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 2018

RSM Chio Lim LLP

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CHILDREN'S CANCER FOUNDATION

Statement by Board of Management Committee Members and Financial Statements

Contents **Page**

CHILDREN'S CANCER FOUNDATION

Statement By Board of Management Committee Members

In the opinion of the Board of Management Committee Members,

a) the accompanying financial statements of Children's Cancer Foundation ("the Foundation") are drawn up so as to present fairly, in all material respects, the state of affairs of the Foundation as at 31 December 2018 and the financial activities, changes in accumulated fund and cash flows of the Foundation for the reporting year ended on that date; and

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

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

On behalf of the Board,

....	....
Ho Cheng Huat	Sim Chuai Shun Emily
Chairperson	Honorary Treasurer

07 MAY 2019

RSM

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Independent auditor's report to the members of
CHILDREN'S CANCER FOUNDATION

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Children's Cancer Foundation (the "Foundation"), which comprise the statement of financial position as at 31 December 2018, and the statement of financial activities, statement of changes in accumulated fund and statement of cash flows for the year then ended, and notes to the financial statements, including the significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Societies Act, Chapter 311 (the Societies Act), the Charities Act, Chapter 37 and other relevant regulations (the Charities Act and Regulations) and the Singapore Financial Reporting Standards (SFRS) so as to present fairly, in all material respects, the state of affairs of the Foundation as at 31 December 2018 and the results, changes in accumulated fund and cash flows of the Foundation 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 Foundation in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Management is responsible for the other information. The other information comprises the information included in the annual report and statement by board of management committee members but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the provisions of the Societies Act, the Charities Act and Regulations and SFRSs, 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.

In preparing the financial statements, management is responsible for assessing the Foundation'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 Foundation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Foundation'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 Foundation's internal control.

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

(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 Foundation'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 Foundation to cease to continue as a going concern.

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

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

We also provide the board of management committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on other legal and regulatory requirements

In our opinion:

(a) the accounting and other records required to be kept by the Foundation have been properly kept in accordance with the provisions of the Societies Regulations enacted under the Societies Act, the Charities Act and 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 Foundation 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 Foundation has not complied with the requirements of Regulation 15 of the Charities (Institutions of a Public Character) Regulations.

The engagement partner on the audit resulting in this independent auditor's report is Chan Sek Wai.

RSM Chio Lim LLP
Public Accountants and
Chartered Accountants
Singapore

07 May 2019

Engagement partner – effective from reporting year ended 31 December 2016

Statement of Financial Activities
Year Ended 31 December 2018

	Unrestricted Funds 2018 $	Unrestricted Funds 2017 $
Incoming resources		
Donations	3,267,637	4,027,700
Gifts in kind	4,720	9,136
Income from fundraising activities	5,429,377	4,935,402
Interest income	406,103	335,558
Grant income	759,990	560,701
Trust income	40,996	–
Other incoming resources	90,026	64,256
Total incoming resources	9,998,849	9,932,753
Less: resources expended		
Costs of generating voluntary income	226,134	224,232
Fundraising expenses	255,896	301,925
Charitable activities expenses	7,538,201	8,065,266
Governance costs	30,774	29,690
Other operating and administration expenses	280,073	247,209
Total resources expended	8,331,078	8,868,322
Net surplus for the year	1,667,771	1,064,431

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

CHILDREN'S CANCER FOUNDATION

Statement of Financial Position
As at 31 December 2018

	Notes	2018	2017
ASSETS		$	$
Non-current assets			
Plant and equipment	6	206,773	265,187
Total non-current assets		206,773	265,187
Current assets			
Other receivables	7	446,239	330,702
Other non-financial assets	8	45,449	60,704
Cash and cash equivalents	9	29,688,440	28,090,896
Total current assets		30,180,128	28,482,302
Total assets		30,386,901	28,747,489
FUND AND LIABILITIES			
Fund			
Unrestricted fund			
Accumulated fund	10	29,551,169	27,883,398
Total fund		29,551,169	27,883,398
Non-current liabilities			
Provision, non-current	11	74,365	74,365
Total non-current liabilities		74,365	74,365
Current liabilities			
Other payables	12	761,367	789,726
Total current liabilities		761,367	789,726
Total liabilities		835,732	864,091
Total fund and liabilities		30,386,901	28,747,489

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

CHILDREN'S CANCER FOUNDATION

Statement of Changes in Accumulated Fund
Year Ended 31 December 2018

	2018 $	2017 $
Current year:		
Balance at beginning of the year	27,883,398	26,818,967
Changes in fund:		
Net surplus for the year	1,667,771	1,064,431
Balance at end of the year	29,551,169	27,883,398

