

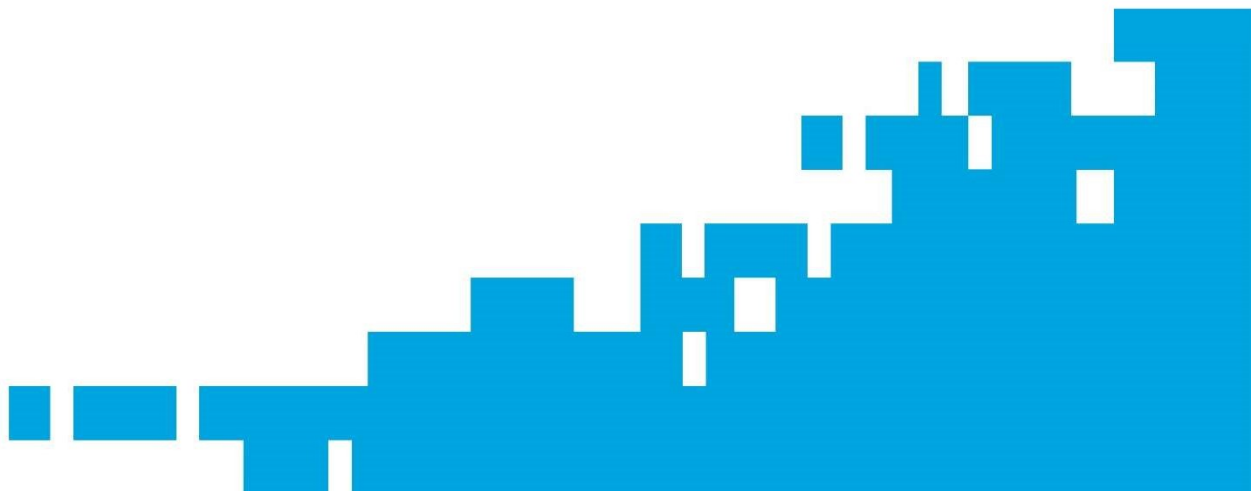


CHILDREN'S CANCER FOUNDATION

(Registered under the Companies Act 1967 and the Charities Act 1994)
(Registration No: 201934434R)

Statement by Board of Directors and
Financial Statements

Year Ended 31 December 2023



CHILDREN'S CANCER FOUNDATION

Statement by Board of Directors and Financial Statements

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CHILDREN'S CANCER FOUNDATION

Statement by Board of Directors

The Board of Directors of Children's Cancer Foundation (the "Company") are pleased to present the financial statements of the Company for the reporting year ended 31 December 2023.

1. Opinion of the Board of Directors

In the opinion of the Board of Directors:

- (a) the accompanying financial statements are drawn up so as to give a true and fair view of the financial position and financial performance of the Company for the reporting year covered by the financial statements; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The Board of Directors authorised these financial statements for issue.

2. Directors

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

Kevin Tay Kuang Wei	Chairperson
Young Jennifer Duong	Honorary Treasurer
Nancy Thio Ling Lie	Honorary Secretary
Arthur Douglas Lim Tien-T'Ser	
Chong Tsung Wen	
Go Ashokh Menon	
Hu WeiSheng	
Joyce Sit Meng Poh	

3. Directors' interests in shares and debentures

The Company is a public company limited by guarantee. There are no applicable disclosures.

CHILDREN'S CANCER FOUNDATION

4. Independent auditor


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

On behalf of the Board of Directors,

DocuSigned by:

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.....
Kevin Tay Kuang Wei
Director, Chairperson

DocuSigned by:

F5782B4CA8E8453...

.....
Young Jennifer Duong
Director, Honorary Treasurer

13 May 2024

**RSM SG Assurance LLP**

8 Wilkie Road, #03-08, Wilkie Edge
Singapore 228095

T +65 6533 7600

Assurance@RSMSingapore.sg
www.RSMSingapore.sg

**Independent Auditor's Report to the Members of
CHILDREN'S CANCER FOUNDATION**

Report on the audit of the financial statements

Opinion

We have audited the accompanying financial statements of Children's Cancer Foundation (the "Company"), which comprise the statement of financial position as at 31 December 2023, and the statement of financial activities and statement of cash flows for the reporting year then ended, and notes to the financial statements, including the material accounting policy information.

