



ANNUAL REPORT 2017

# Annual Report for the Year Ended 31 December 2017

## OUR VISION

---

To build a compassionate and caring accountancy community that actively contributes towards the betterment of society.

## OUR MISSION

---

To encourage open-heartedness by promoting a strong social conscience and spirit of inclusivity within the accountancy community.

## OUR OBJECTIVES

---

ISCA Cares supports two charitable causes:

1. Education: To provide needy Singapore youths with academic potential access to quality accountancy education through financial and non-financial assistance.
2. Community: To harness the knowledge, skills and expertise of the accountancy community, for community development projects through collaborative programmes with partners.

## CONTENTS

Board and Committees	2
Corporate Information	3
Our Programmes	4
Review of Year 2017	5
Review of Financial State and Explanation of Major Financial Transactions	9
Our Future Plans and Commitments	9
Financial Statements for the Year	10

## BOARD AND COMMITTEES

**Board of Directors** : **Ms Tan Hwee Hua @ Lim Hwee Hua** Chairman  
**Mr Max Loh Khum Whai** Deputy Chairman  
**Mr Arumugam Ravinthran** Treasurer  
**Mr Abdul Jabbar Bin Karam Din** Board Member  
**Mr Lee Fook Chiew** Board Member  
**Ms Noorhayati Binte Mohamed Kassim** Board Member

**Audit Committee** : **Ms Noorhayati Binte Mohamed Kassim** Chairman  
**Mr Max Loh Khum Whai** Member  
**Mr Abdul Jabbar Bin Karam Din** Member

**Banker** : DBS Bank Ltd

**Auditor** : Baker Tilly TFW LLP

**Related Party** : Institute of Singapore Chartered Accountants (ISCA)

**Mr Max Loh Khum Wai**  
Deputy Chairman of ISCA Cares  
Council Member of ISCA

**Mr Lee Fook Chiew**  
Board Member of ISCA Cares  
CEO of ISCA

## CORPORATE INFORMATION

<b>Unique Entity Number</b>	:	201532966C
<b>Registered Address</b>	:	60 Cecil Street, ISCA House, Singapore 049709
<b>Constitution</b>	:	Company Limited by Guarantee
<b>IPC Period</b>	:	24 December 2016 – 23 December 2018

## POLICIES

**Conflict of interest policy** : All Board members and staff of ISCA Cares shall provide a disclosure of their interests in all other organisations in which they are directors or have control or have substantial shareholding or monetary interest to the Board when they are newly appointed and whenever there are updates. Such disclosures shall be circulated to all Board members and any potential conflicts of interest documented.

**Reserves Policy** : The use of reserves shall be approved by the Board. The reserves can be used for funding of operating expenditure during financial crisis and ex-budgetary capital expenditure for ensuring business continuity.

The Company seeks to maintain a reserve of one year's operating costs.

The Board will review the reserves policy and the amount of reserves annually.

## GOVERNANCE

ISCA Cares Governance Evaluation Checklist for the period 1 January 2017 to 31 December 2017 can be viewed at the Charity Portal [www.charities.gov.sg](http://www.charities.gov.sg).

## OUR PROGRAMMES

### ISCA Cares Education Programme

Launched in 2016, the ISCA Cares Education Programme (“Programme”) aims to help needy youths who are financially challenged in attaining a quality accountancy education.

Under the Programme, donors’ contributions will go towards subsidising the tuition fees and basic living expenses of needy Singapore youths who have been admitted to, or are pursuing an accountancy education in local polytechnics and universities. Beneficiaries’ family per capita income should fall below S\$625 to meet the eligibility criteria. The Programme complements existing government financial assistance schemes that support students from financially challenged backgrounds.

In 2017, 29 accountancy students from local polytechnics and universities received bursaries totalling S\$100,305 under the Programme.

Beneficiaries will also stand to benefit from internship and mentorship opportunities provided by corporate and individual donors of ISCA Cares. Beyond financial assistance, ISCA Cares aims to provide guidance to our young beneficiaries through a mentoring programme to enable them to gain career and personal development guidance from a mentor and at the same time, acquire real-life experiences of a professional accountant. Internship opportunities will allow them to build relevant work skills and experience to enhance their employability upon graduation.



