RSM

CHILDREN'S CANCER FOUNDATION

(UEN No: S92SS0103J)
(Registered Under the Charities Act, Cap 37 and Societies Act, Cap 311)

Statement by Board of Management Committee Members and Financial Statements

Year Ended 31 December 2015

RSM Chio Lim LLP

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CHILDREN'S CANCER FOUNDATION **(UEN No: S92SS0103J)**
(Registered Under the Charities Act, Cap 37 and Societies Act, Cap 311)

Statement by Board of Management Committee Members and Financial Statements

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Statement By Board of Management Committee Members

In the opinion of the Board of Management Committee Members, the accompanying financial statements are drawn up in accordance with the Singapore Financial Reporting Standards, the Societies Act, Chapter 311 (the "Societies Act") and the Singapore Charities Act, Chapter 37 (the "Charities Act") so as to present fairly, in all material respects, the state of affairs of Children's Cancer Foundation (the "Foundation") as at 31 December 2015 and the results, changes in funds and cash flows of the Foundation for the reporting year ended.

The Board of Management Committee approved and authorised these financial statements for issue.

On Behalf of the Board,

....	....
Ho Cheng Huat	Quak See Ten
Chairperson	Honorary Treasurer

19 April 2016

RSM

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Independent Auditor's Report to the Members of
CHILDREN'S CANCER FOUNDATION (UEN No: S92SS0103J)
(Registered Under the Charities Act, Cap 37 and Societies Act, Cap 311)

Report on the financial statements

We have audited the accompanying financial statements of Children's Cancer Foundation (the "Foundation"), which comprise the statement of financial position as at 31 December 2015, and the statement of financial activities, statement of changes in fund and statement of cash flows for the reporting year then ended, and a summary of significant accounting policies and other explanatory notes.

Management committee members' responsibility for the financial statements

The Board of Management Committee Members of the Foundation are responsible for the preparation and fair presentation of these financial statements in accordance with the Singapore Financial Reporting Standards, the Societies Act, Chapter 311 (the "Societies Act") and the Singapore Charities Act, Chapter 37 (the "Charities Act"), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view 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 Foundation's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Foundation, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements are properly drawn up in accordance with the provisions of the Societies Act, the Charities Act and Singapore Financial Reporting Standards so as to present fairly, in all material respects, the state of affairs of the Foundation as at 31 December 2015 and the results, changes in funds and cash flows of the Foundation for the reporting year ended on that date.

Report on other legal and regulatory requirements

In our opinion:

(a) The accounting and other records required by the regulations enacted under the Societies Act to be kept by the Foundation have been properly kept in accordance with those regulations; and

(b) The fund-raising appeals held during the reporting year have been carried out in accordance with regulation 6 of the Societies Regulations issued under the Societies Act and proper accounts and other records have been kept of the fund-raising appeals.

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

(a) The use of the donation moneys was not in accordance with the objectives of the Foundation as required under regulation 11 of the Charities (Institutions of a Public Character) Regulations; and

(b) The Foundation has not complied with the requirements of regulation 15 (Fund-raising expenses) of the Charities (Institutions of a Public Character) Regulations.

RSM Chio Lim LLP

RSM Chio Lim LLP
Public Accountants and
Chartered Accountants
Singapore

19 April 2016

Partner in charge of audit: Woo E-Sah

Statement of Financial Activities
Year Ended 31 December 2015

	Unrestricted Funds 2015 $	Unrestricted Funds 2014 $
Incoming resources		
Donations	3,390,234	3,587,316
Gifts in kind	3,360	8,918
Income from fundraising activities	4,390,739	4,494,040
Interest income	255,869	134,697
Grant income	518,498	411,176
Other incoming resources	180,483	75,260
Total incoming resources	8,739,183	8,711,407
Less: resources expended		
Costs of generating voluntary income	179,939	201,746
Fundraising expenses	204,686	198,155
Charitable activities expenses	7,241,714	6,868,324
Governance costs	16,500	36,950
Other operating and administration expenses	172,216	186,752
Total resources expended	7,815,055	7,491,927
Net surplus for the year	924,128	1,219,480