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

Basis for opinion

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

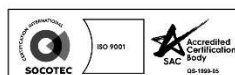
Other information

Management is responsible for the other information. The other information comprises the statement by Board of Directors but does not include the financial statements and our auditor's report thereon, and the annual report.

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.

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

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

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

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

The Board of Directors' responsibilities include overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

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

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

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

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

- (a) the Company has not used the donation moneys in accordance with its objectives as required under Regulation 11 of the Charities (Institutions of a Public Character) Regulations; and
- (b) the Company has not complied with the requirements of Regulation 15 of the Charities (Institutions of a Public Character) Regulations.

The engagement partner on the audit resulting in this independent auditor's report is Tan Wei Ling.

DocuSigned by:

817B2FD849CB45B...
RSM SG Assurance LLP
Public Accountants and
Chartered Accountants
Singapore

13 May 2024

Engagement partner - effective from year ended 31 December 2019.

CHILDREN'S CANCER FOUNDATION

Statement of Financial Activities Year Ended 31 December 2023

	Notes	2023			2022		
		Unrestricted funds * \$	Restricted funds * \$	Total funds \$	Unrestricted funds * \$	Restricted funds * \$	Total funds \$
<u>Incoming resources</u>							
Donations	4	4,962,028	200,000	5,162,028	5,250,285	–	5,250,285
Gifts in kind		–	–	–	440	–	440
Income from fundraising activities	4	6,842,537	–	6,842,537	5,248,923	–	5,248,923
Interest income		1,051,797	–	1,051,797	289,458	–	289,458
Grant income	5	561,994	49,854	611,848	664,673	3,669	668,342
Other incoming resources		5,425	–	5,425	70,011	–	70,011
Total incoming resources		13,423,781	249,854	13,673,635	11,523,790	3,669	11,527,459
<u>Resources expended</u>							
Costs of generating voluntary income	4	881,686	–	881,686	258,924	–	258,924
Fundraising expenses	4	320,117	–	320,117	132,896	–	132,896
Charitable activities expenses		8,701,402	200,000	8,901,402	9,469,694	–	9,469,694
Other operating and administration expenses		1,258,935	49,854	1,308,789	420,451	3,669	424,120
Total resources expended	6	11,162,140	249,854	11,411,994	10,281,965	3,669	10,285,634
Net surplus for the year		2,261,641	–	2,261,641	1,241,825	–	1,241,825
Balance as at the beginning of the year		36,236,863	–	36,236,863	34,995,038	–	34,995,038
Balance as at the end of the year		38,498,504	–	38,498,504	36,236,863	–	36,236,863

* Further analysis of funds are presented in Note 12 to the financial statements.

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

CHILDREN'S CANCER FOUNDATION

Statement of Financial Position As at 31 December 2023

	<u>Notes</u>	<u>2023</u> \$	<u>2022</u> \$
ASSETS			
<u>Non-current assets</u>			
Plant and equipment	7	511,965	509,679
Right-of-use assets	8	1,502,156	1,784,923
Total non-current assets		<u>2,014,121</u>	<u>2,294,602</u>
<u>Current assets</u>			
Other receivables	9	832,593	586,766
Other non-financial assets	10	64,898	63,299
Cash and cash equivalents	11	38,858,835	36,901,858
Total current assets		<u>39,756,326</u>	<u>37,551,923</u>
Total assets		<u>41,770,447</u>	<u>39,846,525</u>
FUND AND LIABILITIES			
<u>Unrestricted funds</u>			
General fund		33,498,504	36,236,863
Capital fund		1,000,000	–
Funding to partners fund		4,000,000	–
Total unrestricted funds	12	<u>38,498,504</u>	<u>36,236,863</u>
<u>Non-current liabilities</u>			
Provision	13	80,250	80,250
Lease liabilities	14	1,092,075	1,407,811
Total non-current liabilities		<u>1,172,325</u>	<u>1,488,061</u>
<u>Current liabilities</u>			
Lease liabilities	14	462,423	401,886
Other payables	15	1,434,082	1,508,848
Other non-financial liabilities	16	203,113	210,867
Total current liabilities		<u>2,099,618</u>	<u>2,121,601</u>
Total liabilities		<u>3,271,943</u>	<u>3,609,662</u>
Total fund and liabilities		<u>41,770,447</u>	<u>39,846,525</u>