## REVIEW OF YEAR 2017

### Staffing

As at 31 December 2017, the ISCA Cares Secretariat Team comprised six volunteer staff from the Institute of Singapore Chartered Accountants (ISCA).

### Calendar of Events and Activities

Period	Event/Activity	Details of Event and Activity
January – December 2017	ISCA Cares Board Meetings	The ISCA Cares Board meetings were held on 21 February, 17 May and 3 November.
January – December 2017	ISCA Cares Audit Committee Meetings	The ISCA Cares Audit Committee meetings were held on 20 February and 21 August.
7 March 2017	ISCA Post-Budget Seminar	<p>The Post-Budget Seminar is an annual event to provide updates and analysis of the Singapore Budget on companies and individuals.</p> <p>ISCA Cares set up a booth to raise awareness of its cause and reached out to more than 500 participants who attended the seminar. Donations totaling S\$2,300 was raised at the event.</p>
4 April 2017	ISCA “Our Future Together: Future of Professional Learning and Entrepreneurship” Event	<p>The event was part of the ISCA “Our Future Together” series which advocated lifelong learning and aimed to shape the discussion on how education, training and professional learning should be redefined for the accountancy profession.</p> <p>An ISCA Cares booth was set up to reach out to more than 100 participants who attended the event.</p>
4 April and 24 October 2017	ISCA New Members Ceremony	<p>The ISCA New Members Ceremony is held bi-annually to welcome new ISCA members and recognise the achievements and efforts of newly-conferred Chartered Accountants of Singapore or CAs (Singapore).</p> <p>ISCA Cares was invited to set up a booth and donations totaling S\$1,560 was raised from the two events.</p> 

<p>May – December 2017</p>	<p>Sale of ISCA Cares Note Books</p>	<p>ISCA Cares produced notebooks with four different cover-designs for sale to raise funds. The cover-designs were beautiful personal drawings donated by ISCA Life member Mr John Loo. Included in the notebooks were appreciation letters penned by ISCA Cares beneficiaries to thank donors for their kind support.</p> <p>719 notebooks were sold in 2017.</p>  
<p>17 May 2017</p>	<p>Charity Council Town Hall Meeting</p>	<p>ISCA Cares was invited to attend the 5th Town Hall Meeting, jointly organised by the Charity Council, NUS Centre for Social Development Asia (CSDA), Institute of Singapore Chartered Accountants (ISCA) and Chartered Institute of Management Accountants (CIMA).</p> <p>The theme of the Town Hall Meeting was ‘Accounting for Good’, which was also the title of the publication that was launched that day. The publication was a joint effort by ISCA and CSDA, written as a call for accountants to understand the charity landscape, with the objective of volunteering their time, skills and experiences more effectively. The Town hall provided an opportunity for accounting firms and charities to get together and explore areas of collaboration.</p> <p>Five accounting firms volunteered their pro bono services and had set up booths at the event so that charities could approach them.</p>
<p>22 May 2017</p>	<p>ISCA Quality Assurance Seminar</p>	<p>The ISCA Quality Assurance Seminar is a regular event aimed at providing ISCA members, in particular those from small and medium-sized practices, with a better understanding of the common deficiencies found in the audit work performed by auditors as well as recommended approaches to address those deficiencies.</p> <p>An ISCA Cares booth was set up to reach out to more than 300 participants who attended the seminar and raised donations totaling S\$1,500.</p>

