in exchange for transferring goods or services to a customer (which excludes estimates of variable consideration that are subject to constraints, such as right of return exists, and modifications), net of any related taxes and excluding any amounts collected on behalf of third parties. An asset (goods or services) is transferred when or as the customer obtains control of that asset. As a practical expedient the effects of any significant financing component is not adjusted if the payment for the good or service will be within one year.

Revenue including donations, gifts and grants that provide core funding or are of general nature are recognised at point in time. Such income is only deferred when: the donor specifies that the grant or donation must only be used in future accounting periods; or the donor has imposed conditions which must be met before the entity has unconditional entitlement. The revenue amount from services is the fair value of the consideration received or receivable from the gross inflow of economic benefits during the period arising from the course of the ordinary activities of the entity and it is shown net of related goods and services tax and subsidies.

Employee benefits

Contributions to a defined contribution retirement benefit plan are recorded as an expense as they fall due. The entity's legal or constructive obligation is limited to the amount that it is obligated to contribute to an independently administered fund (such as the Central Provident Fund in Singapore, a government managed defined contribution retirement benefit plan). For employee leave entitlement, the expected cost of short-term employee benefits in the form of compensated absences is recognised in the case of accumulating compensated absences, when the employees render service that increases their entitlement to future compensated absences; and in the case of non-accumulating compensated absences, when the absences occur. A liability for bonuses is recognised where the entity is contractually obliged or where there is constructive obligation based on past practice.

Income tax

No provision for taxation has been made as the company's income is exempted from tax under Section 13(1)(zm) of the Singapore Income Tax Act 1947.

Plant and equipment

Plant and equipment are carried at cost on initial recognition and after initial recognition at cost less any accumulated depreciation and any accumulated impairment losses. Depreciation is provided on a straight-line basis to allocate the gross carrying amounts of the assets less their residual values over their estimated useful lives of each part of an item of these assets. The annual rates of depreciation are as follows:

Plant and equipment	–	33.3%

Right-of-use assets

The right-of-use assets are accounted and presented as if they were owned such as plant and equipment. The annual rates of depreciation are as follows:

Office premises -	Over the remaining terms of lease which is 8 (2022: 20) months

2. Disclosures of material accounting policy and other explanatory information (cont'd)

Leases of lessee

Where a lease arrangement is identified, a liability to the lessor is recognised as a lease obligation calculated at the present value of minimum lease payments. A corresponding right-of-use asset is recorded. Lease payments are apportioned between finance costs and reduction of the lease liability so as to reflect the interest on the remaining balance of the liability. Finance charges are recorded as an expense. Right-of-use assets are depreciated over the shorter of the estimated useful life of the asset and the lease term. Leases with a term of 12 months or less and leases for low value are not recorded as a liability and lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term.

Financial instruments

Recognition and derecognition of financial instruments:

A financial asset or a financial liability is recognised in the statement of financial position when, and only when, the entity becomes party to the contractual provisions of the instrument. All other financial instruments (including regular-way purchases and sales of financial assets) are recognised and derecognised, as applicable, using trade date accounting or settlement date accounting. A financial asset is derecognised when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the entity neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. A financial liability is removed from the statement of financial position when, and only when, it is extinguished, that is, when the obligation specified in the contract is discharged or cancelled or expires.

At initial recognition, the financial asset or financial liability is measured at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Classification and measurement of financial assets:

The financial reporting standard on financial instruments has four categories of financial assets and two categories for liabilities. At the end of the reporting year, the reporting entity had the following categories of financial assets and financial liabilities:

- Financial asset classified as measured at amortised cost: A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss ("FVTPL"), that is (a) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Typically trade and other receivables, bank and cash balances are classified in this category.

- Financial liabilities are classified as at FVTPL in either of the following circumstances: (1) the liabilities are managed, evaluated and reported internally on a fair value basis; or (2) the designation eliminates or significantly reduces an accounting mismatch that would otherwise arise. All other financial liabilities are carried at amortised cost using the effective interest method. Reclassification of any financial liability is not permitted.