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

CHILDREN'S CANCER FOUNDATION

Statement of Cash Flows Year Ended 31 December 2023

	<u>2023</u>	<u>2022</u>
	\$	\$
<u>Cash flows from operating activities</u>		
Net surplus for the year	2,261,641	1,241,825
Adjustments for:		
Depreciation of plant and equipment	182,432	102,139
Depreciation of right-of-use assets	431,212	431,211
Interest expense	86,772	102,832
Interest income	(1,051,797)	(289,458)
Operating surplus before changes in working capital	<u>1,910,260</u>	<u>1,588,549</u>
Other receivables	216,344	392,714
Other non-financial assets	(1,599)	(16,944)
Cash restricted in use	(5,000)	–
Other payables	(74,766)	339,839
Other non-financial liabilities	(7,754)	210,867
Net cash flows from operating activities	<u>2,037,485</u>	<u>2,515,025</u>
<u>Cash flows from investing activities</u>		
Purchase of plant and equipment	(184,718)	(46,426)
Interest income received	589,626	84,877
Net cash flows from investing activities	<u>404,908</u>	<u>38,451</u>
<u>Cash flows used in financing activities</u>		
Lease liabilities – principal portion paid	(403,644)	(383,043)
Lease liabilities – interest expense paid	(86,772)	(102,832)
Net cash flows used in financing activities	<u>(490,416)</u>	<u>(485,875)</u>
Net increase in cash and cash equivalents	1,951,977	2,067,601
Cash and cash equivalents, beginning balance	36,884,858	34,817,257
Cash and cash equivalents, ending balance (Note 11A)	<u>38,836,835</u>	<u>36,884,858</u>

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

CHILDREN'S CANCER FOUNDATION

Notes to the Financial Statements 31 December 2023

1. General

Children's Cancer Foundation (the "Company") was incorporated in Singapore on 14 October 2019 as a Public Company Limited by Guarantee ("CLG") under the Companies Act 1967. The Company is also registered as a charity under the Charities Act 1994, and is an approved Institution of a Public Character ("IPC"). The financial statements are presented in Singapore Dollar (\$).

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

The principal activities of the Company are to offer a spectrum of services to support its 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 Company 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 Company also supports training and research efforts on childhood cancer and organises educational talks and workshops to promote public awareness of childhood cancer.

Each member of the Company has undertaken to contribute not exceeding \$10 to the assets of the Company in the event the Company is wound up, such amount may be required for payment of liabilities of the Company.

The constitution of the Company restricts the use of fund monies to the furtherance of the objects of the Company. They prohibit the payment of dividends to members.

The registered office and principal place of operation of the Company is located at 535 Kallang Bahru, #02-01, GB Point, Singapore 339351. The Company is situated in Singapore.

Statement of compliance with financial reporting standards

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

Basis of preparation of the financial statements

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

CHILDREN'S CANCER FOUNDATION

2. Disclosures of material accounting policies and other explanatory information

2A. Material accounting policy information and other explanatory information

Revenue and income recognition

(i) Donations, sponsorships and fundraising events

Revenue from donations, sponsorships and fundraising events are accounted for as and when received, except for committed donations and sponsorships that are recorded when there is certainty over the amount committed by the donors and 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 using the effective interest rate method.

(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.

(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 Company'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 Company is contractually obliged or where there is constructive obligation based on past practice.

CHILDREN'S CANCER FOUNDATION

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

2A. Material accounting policy information and other explanatory information (cont'd)

Expenditures

Expenditure has been classified by reference to specific activity categories: all direct costs relating to a specific activity have been aggregated, costs of raising funds include all direct fundraising expenses and an apportionment of support costs. All direct expenditure in furtherance of the charity's objects, together with an apportionment of support costs, is included under the charitable activities heading. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulations and good practice.

Effective 1 January 2023, the Company applies full-cost accounting in allocating its expenses to the various departments.

Grant making

Grants to third parties for specific activities are reported in the financial statements after an award is approved by the Board of Directors, and when performance related grants' conditions are met, although disbursement of the funds may be made in subsequent reporting periods and communicated to the recipient.