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

Statement of Cash Flows
Year Ended 31 December 2018

	2018 $	2017 $
Cash flows from operating activities		
Net surplus for the year	1,667,771	1,064,431
Adjustments for:		
Depreciation of plant and equipment	142,423	171,277
Loss on disposal of plant and equipment	–	1,348
Interest income	(406,103)	(335,558)
Operating surplus before changes in working capital	1,404,091	901,498
Other receivables	(34,155)	285,529
Other non-financial assets	15,255	75,424
Other payables	(28,359)	(155,900)
Net cash flows from operating activities	1,356,832	1,106,551
Cash flows from investing activities		
Purchase of plant and equipment	(84,009)	(246,987)
Interest received	324,721	288,236
Net cash flows from investing activities	240,712	41,249
Net increase in cash and cash equivalents	1,597,544	1,147,800
Cash and cash equivalents, statement of cash flows, beginning balance	28,090,896	26,943,096
Cash and cash equivalents, statement of cash flows, ending balance (Note 9)	29,688,440	28,090,896

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

Notes to the Financial Statements
31 December 2018

1. General

The Children's Cancer Foundation (the "Foundation") is a charitable organisation established in Singapore under the Societies Act, Chapter 311 and Charities Act, Chapter 37. The Foundation is an Institution of a Public Character ("IPC"). The financial statements are presented in Singapore dollars.

The Board of Management Committee Members 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 with cancer and their families and children impacted 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, Expressive Arts and Play Therapy, Caregivers Support Services, Schooling Programme, Survivorship Programme, Palliative & Bereavement Care, Hospital Play Services and Sibling Support Services. 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.

Statement of compliance with financial reporting standards

These financial statements have been prepared in accordance with the Singapore Financial Reporting Standards ("SFRSs") and the related interpretations to SFRS ("INT SFRS") as issued by the Singapore Accounting Standards Council. The Foundation is also subject to the provisions of the Charities Act, Chapter 37. They are in compliance with the provisions of the Societies Act, Chapter 311 and Charities Act, Chapter 37.

Accounting convention

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.

1. General (cont'd)

Basis of preparation of the 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

The financial reporting standard on revenue from contracts with customers establishes a five-step model to account for revenue arising from contracts with customers. 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, trade discounts, volume rebates and changes to the transaction price arising from modifications), net of any related sales 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.

(i) Donations and sponsorships

Income from donations and sponsorships are recognised at a point in time 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 income 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 grants

Government grants are recognised at fair value when there is reasonable assurance that the conditions attaching to them will be complied with and that the grant will be received. Grants in recognition of specific expenses are recognised in profit or loss on a systematic basis over the periods necessary to match them with the related costs that they are intended to compensate. The grant related to assets is presented in the statement of financial position by recognising the grant as deferred income that is recognised in profit or loss on a systematic basis over the useful life of the asset and in the proportions in which depreciation expense on those assets is recognised.

(iv) 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 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

As an approved charity under the Charities Act, Cap. 37, the Foundation 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 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. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

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 method 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	-	50%
Office equipment	-	33%
Office furniture	-	33%
Renovations	-	33%

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.

The gain or loss arising from the derecognition of an item of plant and equipment 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.

Cost includes the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period. See Note 11 on non-current provisions.

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 about 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 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.

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

2A. Significant accounting policies (cont'd)

Financial instruments (cont'd)

Classification and measurement of financial assets:

1. 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.

2. Financial asset that is a debt asset instrument classified as measured at fair value through other comprehensive income (FVTOCI): There were no financial assets classified in this category at reporting year end date.

3. Financial asset that is an equity investment measured at fair value through other comprehensive income (FVTOCI): There were no financial assets classified in this category at reporting year end date.

4. Financial asset classified as measured at fair value through profit or loss (FVTPL): There were no financial assets classified in this category at reporting year end date.

Classification and measurement of financial liabilities:

Financial liabilities are classified as at fair value through profit or loss (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.

Cash and cash equivalents

Cash and cash equivalents include cash and bank balances, on demand deposits and any highly liquid debt instruments purchased with an original maturity of three months or less. For the statement of cash flows the item includes cash and cash equivalents less cash subject to restriction.

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

2A. Significant accounting policies (cont'd)

Fair value of 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 / 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.

2B. Other explanatory information

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)

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

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.

A related party includes the board of management committee, members of other sub-committees 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.

All board of management committee, members of other sub-committees 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 board of management committee are volunteers and receive no monetary remuneration for their contribution, except for reimbursement of out-of-pocket expenses.

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:

	Related party	
	2018	2017
	$	$
Annual funding to Singapore Cord Blood Bank Limited in which a management committee member is a director	100,000	200,000

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

3A. Key management compensation:

	2018 $	2017 $
Salaries and other short-term employee benefits	800,181	894,218

The above amounts are included under employee benefits expense.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Foundation, directly or indirectly. Key management personnel comprise the Executive Director and the direct reporting senior officers.