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

Statement of Financial Position
As at 31 December 2015

	Notes	2015 $	2014 $
ASSETS			
Non-current assets			
Plant and equipment	6	347,842	390,609
Total non-current assets		347,842	390,609
Current assets			
Other receivables	7	383,168	448,085
Other assets	8	93,036	100,330
Cash and cash equivalents	9	26,358,735	24,862,996
Total current assets		26,834,939	25,411,411
Total assets		27,182,781	25,802,020
FUND AND LIABILITIES			
Fund			
Unrestricted fund			
Accumulated fund	10	25,977,639	25,053,511
Total fund		25,977,639	25,053,511
Current liabilities			
Other payables	11	1,205,142	748,509
Total current liabilities		1,205,142	748,509
Total fund and liabilities		27,182,781	25,802,020

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

Statement of Changes in Fund
Year Ended 31 December 2015

	Accumulated Fund $
Current year:	
Opening balance at 1 January 2015	25,053,511
Net surplus for the year	924,128
Closing balance at 31 December 2015	25,977,639
Previous year:	
Opening balance at 1 January 2014	23,834,031
Net surplus for the year	1,219,480
Closing balance at 31 December 2014	25,053,511

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

Statement of Cash Flows
Year Ended 31 December 2015

	2015 $	2014 $
Cash flows from operating activities		
Net surplus for the year	924,128	1,219,480
Adjustments for:		
Depreciation of plant and equipment	227,358	239,970
Interest income	(255,869)	(134,697)
Plant and equipment written off	–	747
Operating surplus before changes in working capital	895,617	1,325,500
Other receivables	94,234	(28,707)
Other assets	7,294	(67,796)
Other payables	456,633	157,392
Cash restricted in use	–	120,000
Net cash flows from operating activities	1,453,778	1,506,389
Cash flows from investing activities		
Purchase of plant and equipment	(184,591)	(151,151)
Interest received	226,552	134,697
Net cash flows from (used in) investing activities	41,961	(16,454)
Net increase in cash and cash equivalents	1,495,739	1,489,935
Cash and cash equivalents, beginning balance	24,862,996	23,373,061
Cash and cash equivalents, ending balance (Note 9)	26,358,735	24,862,996

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

Notes to the Financial Statements
31 December 2015

1. General

The Children's Cancer Foundation (the "Foundation") is a charity established in Singapore under the Societies Act, Chapter 311 and Charities Act, Chapter 37. The financial statements are presented in Singapore dollar.

The Board of Management Committee approved and authorised these financial statements for issue on the date of the Statement by Board of Management Committee Members.

The principal activities of the Foundation are to offer a spectrum of services to support the mission of improving the quality of life of children and their families affected by cancer through enhancing their emotional, social and medical well-being. The Foundation adopts an integrated hospital-home-community service model to provide the services, and these include Casework and Counselling, Therapeutic Play, Art and Play Therapy, Caregivers Support Services, Back to School Service, Survivorship Programme, Palliative & Bereavement Care and Social & Recreational activities. In addition, the Foundation also supports training and research efforts on childhood cancer and organises educational talks and workshops to promote public awareness of childhood cancer.

The registered office and principal place of operation of the Foundation is located at 8 Sinaran Drive, #03-01 Novena Specialist Centre Singapore 307470. The Foundation is situated in Singapore.

Accounting convention

The financial statements have been prepared in accordance with the Singapore Financial Reporting Standards ("FRS") and the related Interpretations to FRS ("INT FRS") as issued by the Singapore Accounting Standards Council. The Foundation is also subject to the provisions of the Societies Act, Chapter 311 and the Singapore Charities Act 37. The financial statements are prepared on a going concern basis under the historical cost convention except where an FRS requires an alternative treatment (such as fair values) as disclosed where appropriate in these financial statements. The accounting policies in FRSs need not be applied when the effect of applying them is immaterial. The disclosures required by FRSs need not be made if the information is immaterial. Other comprehensive income comprises items of income and expense (including reclassification adjustments) that are not recognised in the income statement, as required or permitted by FRS. Reclassification adjustments are amounts reclassified to profit or loss in the income statement in the current period that were recognised in other comprehensive income in the current or previous periods.

1. General (cont'd)

Basis of preparation of financial statements

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting year. Actual results could differ from those estimates. The estimates and assumptions are reviewed on an ongoing basis. Apart from those involving estimations, management has made judgements in the process of applying the entity's accounting policies. The areas requiring management's most difficult, subjective or complex judgements, or areas where assumptions and estimates are significant to the financial statements, are disclosed at the end of this footnote, where applicable.