2. Disclosures of material accounting policy and other explanatory information (cont'd)

Fair value measurement

The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When measuring the fair value of an asset or a liability, market observable data to the extent possible is used. If the fair value of an asset or a liability is not directly observable, an estimate is made using valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs (eg by use of the market comparable approach that reflects recent transaction prices for similar items, discounted cash flow analysis, or option pricing models refined to reflect the issuer's specific circumstances). Inputs used are consistent with the characteristics of the asset or liability that market participants would take into account. The entity's intention to hold an asset or to settle or otherwise fulfil a liability is not taken into account as relevant when measuring fair value.

Fair values are categorised into different levels in a fair value hierarchy based on the degree to which the inputs to the measurement are observable and the significance of the inputs to the fair value measurement in its entirety: Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (ie as prices) or indirectly (ie derived from prices). Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs). Transfers between levels of the fair value hierarchy are recognised at the end of the reporting period during which the change occurred.

The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value. The fair values of non-current financial instruments may not be disclosed separately unless there are significant differences at the end of the reporting year and in the event the fair values are disclosed in the relevant notes to the financial statements. The recurring measurements are made at each reporting year end date.

Funds

Fund balances restricted by outside sources are so indicated and are distinguished from unrestricted funds allocated to specific purposes, if any, by action of the management. Externally restricted funds may only be utilised in accordance with the purposes established by the source of such funds or through the terms of an appeal and are in contrast with unrestricted funds over which management retains full control to use in achieving any of its institutional purposes. An expense resulting from the operating activities of a fund that is directly attributable to the fund is charged to that fund. Common expenses, if any, are allocated on a reasonable basis to the funds based on a method most suitable to that common expense unless impractical to do so.

2B. Critical judgements, assumptions and estimation uncertainties

There were no critical judgements made in the process of applying the accounting policies that have the most significant effect on the amounts recognised in the financial statements. There were no key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting year, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting year.

3. Related party relationships and transactions

The financial reporting standard on related party disclosures requires the reporting entity to disclose: (a) transactions with its related parties; and (b) relationships between parents and subsidiaries irrespective of whether there have been transactions between those related parties. A party is related to a party if the party controls, or is controlled by, or can significantly influence or is significantly influenced by the other party.

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

The directors who performed their board responsibilities did not receive remuneration, or other benefits, from the company for board services for which they are responsible.

There are no paid staff whose remuneration exceeds $100,000 during the year.

3A. Related party transactions

There are transactions and arrangements between the reporting entity and related parties and the effects of these on the basis determined between the parties are reflected in these financial statements. The related party balances and transfer of resources, services or obligations, if any, are unsecured, without fixed repayment terms and interest or charge unless stated otherwise.

In addition to the transactions and balances disclosed elsewhere in the notes to the financial statements, this item includes the following significant related party transactions:

	2023 $	2022 $
Donation received from directors for the benefit of beneficiaries	7,241	436
Grant received from related parties with common directors for disbursement to beneficiaries	706,200	279,580
Grant received from related parties with common directors for operational use	349	340,100
Grant disbursements to a related party with common directors	(293,510)	(192,030)
Rental monies paid to a related party	(48,000)	(48,000)

3B. Key management compensation:

Key management personnel are the directors having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly. The directors did not receive any remuneration.

3. Related party relationships and transactions (cont'd)

3C. Other payable to related parties:

The trade transactions and the related receivables and payables balances arising from donations or grants and grant disbursements are disclosed elsewhere in the notes to the financial statements.

The movements in other payables to related parties are as follows:

	Related party	
	2023	2022
	$	$
Other payable:		
Balance at beginning of year	–	(12,000)
Amounts paid in and settlement of liabilities on behalf of the company	–	12,000
Balance at end of year	–	–

4. Donation income

	2023	2022
	$	$
Donation income – Disbursement to beneficiaries	6,792,330	4,129,796
Donation income – Operational use	1,090,274	1,044,158
Total donation income	7,882,604	5,173,954

The donation income is mainly from public and corporate donors and recognised based on point in time or when the event for which the donations were received is completed.

5. Tax deductible receipts

Qualifying donors are granted tax deduction for donations made to the company. The quantum of the tax deduction for each calendar year may vary as announced in the Singapore budget. The Institution of a Public Character status granted to the company is for the period from 31 March 2023 to 30 March 2025.