<p>27 May 2017</p>	<p>ISCA Run 2017</p>	<p>ISCA Run is an annual event organised by ISCA. Following three successful editions, the ISCA Run was back for the fourth year and took on a similar approach in engaging its members and the public to promote camaraderie among members, family bonding and healthy living.</p> <p>As part of ISCA’s corporate social responsibility, ISCA Run served as a platform for ISCA members and the public to come together in support of ISCA’s chosen beneficiary, ISCA Cares. The event took place at the Singapore Sport Hub with over 1,300 participants.</p> <p>An ISCA Cares booth was set up to raise awareness among participants and the public. ISCA Cares received net proceeds of S\$6,576 raised from the Run.</p> 
<p>28 June 2017</p>	<p>ISCA Ethics Seminar</p>	<p>An ISCA Cares booth was set up at The ISCA Ethics Seminar titled “Do the Right Thing: Get in Tune with the Latest Ethics Standards” to reach out to more than 200 participants who attended the seminar.</p>
<p>28 September 2017</p>	<p>ISCA Financial Forensic Conference</p>	<p>The inaugural ISCA Financial Forensic conference was organised to provide insights on protecting organisations against financial crimes as well as the practical challenges of white-collar crime investigation.</p> <p>ISCA Cares was present to reach out to more than 500 participants who attended the seminar and raised donations totaling S\$1,205.</p>
<p>3 October 2017</p>	<p>Singapore Accountancy and Audit Convention 2017</p>	<p>Singapore Accountancy and Audit Convention is the signature annual event of ISCA. Held at Marina Bay Sands, the event attracted more than 1,000 participants. To create and promote awareness of ISCA Cares, a booth was set up at the event and a donation sum totaling S\$4,260 was raised.</p>

<p>5 October 2017</p>	<p>ISCA Cares Bursary Award Ceremony</p>	<p>In its second year, the ISCA Cares Education Programme disbursed over S\$100,305 to 29 beneficiaries at the ISCA Cares Education Programme’s award ceremony on 5 October. This was almost double last year’s amount, as well as twice the number of beneficiaries awarded the bursaries compared to last year.</p> <p>RSM Singapore, who was one of the largest corporate donor in 2017, extended their premises for the award ceremony.</p>
<p>9 November 2017</p>	<p>International Accountants Day</p>	<p>For the second time, ISCA Cares was one of the adopted charities by the International Accountants Day (IAD) event, jointly organised by CPA Australia, Singapore Accountancy Commission and ISCA.</p> <p>An ISCA Cares booth was set up at the Charity Corner of IAD to raise awareness. ISCA Cares volunteer staff and 3 beneficiaries helped out at the booth to create awareness of the charity among event participants and the public.</p> 
<p>November 2017</p>	<p>ISCA Cares Donation System</p>	<p>ISCA Cares worked with ISCA InfoComm Technology and Membership departments to develop the ISCA Cares Donation System which is embedded within the ISCA Membership Portal. The objective of the donation system was to provide an avenue for members to support ISCA Cares through a one-stop shop in the ISCA Membership portal.</p> <p>The donation feature was completed and ready in time for ISCA’s annual membership renewal process in November 2017.</p> <p>Members donated a total of \$53,964 through the ISCA Donation Portal for the financial year ended 31 December 2017.</p>

## Charity Dollars Raised

For the year ended 31 December 2017, ISCA Cares raised a total of S\$327,748. Listed below are top corporate and individual donors for the financial year ended 31 December 2017.

Corporate Donations (S\$10,000 and above)	Individual Donations (S\$5,000 and above)
<ul style="list-style-type: none"><li>•KPMG LLP : S\$37,500</li><li>•Cortina Watch Pte Ltd : S\$20,000</li><li>•RSM Singapore : S\$10,000</li></ul>	<ul style="list-style-type: none"><li>•Mr Pang Shengdong : S\$100,000</li><li>•Anonymous : S\$50,000</li><li>•Anonymous : S\$6,000</li><li>•Anonymous : S\$5,000</li><li>•Anonymous : S\$5,000</li></ul>

## REVIEW OF FINANCIAL STATE AND EXPLANATION OF MAJOR FINANCIAL TRANSACTIONS

The Charity received donations amounting to S\$327,748 and recorded a net surplus and total comprehensive income of S\$228,208 for the financial year ended 31 December 2017.

## OUR FUTURE PLANS AND COMMITMENTS

### Education

For the Year 2018, ISCA Cares will continue to focus on **education**.

We will continue to fundraise to help needy accountancy students with their school fees and basic living expenses. We will also provide these youths with a holistic education that includes offering them mentorship and internship opportunities.

### Community

In 2017, ISCA Cares had received and successfully matched requests from charities looking for pro bono auditors and professional accountants. In 2018, ISCA Cares will continue to help charities that request for professional services from the accountancy profession.

ISCA Cares will also explore working with the National Volunteer & Philanthropy Centre (NVPC) to provide skills-based volunteerism to charities. This will also provide an opportunity for retired ISCA members to keep themselves actively involved in the profession without the stress associated with a full-time career.