2. Significant accounting policies and other explanatory information

2A. Significant accounting policies

Revenue recognition

Revenues including donations, gifts and grants that provide core funding or are of general nature are recognised where there is (a) entitlement (b) certainty and (c) sufficient reliability of measurement. Such income is deferred only 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 Foundation has unconditional entitlement. The revenue amount is the fair value of the consideration received or receivable from the gross inflow of economic benefits during the reporting year arising from the course of the ordinary activities of the Foundation and it is shown net of related tax and subsidies. Revenue from the sale of goods is recognised when significant risks and rewards of ownership are transferred to the buyer; there is neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold; and the amount of revenue and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

(i) Donations and sponsorships

Revenue from donations and sponsorships are accounted for when received, except for committed donations and sponsorships that are recorded when there is certainty over the amount committed by the donors and over the timing of the receipt of the donations and sponsorships. Revenue from fundraising event is recognised when the event has occurred.

(ii) Interest income

Interest revenue is recognised on a time-proportion basis using the effective interest rate.

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Revenue recognition (cont'd)

(iii) Government grant

A government grant is recognised at fair value when there is reasonable assurance that the conditions attaching to it will be complied with and that the grant will be received. Grants in recognition of specific expenses are recognised as income over the periods necessary to match them with the related costs that they are intended to compensate, on a systematic basis. A grant related to depreciable assets is allocated to income over the period in which such assets are used in the project subsidised by the grant. A government grant related to assets, including non-monetary grants at fair value, is presented in the statement of financial position by setting up the grant as deferred income.

Gifts in kind

A gift in kind (if any) is included in the statement of financial activities based on an estimate of the fair value at the date of the receipt of the gift of the non-monetary asset or the grant of a right to the monetary asset. The gift is recognised if the amount of the gift can be measured reliably and there is no uncertainty that it will be received. No value is ascribed to volunteer services.

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 agrees 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

As an approved charity under the Charities Act, Cap. 37, the Society is exempted from income tax under Section 13(1)(zm) of the Income Tax Act, Cap 134.

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 recognised in other comprehensive income and if applicable deferred in equity such as for qualifying cash flow hedges. The presentation is in the functional currency.

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Plant and equipment

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:

Computer equipment	-	2 years
Office equipment	-	3 years
Office furniture	-	3 years
Renovation	-	3 years or over the lease term of 5 years

An asset is depreciated when it is available for use until it is derecognised even if during that period the item is idle. Fully depreciated assets still in use are retained in the financial statements.

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. The gain or loss arising from the derecognition of an item of plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item and is recognised in profit or loss. The residual value and the useful life of an asset is reviewed at least at each end of the reporting year and, if expectations differ significantly from previous estimates, the changes are accounted for as a change in an accounting estimate, and the depreciation charge for the current and future periods are adjusted.

Cost also includes acquisition cost, borrowing cost capitalised and any cost directly attributable to bringing the asset or component to the location and condition necessary for it to be capable of operating in the manner intended by management. Subsequent costs are recognised as an asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss when they are incurred.

Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. For operating leases, lease payments are recognised as an expense in income and expenditure on a straight-line basis over the term of the relevant lease unless another systematic basis is representative of the time pattern of the user's benefit, even if the payments are not on that basis. Lease incentives received are recognised in income and expenditure as an integral part of the total lease expense.

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Impairment of non-financial assets

Irrespective of whether there is any indication of impairment, an annual impairment test is performed at the same time every year on an intangible asset with an indefinite useful life or an intangible asset not yet available for use. The carrying amount of other non-financial assets is reviewed at each end of the reporting year for indications of impairment and where an asset is impaired, it is written down through profit or loss to its estimated recoverable amount. The impairment loss is the excess of the carrying amount over the recoverable amount and is recognised in profit or loss. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs of disposal and its value in use. When the fair value less costs of disposal method is used, any available recent market transactions are taken into consideration. When the value in use method is adopted, in assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). At each end of the reporting year non-financial assets other than goodwill with impairment loss recognised in prior periods are assessed for possible reversal of the impairment. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been measured, net of depreciation or amortisation, if no impairment loss had been recognised.