Foreign currency transactions

The functional currency is the Singapore Dollar as it reflects the primary economic environment in which the Company 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. The presentation is in the functional currency.

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.

Cost also includes acquisition cost 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.

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%
Renovation	–	17% to 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.

CHILDREN'S CANCER FOUNDATION

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

2A. Material accounting policy information and other explanatory information (cont'd)

Right-of-use assets

The right-of-use assets are accounted and presented as if they were owned such as property plant and equipment.

Premises	– over the term of the lease of 16.67%
Renovation	– over the term of the lease of 16.67%

Leases of lessee

A lease conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration. A right-of-use asset is capitalised in the statement of financial position, measured at the present value of the unavoidable future lease payments to be made over the lease term. A liability corresponding to the capitalised right-of-use asset is also recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs. The right-of-use asset is depreciated over the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. An interest expense is recognised on the lease liability (included in finance costs). For short-term leases of 12 months or less and leases of low-value assets (such as personal computers and small office equipment) where an accounting policy choice exists under the lease standard, the lease payments are expensed to profit or loss as incurred on a straight line basis over the remaining lease term.

Carrying amounts of non-financial assets

The carrying amount of 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 expensed.

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. 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.

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.

CHILDREN'S CANCER FOUNDATION

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

2A. Material accounting policy information and other explanatory information (cont'd)

Financial instruments (cont'd)

Classification and measurement of financial assets and financial liabilities

The financial reporting standard on financial instruments four categories of financial assets and two categories for liabilities.

At the end of the reporting year, the Company had the following financial instruments:

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

For the statement of cash flows, cash and cash equivalents includes cash and cash equivalents less cash subject to restriction, if any. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Cash flows are reported using the indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, and items of income or expense associated with investing or financing cash flows.

Fair value measurement

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

CHILDREN'S CANCER FOUNDATION

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

2A. Material accounting policy information and other explanatory information (cont'd)

Fair value measurement (cont'd)

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 material differences at the end of the reporting year and in the event the fair values are disclosed in the relevant notes to the financial statements. The recurring measurements are made at each reporting year end date.

2B. Critical judgements, assumptions and estimation uncertainties

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

3. Related party relationships and transactions

The financial reporting standard on related party disclosures requires the Company to disclose: (a) related party relationships, transactions and outstanding balances, including commitments, including (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 members of the Board of Directors and key management of the Company. 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 members, directors and key management of the Company are required to read and understand the conflict of interest policy in place and make full disclosure of interests and relationships that could potentially result in 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.

CHILDREN'S CANCER FOUNDATION**3. Related party relationships and transactions (cont'd)**

The members of the Board of Directors and sub-committees are volunteers and receive no monetary remuneration for their contribution, except for reimbursement of out-of-pocket expenses, if claimed.

3A. Related party transactions and balances

Significant related party transactions:

	<u>Related party</u>	
	<u>2023</u>	<u>2022</u>
	\$	\$
Annual funding to Singapore Cord Blood Bank Limited that has a common director with the Company	<u>100,000</u>	<u>100,000</u>

A total of \$300,000 was committed to Singapore Cord Blood Bank from FY 2021 to FY 2023.

3B. Key management compensation

	<u>2023</u>	<u>2022</u>
	\$	\$
Salaries and other short-term employee benefits	<u>1,156,143</u>	<u>1,080,435</u>

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

Number of key management in compensation bands:

	<u>2023</u>	<u>2022</u>
\$100,000 and below	1	4
\$100,001 to \$200,000	<u>8</u>	<u>6</u>

The above amounts are included under employee benefits expense.

The Board of Directors, or people connected with them, have not received remuneration, or other benefits, from the Company for which they are responsible, or from institutions connected with the Company, except as disclosed above.

None of the staff who are close family members of key management personnel of the reporting entity was paid a remuneration over \$50,000.

There is no claim by the Board of Directors for services provided to the Company, either by reimbursement to the Board of Directors or by providing the board members with an allowance or by direct payment to a third party.