# FINANCIAL STATEMENTS FOR THE YEAR

**ISCA CARES LIMITED**  
(Co. Reg. No. 201532966C)

**FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED  
31 DECEMBER 2017**

---

## CONTENTS

Directors' Statement	11
Independent Auditor's Report	12
Statement of Comprehensive Income	15
Balance Sheet	16
Statement of Changes in Accumulated Fund	17
Statement of Cash Flows	18
Notes to the Financial Statements	19

---

## **ISCA CARES LIMITED**

(A public company limited by guarantee and not having share capital)

### **DIRECTORS' STATEMENT**

The directors hereby present their statement to the member together with the audited financial statements of the Company for the financial year ended 31 December 2017.

In the opinion of the directors:

- (i) the financial statements as set out on pages 15 to 24 are drawn up so as to give a true and fair view of the financial position of the Company at 31 December 2017 and of the financial performance, changes in accumulated fund and cash flows of the Company for the financial year then ended in accordance with the provisions of the Charities Act, Chapter 37 and other relevant regulations, the Companies Act, Chapter 50 and Financial Reporting Standards in Singapore; and
- (ii) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

#### **Directors**

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

Tan Hwee Hua @ Lim Hwee Hua  
Max Loh Khum Whai  
Arumugam Ravinthran  
Lee Fook Chiew  
Noorhayati Binte Mohamed Kassim  
Abdul Jabbar Bin Karam Din

#### **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 objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of any other body corporate.

#### **Other matters**

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

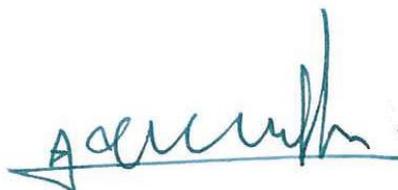
#### **Independent auditor**

The independent auditor, Baker Tilly TFW LLP, has expressed its willingness to accept re-appointment.

On behalf of the directors



Tan Hwee Hua @ Lim Hwee Hua  
Director



Arumugam Ravinthran  
Director

8 March 2018

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF  
ISCA CARES LIMITED**

(A public company limited by guarantee and not having share capital)

**Report on the Audit of the Financial Statements**

***Opinion***

We have audited the accompanying financial statements of ISCA Cares Limited (the "Company") as set out on pages 15 to 24, which comprise the balance sheet as at 31 December 2017, and the statement of comprehensive income, statement of changes in accumulated fund and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Charities Act, Chapter 37 and other relevant regulations (the "Charities Act and Regulations"), the Companies Act, Chapter 50 (the "Act") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the Company as at 31 December 2017 and of the financial performance, changes in accumulated fund 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 obtained at the date of this auditor's report comprises the Directors' Statement as set out on page 11.

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 on the other information obtained prior to the date of this auditor's report, 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF  
ISCA CARES LIMITED (cont'd)**

(A public company limited by guarantee and not having share capital)

**Report on the Audit of the Financial Statements (cont'd)**

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

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

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

***Auditor's Responsibilities for the Audit of the Financial Statements***

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF  
ISCA CARES LIMITED (cont'd)**

(A public company limited by guarantee and not having share capital)

**Report on the Audit of the Financial Statements (cont'd)**

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

**Report on Other Legal and Regulatory Requirements**

In our opinion, the accounting and other records required by the Act to be kept by the Company 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 financial year:

- (i) 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
- (ii) the Company has not complied with the requirements of Regulation 15 (Fund-raising expenses) of the Charities (Institutions of a Public Character) Regulations.

  
Baker Tilly TFW LLP  
Public Accountants and  
Chartered Accountants  
Singapore

8 March 2018

**ISCA CARES LIMITED**

(A public company limited by guarantee and not having share capital)

**STATEMENT OF COMPREHENSIVE INCOME**

For the financial year ended 31 December 2017

	Note	2017 \$	2016 \$
<b>Income</b>			
Donation income	4	<b>327,748</b>	123,512
Other income	5	<b>18,433</b>	83
		<hr/>	
		<b>346,181</b>	123,595
<b>Less expenditure</b>			
Auditor's remuneration		<b>5,000</b>	2,500
Other expenses	6	<b>112,973</b>	69,903
		<hr/>	
		<b>117,973</b>	72,403
		<hr/>	
<b>Net surplus and total comprehensive income for the financial year</b>		<b>228,208</b>	51,192
		<hr/>	