	2023	2022
	$	$
Tax-exempt receipts issued for donations collected	337,804	290,620

6. Other income

	2023	2022
	$	$
Other government grants	1,978	33,093
Others	–	52,280
Total other income	1,978	85,373

7. Cost of charitable activities

	2023 $	2022 $
Financial assistance to individuals	7,073,636	3,951,076
Fund raising expenses	91,038	69,379
Total cost of charitable activities	7,164,674	4,020,455

8. Employee benefits expense

	2023 $	2022 $
Employee benefits expense	424,715	402,020
Contributions to defined contribution plan	72,995	69,222
Total employee benefits expense	497,710	471,242

None of the company's employees received an annual remuneration of more than $100,000 in 2023 and 2022.

9. Finance cost

	2023 $	2022 $
Interest on lease liabilities	2,742	5,052

10. Other expenditure

	2023 $	2022 $
Consultancy fees	40,325	8,000
Depreciation of plant and equipment (Note 12)	5,348	5,642
Depreciation of right-of-use asset (Note 13)	44,515	44,516
Events expenses	11,761	64,031
Website design and maintenance expenses	101,425	39,423
Secondment fee	134,467	75,379
Others	104,421	102,506
Total other expenditure	442,262	339,497

11. Income tax

The company is a registered charity and enjoys automatic income tax exemption under Section 13(1)(zm) of the Income Tax Act 1947.

12. Plant and equipment

	$
Cost:	
At 1 January 2022	20,896
Additions	3,245
At 31 December 2022 and 31 December 2023	24,141
Accumulated depreciation:	
At 1 January 2022	8,224
Depreciation for the year	5,642
At 31 December 2022	13,866
Depreciation for the year	5,348
At 31 December 2023	19,214
Carrying value:	
At 1 January 2022	12,672
At 31 December 2022	10,275
At 31 December 2023	4,927

The depreciation expense is included in other expenditure.

13. Right-of-use assets

The details of right-of-use assets in the statement of financial position are as follows:

	$
Cost:	
At 1 January 2022, 31 December 2022 and 31 December 2023	133,546
Accumulated depreciation:	
At 1 January 2022	14,838
Depreciation for the year	44,516
At 31 December 2022	59,354
Depreciation for the year	44,515
At 31 December 2023	103,869
Carrying value:	
At 1 January 2022	118,708
At 31 December 2022	74,192
At 31 December 2023	29,677

The depreciation expense is included in other expenditure.

14. Cash and cash equivalents

	2023 $	2022 $
Not restricted in use	345,394	305,714
Restricted in use [(a)]	1,253,740	1,427,326
Cash at the end of the year	1,599,134	1,733,040

(a) The above amount relates to the donations received to be disbursed out to beneficiaries.

14A. Cash and cash equivalents in statement of cash flows:

	2023 $	2022 $
Amount as shown above	1,599,134	1,733,040
Restricted in use	(1,253,740)	(1,427,326)
Cash and cash equivalents for statement of cash flows purposes at end of the year	345,394	305,714

14B. Reconciliation of liabilities arising from financing activities:

	2022 $	Cash Flows $	Interest expense $	2023 $
Lease liabilities	76,775	(48,000)	2,742	31,517

	2021 $	Cash Flows $	Interest expense $	2022 $
Lease liabilities	119,723	(48,000)	5,052	76,775

15. Lease liabilities

Lease liabilities are presented in the statement of financial position as follows:

	2023 $	2022 $
Lease liabilities, current	31,517	45,258
Lease liabilities, non-current	–	31,517
	31,517	76,775

The reporting entity has a lease relating to the rental of office premises. Other information about the leasing activities relating to the right-of-use assets are summarised as follows: The remaining term is 8 (2022: 20) months; there are no variable payments linked to an index.

A summary of the maturity analysis of lease liabilities that shows the remaining contractual maturities is disclosed in Note 18E. Total cash outflows from leases are shown in the statement of cash flows. The related right-of-use assets are disclosed in Note 13.

16. Other payables

	2023 $	2022 $
Outside parties and accrued liabilities	133,543	68,229

17. Contract liabilities

	2023 $	2022 $
Balance at beginning of the year	94,543	89,250
Received during the year	49,073	64,604
Utilised during the year	(27,132)	(59,311)
Balance at end of the year	116,484	94,543

The contract liabilities represents mainly contribution from Giving Circle, where individuals donate into a pooled fund set aside to meet the needs of a specific group of people or for a specific need.