CHILDREN'S CANCER FOUNDATION**4. Incoming resources from fund-raising**

	<u>2023</u>	<u>2022</u>
	\$	\$
Donations	5,162,028	5,250,285
Income from fund-raising activities	<u>6,842,537</u>	<u>5,248,923</u>
Sub-total	<u>12,004,565</u>	<u>10,499,208</u>
Less: Expenditure for fund-raising activities		
Cost of generating voluntary income	(881,686)	(258,924)
Fundraising expenses	<u>(320,117)</u>	<u>(132,895)</u>
Sub-total	<u>(1,201,803)</u>	<u>(391,820)</u>
Net fund-raising income	<u>10,802,762</u>	<u>10,107,388</u>
Ratio of expenditure to incoming resources from fund-raising	<u>10.01%</u>	<u>3.73%</u>

4A. Tax exempt receipts

The Company is an approved Institution of a Public Character ("IPC") from 5 May 2022 to 4 May 2025.

As an approved IPC, the Company enjoys a concessionary tax treatment whereby qualifying donors are granted 2.5 times tax deduction for donations made to the Company.

A summary of the tax-exempt receipts issued by the Company is as follows:

	<u>2023</u>	<u>2022</u>
	\$	\$
Tax-exempt receipts issued for donations collected	<u>9,015,065</u>	<u>8,548,511</u>

5. Grant income

	<u>2023</u>	<u>2022</u>
	\$	\$
<u>Unrestricted funds:</u>		
Jobs Support Scheme	–	33,652
Jobs Growth Incentive	57,733	113,956
Subsidies from National Council of Social Service	18,864	40,054
Tote Board funding	397,012	386,126
Others	<u>88,385</u>	<u>90,885</u>
Sub-total	<u>561,994</u>	<u>664,673</u>
<u>Restricted funds:</u>		
Charities Capabilities Fund (Note 16A)	7,200	–
Tech-and-Go! Grant (Note 16B)	<u>42,654</u>	<u>3,669</u>
Sub-total	<u>49,854</u>	<u>3,669</u>
Total funds	<u>611,848</u>	<u>668,342</u>

CHILDREN'S CANCER FOUNDATION**6. Resources expended**

	<u>2023</u>	<u>2022</u>
	\$	\$
Audit fees to the independent auditor of the Company	21,500	18,360
Other assurance services fee to the independent auditor of the Company	3,780	–
Depreciation of plant and equipment (Note 7)	182,432	102,139
Depreciation of right-of-use assets (Note 8)	431,212	431,211
Employee benefits expense (Note 6A)	6,620,580	6,005,148
Financial assistance	557,834	674,700
Grants making expense (Note 17)	2,026,500	1,811,094
Interest expense – lease liabilities	86,772	102,832
Repairs and maintenance charges	212,263	208,496
Subcontractors' charges	153,342	225,444
Transportation fees	201,951	143,565
Others	913,828	562,645
	<u>11,411,994</u>	<u>10,285,634</u>

6A. Employee benefits expense

	<u>2023</u>	<u>2022</u>
	\$	\$
Short term employee benefits expense	5,495,202	5,051,794
Contributions to defined contribution plan	858,465	777,746
Other benefits	266,913	175,608
Total employee benefits expense	<u>6,620,580</u>	<u>6,005,148</u>

7. Plant and equipment

	<u>Computer equipment</u>	<u>Office equipment</u>	<u>Office furniture</u>	<u>Renovations</u>	<u>Total</u>
	\$	\$	\$	\$	\$
<u>Cost:</u>					
At 1 January 2022	621,066	137,573	42,831	879,746	1,681,216
Additions	40,008	6,418	–	–	46,426
Written off	–	(719)	–	–	(719)
At 31 December 2022	661,074	143,272	42,831	879,746	1,726,923
Additions	173,930	10,788	–	–	184,718
Written off	–	(4,893)	(3,697)	–	(8,590)
At 31 December 2023	<u>835,004</u>	<u>149,167</u>	<u>39,134</u>	<u>879,746</u>	<u>1,903,051</u>
<u>Accumulated depreciation:</u>					
At 1 January 2022	596,687	44,859	40,324	433,954	1,115,824
Depreciation for the year	24,771	21,636	855	54,877	102,139
Written off	–	(719)	–	–	(719)
At 31 December 2022	621,458	65,776	41,179	488,831	1,217,244
Depreciation for the year	39,189	35,337	855	107,051	182,432
Written off	–	(4,893)	(3,697)	–	(8,590)
At 31 December 2023	<u>660,647</u>	<u>96,220</u>	<u>38,337</u>	<u>595,882</u>	<u>1,391,086</u>
<u>Carrying value:</u>					
At 1 January 2022	<u>24,379</u>	<u>92,714</u>	<u>2,507</u>	<u>445,792</u>	<u>565,392</u>
At 31 December 2022	<u>39,616</u>	<u>77,496</u>	<u>1,652</u>	<u>390,915</u>	<u>509,679</u>
At 31 December 2023	<u>174,357</u>	<u>52,947</u>	<u>797</u>	<u>283,864</u>	<u>511,965</u>