4. Tax exempt receipts

The Foundation enjoys a concessionary tax treatment whereby qualifying donors are granted 2.5 times 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 ("IPC") status granted to the Foundation for donations is for the period from 5 May 2016 to 4 May 2019 under the Ministry of Health. The IPC status has been renewed for further two years from 5 May 2019 to 4 May 2021.

	2018 $	2017 $
The Foundation issued tax-exempt receipts for donations collected	6,556,395	6,615,696

5. Employee benefits expense

	2018 $	2017 $
Short term employee benefits expense	3,738,807	3,454,071
Contributions to defined contribution plan	608,866	537,111
Other benefits	190,749	104,510
Total employee benefits expense	4,538,422	4,095,692

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

	2018 $	2017 $
Costs of generating voluntary income	136,265	141,935
Charitable activities expenses	4,157,623	3,734,679
Other operating and administration expenses	244,534	219,078
	4,538,422	4,095,692

6. Plant and equipment

	Computer equipment	Office equipment	Office furniture	Renovations	Total
	$	$	$	$	$
Cost:					
At 1 January 2017	374,040	50,604	40,572	726,740	1,191,956
Additions	97,745	1,653	2,889	144,700	246,987
Disposals	(30,170)	(1,754)	(2,684)	–	(34,608)
At 31 December 2017	441,615	50,503	40,777	871,440	1,404,335
Additions	33,368	–	–	50,641	84,009
Disposals	(1,284)	–	–	–	(1,284)
At 31 December 2018	473,699	50,503	40,777	922,081	1,487,060
Accumulated depreciation:					
At 1 January 2017	273,334	44,351	40,250	643,196	1,001,131
Depreciation for the year	106,630	3,878	722	60,047	171,277
Disposals	(28,822)	(1,754)	(2,684)	–	(33,260)
At 31 December 2017	351,142	46,475	38,288	703,243	1,139,148
Depreciation for the year	62,762	2,431	963	76,267	142,423
Disposals	(1,284)	–	–	–	(1,284)
At 31 December 2018	412,620	48,906	39,251	779,510	1,280,287
Carrying value:					
At 1 January 2017	100,706	6,253	322	83,544	190,825
At 31 December 2017	90,473	4,028	2,489	168,197	265,187
At 31 December 2018	61,079	1,597	1,526	142,571	206,773

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

	2018	2017
	$	$
Costs of generating voluntary income	1,362	3,544
Charitable activities expenses	139,015	162,209
Other operating and administration expenses	2,046	5,524
	142,423	171,277

7. Other receivables

	2018	2017
	$	$
Interest receivables	307,109	225,727
Refundable deposits	38,431	35,294
Other receivables	699	19,681
Government grant receivables	100,000	50,000
	446,239	330,702

Other receivables from outside parties are normally with no fixed terms and therefore, there is no maturity.

8. Other non-financial assets

	2018 $	2017 $
Finance assistance and donation in kind vouchers	18,352	28,467
Prepayments	27,097	32,237
	45,449	60,704

9. Cash and cash equivalents

	2018 $	2017 $
Not restricted in use	29,688,440	28,090,896
Interest earning balances	27,106,151	24,789,843

The rates of interest for the cash on interest earning balances ranged from 1.20% to 1.80% (2017: 1.15% to 1.74%) per annum and mature within 12 months (2017:12 months).

10. Reserve policy

	2018 $	2017 $	Increase/ (Decrease) %
Unrestricted fund ("Reserve")	29,551,169	27,883,398	5.98
Ratio of reserve to total resources expended for the year	3.55:1	3.14:1	

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 board of 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 board of 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. Provision, non-current

	2018 $	2017 $
Movements in above provision:		
At beginning and end of the year	74,365	74,365

Provision for dismantlement, removal or restoration is the estimated costs of dismantlement, removal or restoration of plant and equipment arising from use of assets, which are capitalised and included in the cost of plant and equipment. The unwinding of discount is not significant.

12. Other payables

	2018 $	2017 $
Outside parties and accrued liabilities	752,514	678,398
Workshop registration fees received in advance	8,853	–
Deferred grant (a)	–	111,328
	761,367	789,726

(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 March 2016. A total of $1,740,000 (2017: $1,350,000) has been disbursed since 2014 and the entire amount has been utilised as of 31 December 2018.

	2018 $	2017 $
Balance at beginning of the year	111,328	310,266
Grants received / receivable during the year	390,000	196,130
Utilised during the year	(501,328)	(395,068)
Balance at end of the year	–	111,328

13. Financial instruments: information on financial risks

13A. Categories of financial assets and liabilities

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

	2018 $	2017 $
Financial assets:		
Financial assets at amortised cost	30,134,679	28,421,598
Financial liabilities:		
Financial liabilities at amortised cost	752,514	678,398

Further quantitative disclosures are included throughout these financial statements.