Financial assets

Initial recognition, measurement and derecognition:

A financial asset is recognised on the statement of financial position when, and only when, the entity becomes a party to the contractual provisions of the instrument. The initial recognition of financial assets is at fair value normally represented by the transaction price. The transaction price for financial asset not classified at fair value through profit or loss includes the transaction costs that are directly attributable to the acquisition or issue of the financial asset. Transaction costs incurred on the acquisition or issue of financial assets classified at fair value through profit or loss are expensed immediately. The transactions are recorded at the trade date

Irrespective of the legal form of the transactions performed, financial assets are derecognised when they pass the "substance over form" based on the derecognition test prescribed by FRS 39 relating to the transfer of risks and rewards of ownership and the transfer of control. Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is currently a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Financial assets (cont'd)

Subsequent measurement:

Subsequent measurement based on the classification of the financial assets in one of the following categories under FRS 39 is as follows:

1. Financial assets at fair value through profit or loss: As at end of the reporting year, there were no financial assets classified in this category.

2. Loans and receivables: Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Assets that are for sale immediately or in the near term are not classified in this category. These assets are carried at amortised costs using the effective interest method (except that short-duration receivables with no stated interest rate are normally measured at original invoice amount unless the effect of imputing interest would be significant) minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility. Impairment charges are provided only when there is objective evidence that an impairment loss has been incurred as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. The methodology ensures that an impairment loss is not recognised on the initial recognition of an asset. Losses expected as a result of future events, no matter how likely, are not recognised. For impairment, the carrying amount of the asset is reduced through use of an allowance account. The amount of the loss is recognised in profit or loss. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. Typically the trade and other receivables are classified in this category.

3. Held-to-maturity financial assets: As at end of the reporting year, there were no financial assets classified in this category.

4. Available-for-sale financial assets: As at end of the reporting year, there were no financial assets classified in this category.

Cash and cash equivalents

Cash and cash equivalents include cash and bank balances, and demand deposits. For the statement of cash flows the item includes cash and cash equivalents less cash subject to restriction and bank overdrafts payable on demand that form an integral part of cash management.

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Financial liabilities

Initial recognition, measurement and derecognition:

A financial liability is recognised on the statement of financial position when, and only when, the entity becomes a party to the contractual provisions of the instrument and it is derecognised when the obligation specified in the contract is discharged or cancelled or expires. The initial recognition of financial liability is at fair value normally represented by the transaction price. The transaction price for financial liability not classified at fair value through profit or loss includes the transaction costs that are directly attributable to the acquisition or issue of the financial liability. Transaction costs incurred on the acquisition or issue of financial liability classified at fair value through profit or loss are expensed immediately. The transactions are recorded at the trade date. Financial liabilities including bank and other borrowings are classified as current liabilities unless there is an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting year.

Subsequent measurement:

Subsequent measurement based on the classification of the financial liabilities in one of the following two categories under FRS 39 is as follows:

1. Liabilities at fair value through profit or loss: Liabilities are classified in this category when they are incurred principally for the purpose of selling or repurchasing in the near term (trading liabilities) or are derivatives (except for a derivative that is a designated and effective hedging instrument) or have been classified in this category because the conditions are met to use the "fair value option" and it is used. Financial guarantee contracts if significant are initially recognised at fair value and are subsequently measured at the greater of (a) the amount measured in accordance with FRS 37 and (b) the amount initially recognised less, where appropriate, cumulative amortisation recognised in accordance with FRS 18. All changes in fair value relating to liabilities at fair value through profit or loss are charged to profit or loss as incurred.

2. Other financial liabilities: All liabilities, which have not been classified as in the previous category fall into this residual category. These liabilities are carried at amortised cost using the effective interest method. Trade and other payables and borrowings are usually classified in this category. Items classified within current trade and other payables are not usually re-measured, as the obligation is usually known with a high degree of certainty and settlement is short-term.

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Fair value of measurement

Fair value is taken to be 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 (that is, an exit price). It is a market-based measurement, not an entity-specific measurement. When measuring fair value, management uses the assumptions that market participants would use when pricing the asset or liability under current market conditions, including assumptions about risk. 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. In making the fair value measurement, management determines the following: (a) the particular asset or liability being measured (these are identified and disclosed in the relevant notes below); (b) for a non-financial asset, the highest and best use of the asset and whether the asset is used in combination with other assets or on a stand-alone basis; (c) the market in which an orderly transaction would take place for the asset or liability; and (d) the appropriate valuation techniques to use when measuring fair value. The valuation techniques used maximise the use of relevant observable inputs and minimise unobservable inputs. These inputs are consistent with the inputs a market participant may use when pricing the asset or liability.