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

**ISCA CARES LIMITED**

(A public company limited by guarantee and not having share capital)

**BALANCE SHEET****At 31 December 2017**

	Note	2017 \$	2016 \$
<b>Non-current asset</b>			
Intangible asset	7	<b>23,273</b>	-
		<hr/>	
<b>Current assets</b>			
Cash and cash equivalents	8	<b>399,494</b>	214,031
Receivables	9	<b>48,416</b>	10,680
Inventories	10	<b>1,187</b>	-
		<hr/>	
		<b>449,097</b>	224,711
		<hr/>	
<b>Total assets</b>		<b>472,370</b>	224,711
		<hr/>	
<b>Current liabilities</b>			
Accrued expenses		<b>29,119</b>	2,500
Other payables	11	-	7,168
		<hr/>	
		<b>29,119</b>	9,668
		<hr/>	
<b>Net assets</b>		<b>443,251</b>	215,043
		<hr/>	
<b>Accumulated Fund</b>		<b>443,251</b>	215,043
		<hr/>	

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

**ISCA CARES LIMITED**

(A public company limited by guarantee and not having share capital)

**STATEMENT OF CHANGES IN ACCMULATED FUND**

**For the financial year ended 31 December 2017**

	\$
Balance at 1 January 2016	163,851
Net surplus and total comprehensive income for the financial year	51,192
Balance at 31 December 2016	<hr/> 215,043
Net surplus and total comprehensive income for the financial year	228,208
<b>Balance at 31 December 2017</b>	<hr/> <b>443,251</b> <hr/>

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

**ISCA CARES LIMITED**

(A public company limited by guarantee and not having share capital)

**STATEMENT OF CASH FLOWS**

For the financial year ended 31 December 2017

	2017	2016
	\$	\$
<b>Cash flows from operating activities</b>		
Net surplus for the financial year	<b>228,208</b>	51,192
Adjustments for:		
Amortisation of intangible asset	<b>802</b>	-
Interest income	<b>( 121 )</b>	( 83 )
<b>Operating surplus before working capital changes</b>	<b>228,889</b>	51,109
Receivables	<b>( 37,736 )</b>	( 10,680 )
Payables (Note 7)	<b>( 4,624 )</b>	7,531
Inventories	<b>( 1,187 )</b>	-
<b>Cash generated from operating activities</b>	<b>185,342</b>	47,960
Interest received	<b>121</b>	83
<b>Net cash generated from operating activities</b>	<b>185,463</b>	48,043
<b>Net increase in cash and cash equivalents</b>	<b>185,463</b>	48,043
Cash and cash equivalents at beginning of the financial year	<b>214,031</b>	165,988
<b>Cash and cash equivalents at end of financial year</b>	<b>399,494</b>	214,031

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

## **ISCA CARES LIMITED**

(A public company limited by guarantee and not having share capital)

### **NOTES TO THE FINANCIAL STATEMENTS**

**For the financial year ended 31 December 2017**

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

#### **1. Corporate information**

The Company (Co. Reg. No. 201532966C) is incorporated and domiciled in Singapore. The registered office and principal place of operations is at 60 Cecil Street, ISCA House, Singapore 049709.

The principal activities of the Company are:

- (a) To provide disadvantaged Singapore youths with academic potential, access to quality accountancy education through pecuniary and non-pecuniary assistance, so that they can maximise their potential.
- (b) To harness the knowledge, skills and expertise of the accountancy community and through collaborative programmes with appropriate partners, develop the community.

The Company is limited by its members' guarantee to contribute to the assets of the Company up to \$1 each member in the event of it being wound up.

The Company is an approved Institution of a Public Character.

The member of the Company is the trustee of the Institute of Singapore Chartered Accountants ("ISCA"). Accordingly, the Company is a wholly-owned subsidiary of ISCA.

#### **2. Summary of significant accounting policies**

##### **a) Basis of preparation**

The financial statements, expressed in Singapore dollar ("S") which is the Company's functional currency, have been prepared in accordance with the provisions of the Charities Act, Chapter 37 and other relevant regulations, the Companies Act, Chapter 50 and Financial Reporting Standards in Singapore ("FRSs"). The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRSs requires management to exercise its judgement in the process of applying the Company's accounting policies. It also requires the use of accounting 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 income and expenditure during the financial year.