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

13A. Categories of financial assets and liabilities (cont'd)

13B. Financial risk management

The main purpose for holding or issuing financial instruments is to raise and manage the finances for the Foundation's operating, investing and financing activities. There are exposure to the financial risks on the financial instruments such as credit risk and liquidity risk. 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.

The Foundation is not exposed to significant interest rate and currency risks. There have been no changes to exposure to risk; objectives, policies and processes for managing the risk and the methods used to measure the risk.

13C. 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 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.

13D. 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. These arise principally from 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 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. Under this approach the financial assets move through the three stages as their credit quality changes. However, a simplified approach is permitted by the financial reporting standards on financial instruments for financial assets that do not have a significant financing component, such as trade receivables. On initial recognition, a day-1 loss is recorded equal to the 12 month ECL (or lifetime ECL for trade receivables), unless the assets are considered credit impaired. For credit risk on trade receivables an ongoing credit evaluation is performed on the financial condition of the debtors and an impairment loss is recognised in profit or loss. Reviews and assessments of credit exposures in excess of designated limits are made. Renewals and reviews of credits limits are subject to the same review process.

Note 9 discloses the maturity of the cash and cash equivalents balances. Cash and cash equivalents are also subject to the impairment requirements of the standard on financial instruments. There was no identified impairment loss.

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

13E. Liquidity risk – financial liabilities maturity analysis

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 settled at their contractual maturity. There are no liabilities contracted to fall due after twelve months 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 settled at their contractual maturity. The average credit period taken to settle trade payables is about 60 days (2017: 60 days). 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.

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.

13F. Interest rate risk

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

	2018 $	2017 $
Financial assets with interest:		
Fixed rates	27,106,151	24,789,843

The interest rates are disclosed in Note 9.

Sensitivity analysis: The effect on surplus is not significant.

14. 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 $217,585 (2017: $209,696). Future committed payments related to the maintenance of the community space as of 31 December 2018 are as follows:

	2018 $	2017 $
Within one year	174,436	174,435
After 1 year but within 3 years	43,609	218,044
	218,045	392,479

14. Commitments (cont'd)

b) The Foundation has committed a 3-year funding to NUH for Bone Marrow Transplant Coordinator, on terms agreed by both parties for the period from June 2018 to May 2021, capped at the amounts listed below:

	Period	Approved funding amount $	Actual Disbursed amount $
Year 1	June 2018 to May 2019	100,000	68,689 (till 31 December 2018)
Year 2	June 2019 to May 2020	105,000	–
Year 3	June 2020 to May 2021	105,000	–

c) The Foundation has committed funding of $450,000 to SingHealth Duke-NUS Paediatrics Academic Clinical Programme for the purpose of establishing the CCF Paediatric Oncology Survivorship Programme on terms agreed by both parties. Funding of $71,000, $75,000 and $94,000 have been disbursed in 2016, 2017 and 2018 respectively. The Foundation intends to disburse the remaining $210,000 in two yearly tranches ending in 2020.

d) The Foundation has committed funding of $400,000 to Singapore Cord Blood Bank Limited on terms agreed by both parties. A total of $200,000 and $100,000 have been disbursed in 2017 and 2018 respectively. The remaining $100,000 will be disbursed in 2019.

e) The Foundation has committed funding of $2,500,000 to National University of Singapore for the advancement of research and education in the treatment of childhood cancers, with utmost priority given to the CAR-T cell immunotherapy for the treatment of relapsed or high-risk Acute Lymphoblastic Leukemia and relapsed or high-risk Neuroblastoma in children. A total of $500,000 has been disbursed in 2018. The remaining $2,000,000 will be disbursed in four yearly tranches ending in 2022.

f) The Foundation has committed funding of $1,000,000 to KKH Health Fund for the expansion of the Tan Cheng Lim – CCF Professorship in Paediatric Oncology under the SingHealth Duke-NUS Paediatrics Academic Clinical Programme. This will provide the seed funding to establish the Paediatric Bone Marrow Transplantation and Cellular Therapy Centre to make cellular therapy available to children with cancer in Singapore. Disbursement of funds will be made in two yearly tranches in 2019 and 2020.

15. Changes and adoption of financial reporting standards

For the current reporting year new or revised financial reporting standards were issued by the Singapore Accounting Standards Council. Those applicable to the reporting entity are listed below. Those applicable new or revised standards did not require any significant modification of the measurement methods or the presentation in the financial statements.

SFRS No.	Title
SFRS 109	Financial Instruments
SFRS 115	Revenue from Contracts with Customers.
	Amendments to, Clarifications to SFRS 115 Revenue from Contracts with Customers

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

For the future reporting years certain new or revised financial reporting standards were issued by the Singapore Accounting Standards Council and these will only be effective for future reporting years. None of these are applicable to the reporting entity based on the reporting entity's current operations.