The fair value measurements and related disclosures categorise the inputs to valuation techniques used to measure fair value by using a fair value hierarchy of three levels. These are recurring fair value measurements unless stated otherwise in the relevant notes to the financial statements. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs for the asset or liability. The level is measured on the basis of the lowest level input that is significant to the fair value measurement in its entirety. Transfers between levels of the fair value hierarchy are deemed to have occurred at the beginning of the reporting year. If a financial instrument measured at fair value has a bid price and an ask price, the price within the bid-ask spread or mid-market pricing that is most representative of fair value in the circumstances is used to measure fair value regardless of where the input is categorised within the fair value hierarchy. If there is no market, or the markets available are not active, the fair value is established by using an acceptable valuation technique.

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.

Provisions

A liability or provision is recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. A provision is made using best estimates of the amount required in settlement and where the effect of the time value of money is material, the amount recognised is the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense. Changes in estimates are reflected in profit or loss in the reporting year they occur.

2. Significant accounting policies and other explanatory information (cont'd)

2B. Other explanatory information

Funds

All income and expenditures are reflected in the statement of financial activities. Income and expenditures specifically relating to any of the funds separately set up by the Society are allocated subsequently to those 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.

2C. 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

FRS 24 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.

A related party includes the committee members and key management of the Foundation. It also includes an entity or person that directly or indirectly controls, is controlled by, or is under common or joint control with these persons; members of the key management personnel or close members of the family of any individual referred to herein and others who have the ability to control, jointly control or significantly influence by or for which significant voting power in such entity resides with, directly or indirectly, any such individual. Key management personnel include the Executive Director and the direct reporting senior officers.

All committee members and staff members of the Foundation 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 a conflict of interests. When a conflict of interest situation arises, the members or staff shall abstain from participating in the discussion, decision making and voting on the matter.

The members of the Management Committees are volunteers and receive no monetary remuneration for their contribution, except for reimbursement of out-of-pocket expenses.

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

Significant related party transactions:

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

	Related parties	
	2015	2014
	$	$
Annual funding to Singapore Cord Blood Bank Limited in which a Management Committee member is a director	250,000	250,000

3A. Key management compensation:

	2015	2014
	$	$
Salaries and other short-term employee benefits	367,849	367,232

The above amounts are included under employee benefits expense.

Key management personnel comprise the Executive Director and the direct reporting senior officers.

The annual remuneration (comprising basic salary, bonuses, allowances and employer's contributions to Central Provident Fund) of the three highest paid staff classified by remuneration bands are as follows:

	2015	2014
$100,001 - $200,000	3	3

4. Tax exempt receipts

The Foundation enjoys a concessionary tax treatment whereby qualifying donors are granted tax deduction for the donations made to the funds of the Foundation. The quantum of the tax deduction for each calendar year may vary as announced in the Singapore Budget. The Institutions of a Public Character status granted to the Foundation for donations is for the period from 5 May 2015 to 4 May 2016 under the Ministry of Health.

	2015	2014
	$	$
The Foundation issued tax-exempt receipts for donations collected	5,963,339	5,879,956

5. Employee benefits expense

	2015	2014
	$	$
Employee benefits expense	2,802,008	2,521,804
Contributions to defined contribution plan	432,940	377,808
Other benefits	90,777	137,419
Total employee benefits expense	3,325,725	3,037,031

6. Plant and equipment

	Computer equipment	Office equipment	Office furniture	Renovation	Total
	$	$	$	$	$
Cost:					
At 1 January 2014	244,130	48,510	41,476	537,182	871,298
Additions	32,529	5,847	2,095	110,680	151,151
Disposal	(17,859)	(11,614)	(2,999)	–	(32,472)
At 31 December 2014	258,800	42,743	40,572	647,862	989,977
Additions	175,329	4,749	–	4,513	184,591
At 31 December 2015	434,129	47,492	40,572	652,375	1,174,568
Accumulated depreciation:					
At 1 January 2014	147,835	24,380	22,133	196,775	391,123
Depreciation for the year	67,428	11,876	10,923	149,743	239,970
Disposal	(17,112)	(11,614)	(2,999)	–	(31,725)
At 31 December 2014	198,151	24,642	30,057	346,518	599,368
Depreciation for the year	61,143	12,623	8,784	144,808	227,358
At 31 December 2015	259,294	37,265	38,841	491,326	826,726
Net book value:					
At 1 January 2014	96,295	24,130	19,343	340,407	480,175
At 31 December 2014	60,649	18,101	10,515	301,344	390,609
At 31 December 2015	174,835	10,227	1,731	161,049	347,842