The company actively and regularly reviews and manages the monies received to ensure that the monies are disseminated to the selected beneficiaries to accomplish the goals of helping the company's beneficiaries.

18. Financial instruments: information on financial risks

18A. Categories of financial assets and financial liabilities

The following table categorises the carrying amount of financial assets and liabilities recorded at the end of the reporting year:

	2023 $	2022 $
Financial assets:		
Financial assets at amortised cost	1,621,727	1,779,175
Financial liabilities:		
Financial liabilities at amortised cost	165,060	145,004

Further quantitative disclosures are included throughout these financial statements.

18B. Financial risk management

The main purpose for holding or issuing financial instruments is to raise and manage the finances for the entity's operating, investing and financing activities. There are exposures to the financial risks on the financial instruments such as credit risk, liquidity risk and market risk comprising interest rate, currency risk and price risk exposures. Management has certain practices for the management of financial risks. However these are not documented in formal written documents. The following guidelines are followed: All financial risk management activities are carried out and monitored by senior management staff. All financial risk management activities are carried out following acceptable market practices.

There have been no changes to the exposures to risks; the objectives, policies and processes for managing the risk and the methods used to measure the risk.

18. Financial instruments: information on financial risks

18C. Fair values of financial instruments

The analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 are disclosed in the relevant notes to the financial statements. These include the significant financial instruments stated at amortised cost and at fair value in the statement of financial position. The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value.

18D. Credit risk on financial assets

Financial assets are potentially subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner. These arise principally from cash balances with banks, cash equivalents, receivables and other financial assets. The maximum exposure to credit risk is the total of the fair value of the financial assets at the end of the reporting year. Credit risk on cash balances with banks and any other financial instruments is limited because the counter-parties are entities with acceptable credit ratings. For expected credit losses ("ECL") on financial assets, the three-stage approach in the financial reporting standard on financial instruments is used to measure the impairment allowance.

For credit risk on donation receivables, an ongoing credit evaluation is performed on the financial condition of the debtors and an impairment loss is recognised in the profit and loss. The donation receivables have been fully settled in the subsequent reporting year.

Cash and cash equivalents are also subject to the impairment requirements of the standard on financial instruments. There was no identified impairment loss.

As at the end of the reporting year, there were no amounts that were impaired.

18E. Liquidity risk – financial liabilities maturity analysis

Liquidity risk refers to the difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. It is expected that all the liabilities will be settled at their contractual maturity. The other payables are with short-term durations. The classification of the financial assets is shown in the statement of financial position as they may be available to meet liquidity needs and no further analysis is deemed necessary.

Non-derivative financial liabilities:	Less than 1 year $	2 – 3 years $	Total $
2023:			
Gross lease liabilities	32,000	–	32,000
Trade and other payables	133,543	–	133,543
At end of the year	165,543	–	165,543

Non-derivative financial liabilities:	Less than 1 year $	2 – 3 years $	Total $
2022:			
Gross lease liabilities	48,000	32,000	80,000
Other payables	68,229	–	68,229
At end of the year	116,229	32,000	148,229

19. Changes and adoption of financial reporting standards

For the current reporting year, the ASC issued amendments to FRS 1 and Practice Statement 2 on disclosures of material accounting policy information and other explanatory information. Immaterial information need not be disclosed. Disclosures should not obscure material accounting policy information (such as material information being obscured, or information regarding a material item, transaction or other event is scattered throughout the financial statements, etc). In addition, the ASC issued certain new or revised financial reporting standards. None had a material impact on the reporting entity.

20. New or amended standards in issue but not yet effective

For the future reporting years, the ASC issued certain new or revised financial reporting standards. The transfer to the applicable new or revised standards from the effective dates is not expected to result in any material modification of the measurement methods or the presentation in the financial statements for the following reporting year from the known or reasonably estimable information relevant to assessing the possible impact that application of the new or revised standards may have on the entity's financial statements in the period of initial application. Those applicable to the reporting entity for future reporting years are listed below.

FRS No.	Title	Effective date for periods beginning on or after
FRS 1	Classification of Liabilities as Current or Non-current – Amendments to	1 Jan 2024