##### *Use of estimates and judgements*

These estimates and assumptions are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

The areas involving a higher degree of judgement or complexity or areas where assumptions significant to the financial statements are disclosed in Note 3.

The carrying amounts of cash and cash equivalents, other receivables and payables approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

## **2. Summary of significant accounting policies (cont'd)**

### **a) Basis of preparation (cont'd)**

#### *New and revised standards*

In the current financial year, the Company has adopted all the new and revised FRSs and Interpretations of FRSs ("INT FRSs") that are relevant to its operations and effective for the current financial year. The adoption of these new and revised FRSs and INT FRSs did not have any material effect on the financial statements.

New standards, amendments to standards and interpretations that have been issued at the balance sheet date but are not yet effective for the financial year ended 31 December 2017 have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Company.

### **b) Income**

Revenue is recognised to the extent that the Company becomes entitled to the income, when it is probable that the income will be received; and when the amount of the income can be measured with sufficient reliability. The Company assesses its revenue arrangements to determine if it is acting as principal or agent.

When the Company acts in the capacity of an agent rather than as a principal in a transaction, the revenue recognised is the net amount of commission made by the Company. Commission income is recognised upon delivery of the products to the customer.

Donations are recognised as and when they are received.

Income from sale of festive cookies is recognised upon delivery of the products to the customer.

Income from sale of notebooks is recognised upon transfer of significant risks and rewards of ownership of the goods to the customer, usually on delivery of goods. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs of the possible return of goods.

### **c) Intangible asset**

Computer software is stated at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated using the straight-line method to allocate the cost of the computer software over their estimated useful lives of 5 years.

The amortisation period and amortisation method of intangible assets are reviewed at least at each balance sheet date. The effects of any revision are recognised in income and expenditure when the changes arise.

### **d) Cash and cash equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents comprise cash on hand and deposits with financial institutions which are subject to an insignificant risk of change in value.

### **e) Inventories**

Inventories, comprising notebooks, are stated at the lower of cost and net realisable value. Cost is calculated using the first-in, first-out method.

## 2. Summary of significant accounting policies (cont'd)

### f) Financial assets

The Company's only financial assets are "loans and receivables" which comprise receivables and cash and cash equivalents.

Loans and receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest method less impairment. The Company assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. When such evidence exists, the carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in income or expenditure. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition. When a receivable is uncollectible, it is written off against the allowance account for the receivables. Subsequent recoveries of amounts previously written off are credited in income or expenditure.

### g) Financial liabilities

Financial liabilities which comprise accrued operating expenses and other payables are initially recognised at fair value, and are subsequently measured at amortised cost, using the effective interest method.

### h) Taxation

The Company has been registered as a Charity under the Singapore Charities Act and is exempted from income tax under the provisions of the Income Tax Act Cap. 134.

## 3. Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amount of asset within the next financial year, are discussed below.

### *Amortisation of intangible asset*

The Company reviews the useful life of intangible asset at the balance sheet date in accordance with the accounting policy in Note 2(c). Changes in circumstances, such as technological or other types of obsolescence, could result in the actual useful life differing from the management's current estimates. The net carrying amount of intangible asset at 31 December 2017 and the annual amortisation charge for the financial year ended 31 December 2017 are disclosed in Note 7. Any changes in the expected useful life of the asset would affect the net carrying amount of intangible asset, and the amortisation charge for the financial year.

## 4. Donation income

Donations received are both tax and non-tax deductible.