The depreciation expense is charged and included in resources expended as follows:

	2015	2014
	$	$
Costs of Generating Voluntary Income	2,375	3,099
Charitable Activities Expenses	221,060	232,179
Other Operating and Administration Expenses	3,923	4,692
	227,358	239,970

7. Other receivables

	2015	2014
	$	$
Interest receivables	85,256	55,939
Deposits	39,724	35,724
Other receivables	258,188	356,422
	383,168	448,085

8. Other assets

	2015	2014
	$	$
Advances for financial assistance	–	52,961
Finance assistance and donation in kind vouchers	49,838	21,174
Prepayment	43,198	26,195
	93,036	100,330

9. Cash and cash equivalents

	2015 $	2014 $
Not restricted in use	26,358,735	24,862,996
Interest earnings balances	22,605,031	22,687,441

The rates of interests for the cash on interest earning balances were between 0.25% to 1.68% (2014: 0.25% to 1.10%) per annum and mature within 12 months (2014: 12 months).

10. Reserve policy

	2015 $	2014 $	% Increase/ (Decrease)
Unrestricted fund ("Reserve")	25,977,639	25,053,511	3.7
Ratio of Reserve to Annual Operating Expenditure	3.32:1	3.34:1	

The Foundation shall maintain a reserve that is equivalent to at least 3 years of its operating expenses. This is to ensure continuity in providing the necessary services to its beneficiaries.

With the unanimous approval of the Management Committee, the Foundation is able to draw down from its reserve to meet its operating expenses to ensure ongoing services are not disrupted.

On a yearly basis, the Management Committee reviews the amount of reserve that is required to ensure that the reserve is adequate to fulfil the continuing obligations of the Foundation.

11. Other payables

	2015 $	2014 $
Outside parties and accrued liabilities	719,301	748,509
Deferred grant (a)	485,841	–
	1,205,142	748,509

(a) The deferred grant relates to the Care and Share Matching Grant from the Ministry of Social and Family Development ("MSF") to fund programmes or activities of the Foundation. The Foundation shall utilise the grant within three years from the end of 31 Mar 2016. A total of $1,123,223 has been disbursed since 2014.

	2015 $	2014 $
Balance at beginning of the year	–	–
Grants received / receivable during the year	823,223	300,000
Utilised during the year	(337,382)	(300,000)
Balance at end of the year	485,841	–

12. Financial instruments: information on financial risks

12A. Categories of financial assets and liabilities

The following table summarises the carrying amount of financial assets and liabilities recorded at the end of the reporting year by FRS 39 categories:

	2015	2014
	$	$
Financial assets:		
Cash and cash equivalents	26,358,735	24,862,996
Other receivables	383,168	448,085
At end of the year	26,741,903	25,311,081
Financial liabilities:		
Other payables	1,205,142	748,509
At end of the year	1,205,142	748,509

Further quantitative disclosures are included throughout these financial statements.

12B. 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 is exposure to the financial risks on the financial instruments such as credit risk and liquidity risk. The 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 good market practices.

The Foundation is not exposed to significant interest rate and currency risks.

12C. Fair Values of Financial Instruments

The analyses 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 both 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.

12. Financial instruments: information on financial risks (cont'd)

12D. Credit risk on financial assets

Financial assets that are potentially subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner consist principally of cash balances with banks, cash equivalents, and receivables. The maximum exposure to credit risk is: the total of the fair value of the financial assets; the maximum amount the entity could have to pay if the guarantee is called on; and the full amount of any payable commitments 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 credit risk on receivables an ongoing credit evaluation is performed on the financial condition of the debtors and a loss from impairment is recognised in profit or loss.

Note 9 discloses the maturity of the cash and cash equivalents balances.

Other receivables are normally with no fixed terms and therefore there is no maturity.