CHILDREN'S CANCER FOUNDATION**7. Plant and equipment (cont'd)**

Included within computer equipment is an amount of \$119,332 being new computer systems that are in the process of being set up as at the reporting year end.

8. Right-of-use assets

	<u>Premises</u>	<u>Renovation</u>	<u>Total</u>
	\$	\$	\$
<u>Cost:</u>			
At 1 January 2022 and 31 December 2022	2,507,023	80,250	2,587,273
Lease modifications	148,445	–	148,445
At 31 December 2023	<u>2,655,468</u>	<u>80,250</u>	<u>2,735,718</u>
<u>Accumulated depreciation:</u>			
At 1 January 2022	359,993	11,146	371,139
Depreciation for the year	417,836	13,375	431,211
At 31 December 2022	<u>777,829</u>	<u>24,521</u>	<u>802,350</u>
Depreciation for the year	417,837	13,375	431,212
At 31 December 2023	<u>1,195,666</u>	<u>37,896</u>	<u>1,233,562</u>
<u>Carrying value:</u>			
At 1 January 2022	<u>2,147,030</u>	<u>69,104</u>	<u>2,216,134</u>
At 31 December 2022	<u>1,729,194</u>	<u>55,729</u>	<u>1,784,923</u>
At 31 December 2023	<u>1,459,802</u>	<u>42,354</u>	<u>1,502,156</u>

The Company's right-of-use assets are in relation to its lease for office premises and related costs. The lease prohibits the lessee from selling or pledging the underlying leased assets as security unless permitted by the owner. The lease is for 3 years, with an option to extend the lease for a further term. As at the reporting year end, the Company had exercised the option to extend the lease for a further term.

9. Other receivables

	<u>2023</u>	<u>2022</u>
	\$	\$
Donation receivables	–	2,678
Deposits to secure services	142,613	141,743
Grant receivable		
– Tech-and-Go!	–	214,536
Interest receivables	689,980	227,809
	<u>832,593</u>	<u>586,766</u>

10. Other non-financial assets

	<u>2023</u>	<u>2022</u>
	\$	\$
Finance assistance and donation in kind vouchers	10,635	10,145
Prepayments	54,263	53,154
	<u>64,898</u>	<u>63,299</u>

CHILDREN'S CANCER FOUNDATION**11. Cash and cash equivalents**

	<u>2023</u>	<u>2022</u>
	\$	\$
Not restricted in use	38,836,835	36,884,858
Cash pledged for bank facilities ^(a)	<u>22,000</u>	<u>17,000</u>
	<u>38,858,835</u>	<u>36,901,858</u>

(a) The cash has been pledged as security for corporate credit card facilities granted by a bank to the Company.

The rates of interest for the cash on interest earning balances of \$32,667,905 (2022: \$30,078,498) ranged from 1.50% to 3.93% (2022: 0.10% to 3.44%) per annum.

11A. Cash and cash equivalents in the statement of cash flows

	<u>2023</u>	<u>2022</u>
	\$	\$
Amount as shown above	38,858,835	36,901,858
Cash pledged for bank facilities	<u>(22,000)</u>	<u>(17,000)</u>
Cash and cash equivalents for statement of cash flows purposes at end of the year	<u>38,836,835</u>	<u>36,884,858</u>

11B. Reconciliation of liabilities arising from financing activities

	<u>2022</u>	<u>Cash flows</u>	<u>Accretion of</u>	<u>Non-cash</u>		<u>2023</u>
	\$	\$	\$	\$		\$
Lease liabilities	<u>1,809,697</u>	<u>(490,416)</u>	<u>86,772</u>	<u>148,445</u>	(a)	<u>1,554,498</u>

	<u>2021</u>	<u>Cash flows</u>	<u>Accretion of</u>	<u>Non-cash</u>		<u>2022</u>
	\$	\$	\$	\$		\$
Lease liabilities	<u>2,192,740</u>	<u>(485,875)</u>	<u>102,832</u>	<u>—</u>	(a)	<u>1,809,697</u>

(a) Being lease modification recognised during the year of \$148,445 (2022: Nil).