	2017	2016
	\$	\$
Tax deductible receipts	317,891	112,017
Non-tax deductible receipts	9,857	11,495
	<u>327,748</u>	<u>123,512</u>

## 5. Other income

	2017	2016
	\$	\$
Income from sales of festive cookies	3,931	-
Income from sales of notebooks	14,381	-
Interest income	121	83
	<b>18,433</b>	<b>83</b>

## 6. Other expenses

	2017	2016
	\$	\$
ISCA Cares Awards through Polytechnics	56,050	26,228
ISCA Cares Awards through Universities	44,255	29,122
Awareness and promotion outreach	1,912	9,848
Amortisation of intangible assets (Note 7)	802	-
Cost of notebooks	4,894	-
Others	5,060	4,705
	<b>112,973</b>	<b>69,903</b>

## 7. Intangible asset

	Computer software
	\$
<b>Cost</b>	
Addition during the year and balance at 31 December 2017	24,075
<b>Accumulated amortisation</b>	
Amortisation charge for the financial year and balance at 31 December 2017	802
<b>At 31 December 2017</b>	<b>23,273</b>

The cost of intangible asset of \$24,075 during the financial year remains unpaid as at year end and recorded in accrued expenses.

## 8. Cash and cash equivalents

	2017	2016
	\$	\$
Bank balance	399,444	214,031
Cash in hand	50	-
	<b>399,494</b>	<b>214,031</b>

## 9. Receivables

	2017	2016
	\$	\$
Donation receivables		
- third party	5,000	3,400
- holding entity	43,416	1,145
Other receivable		
- holding entity	-	6,135
	<b>48,416</b>	<b>10,680</b>

## 9. Receivables (cont'd)

Donation receivable from third party relates to online donation via Giving.sg.

Donation receivable from holding entity relates to donation moneys received on behalf by the holding entity. Other receivable from holding entity relates to moneys collected in advance for the sales of festive cookies.

## 10. Inventories

	2017	2016
	\$	\$
Notebooks	<u>1,187</u>	-

## 11. Other payables

The amount relates to receipts of moneys in advance for the sales of festive cookies.

## 12. Significant related party transactions

In addition to information disclosed elsewhere in the financial statements, the following significant transactions took place between the Company and the holding entity, during the financial year on terms agreed by the parties concerned:

	2017	2016
	\$	\$
Donation income	6,576	10,332
Donation and collections received on behalf	72,495	24,435
Other income	<u>4,516</u>	-

The holding entity as part of supporting the Company contributed 1,968 hours to support the administration of the Charity for the financial year ended 31 December 2017.

## 13. Financial instruments

### (a) Categories of financial instruments

Financial instruments at their carrying amounts as of the balance sheet date are as follows:

	2017	2016
	\$	\$
<i>Financial assets</i>		
Loans and receivables (including cash and cash equivalents)	<u>447,910</u>	224,711
<i>Financial liabilities</i>		
At amortised cost	<u>29,119</u>	8,031

### (b) Financial risk management

The Company's overall risk management is determined and carried out by the board of directors.

#### *Credit risk*

The Company's exposure to credit risk arises from the failure of a customer or counterparty to settle its financial and contractual obligations to the Company, as and when they fall due.

The Company places its cash with a reputable bank.

### **13. Financial instruments (cont'd)**

#### **(b) Financial risk management (cont'd)**

##### *Credit risk (cont'd)*

At balance sheet date, there is no significant concentration of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each class of financial instruments on the balance sheet.

##### *Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flow of the Company's financial instruments will fluctuate because of changes in market interest rates. The Company's income and operating cash flows are not substantially dependent on changes in market interest rates as the Company has no significant interest-bearing assets and liabilities.

##### *Liquidity and cash flow risk*

The board of directors exercises prudent liquidity and cash flow risk management policies and aims at maintaining an adequate level of liquidity and cash flow at all times.

### **14. Fair value**

The carrying amounts of the financial assets and financial liabilities recorded in the financial statements of the Company approximate their fair values.

### **15. Fund management**

The Company's objectives when managing its funds are to safeguard and maintain adequate working capital to continue as a going concern. The directors consider the accumulated fund as the capital of the Company and no changes were made to the Company's fund management objectives during the financial years ended 31 December 2017 and 31 December 2016.

### **16. Authorisation of financial statements**

The financial statements of the Company for the financial year ended 31 December 2017 were authorised for issue in accordance with a resolution of the board of directors dated 8 March 2018.



**ISCA Cares Limited**  
60 Cecil Street, ISCA House  
Singapore 049709  
Tel: +65 6749-8060 Fax: +65 6749-8061  
Email: [iscacares@isca.org.sg](mailto:iscacares@isca.org.sg)  
[www.iscacares.org.sg](http://www.iscacares.org.sg)