12E. Liquidity risk – financial liabilities maturity analysis

There are no non-current financial liabilities at the end of the reporting year. The 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 paid at their contractual maturity. The average credit period taken to settle payables is about 60 days (2014: 60 days). The payables are with short-term durations

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

12F. Interest rate risk

The interest rate risk exposure is mainly from changes in fixed rate. The following table analyses the breakdown of the significant financial instruments by type of interest rate:

	2015	2014
	$	$
Financial assets:		
Fixed rates	22,605,031	22,687,441

The interest rates are disclosed in Note 9.

Sensitivity analysis: The effect on surplus is not significant.

13. Commitments

a) Another three non-profit organisations share its community space with the Foundation and the latter has agreed to bear certain maintenance incurred for the community space. The maintenance charged in the statement of financial activities for the reporting year was $200,796 (2014: $191,105). Future committed payments related to the maintenance of the community space are as follows as of 31 December 2015:

	2015 $	2014 $
Within one year	173,184	180,204
After 1 year but within 5 years	43,296	225,255
	216,480	405,459

b) The Foundation has committed annual funding at $250,000 per annum for the financial years 2014 to 2016 to Singapore Cord Blood Bank Limited (SCBB) for meeting its target of 1,000 cord blood units banked annually.

c) The Foundation has committed annual funding for the period under the existing funding agreement covering June 2014 to May 2015 to Bone Marrow Transplant Coordinator to NUH, on terms agreed by both parties. The Foundation has renewed the funding for a 3-year period from June 2015 to May 2018, capped at the amount listed below:

- Year 1 - $95,000
- Year 2 - $100,000
- Year 3 - $105,000

d) The Foundation has committed to contribute $4,000,000 to Viva Foundation for Children with Cancer for supporting the setting up of a laboratory for leukaemia diagnosis and translational research, on terms agreed by both parties. A total of $2,000,000 has been disbursed in 2014 and 2015. The Foundation intends to disburse $1,000,000 each in 2016 and 2017.

e) The Foundation has committed funding of $2,500,000 to KKH Health Endowment Fund for the purpose of establishing the Tan Cheng Lim - CCF Professorship in Paediatric Oncology at Duke-NUS, on terms agreed by both parties. A total of $1,750,000 has been disbursed in 2014 and 2015. The Foundation intends to disburse the remaining $750,000 in October 2016.

f) The Foundation has committed funding of $100,000 for the 8th International Conference on Social Work in Health and Mental Health (ICSW) to be held in Singapore from 19 – 23 June 2016. The first tranche of $50,000 was disbursed during the reporting year. The Foundation intends to disburse the remaining $50,000 in 2016.

14. Changes and adoption of financial reporting standards

For the current reporting year new or revised Singapore Financial Reporting Standards and the related Interpretations to FRS ("INT FRS") were issued by the Singapore Accounting Standards Council. Those applicable to the reporting entity are listed below. These applicable new or revised standards did not require any modification of the measurement methods or the presentation in the financial statements.

FRS No.	Title
FRS 1	Amendments to FRS 1: Disclosure Initiative (early application)
FRS 19	Amendments To FRS 19: Defined Benefit Plans: Employee Contributions
Various	Improvements to FRSs (Issued in January 2014). Relating to FRS 113 Fair Value Measurement FRS 16 Property, Plant and Equipment FRS 24 Related Party Disclosures
Various	Improvements to FRSs (Issued in February 2014). Relating to FRS 113 Fair Value Measurement

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

For the future reporting years new or revised Singapore Financial Reporting Standards and the related Interpretations to FRS ("INT FRS") were issued by the Singapore Accounting Standards Council and these will only be effective for future reporting years. Those applicable to the reporting entity for future reporting years are listed below. The transfer to the applicable new or revised standards from the effective dates is not expected to result in material adjustments to the financial position, results of operations, or cash flows for the following year.

FRS No.	Title	Effective date for periods beginning on or after
FRS 16 & 38	Amendments to FRS 16 and FRS 38: Clarification of Acceptable Methods of Depreciation and Amortisation	1 Jan 2016
Various	Improvements to FRSs (Issued in November 2014) FRS 107 Financial Instruments: Disclosures - Servicing contracts FRS 19 Employee Benefits - Discount rate: regional market issue	1 Jan 2016
FRS 109	Financial Instruments	1 Jan 2018