12. Fund account balances

	<u>2023</u>	<u>2022</u>
	\$	\$
<u>Unrestricted funds:</u>		
General fund (Note 12A)	33,498,504	36,236,863
Capital fund (Note 12B)	1,000,000	—
Funding to partners fund (Note 12C)	4,000,000	—
Total funds	<u>38,498,504</u>	<u>36,236,863</u>
<u>Restricted funds:</u>		
Tech-and-Go! fund (Note 12D)	—	—
Charities Capabilities Fund (Note 12E)	—	—
Place for Academic Learning and Support (PALS) fund (Note 12F)	—	—
Sub-total	<u>—</u>	<u>—</u>
Total funds	<u>38,498,504</u>	<u>36,236,863</u>

CHILDREN'S CANCER FOUNDATION**12. Fund account balances (cont'd)****12A. General fund**

The general fund is for Company's general programmes and operations.

12B. Capital fund (designated)

The capital fund was established by the Company to be utilised for capital expenditure such as the cost of renovation and IT hardware and software development.

	<u>2023</u>	<u>2022</u>
	\$	\$
Balance at beginning of the year	–	–
Transfer from general fund	1,000,000	–
Balance at end of the year	<u>1,000,000</u>	<u>–</u>

12C. Funding to partners fund (designated)

The fund is set aside for the funding of the partners. The amount is based on a budget of \$2,000,000 per year for two years.

	<u>2023</u>	<u>2022</u>
	\$	\$
Balance at beginning of the year	–	–
Transfer from general fund	4,000,000	–
Balance at end of the year	<u>4,000,000</u>	<u>–</u>

12D. Tech-and-Go! Fund (restricted)

The Tech-and-Go! fund is provided by the Singapore government to support social service agencies in implementing large-scale / specialized information technology (IT) solutions for optimal resource utilization and improved productivity.

	<u>2023</u>	<u>2022</u>
	\$	\$
Balance at beginning of the year	–	–
Grant income recognised during the year	42,654	3,669
Utilised during the year	(42,654)	(3,669)
Balance at end of the year	<u>–</u>	<u>–</u>

12E. Charities Capabilities Fund (restricted)

The Charities Capabilities Fund is provided by the Singapore government to enhance productivity, operational efficiency, governance and management capabilities of the Company.

	<u>2023</u>	<u>2022</u>
	\$	\$
Balance at beginning of the year	–	–
Grant income recognised during the year	7,200	–
Utilised during the year	(7,200)	–
Balance at end of the year	<u>–</u>	<u>–</u>

CHILDREN'S CANCER FOUNDATION**12. Fund account balances (cont'd)****12F. Place for Academic Learning and Support (PALS) fund (restricted)**

On 20 November 2023, the Company and Singapore Teochew Foundation ("STF") entered into a gift agreement for a 3 years collaboration to support the Company's PALS Programme which is to facilitate academic learning in an infection-control environment for children who are recovering from cancer and are unable to attend community educational institutions.

	<u>2023</u>	<u>2022</u>
	\$	\$
Balance at beginning of the year	–	–
Grant received during the year	200,000	–
Utilised during the year	<u>(200,000)</u>	<u>–</u>
Balance at end of the year	<u>–</u>	<u>–</u>

12G. Reserve policy

	<u>2023</u>	<u>2022</u>	<u>Decrease</u>
	\$	\$	%
Total unrestricted funds	<u>38,498,504</u>	<u>36,236,863</u>	6.24%
Annual operating expenditure incurred under unrestricted funds	<u>11,162,140</u>	<u>10,281,965</u>	
Ratio of reserve to annual operating expenditure	<u>3.45:1</u>	<u>3.52:1</u>	

The Company's reserve policy is to maintain a reserve that is equivalent to 2 years of its operating expenses. This helps to ensure that there are sufficient resources to support the Company in the event of unforeseen circumstances and enable the Company to fulfil the continuing obligations for its beneficiaries.

On a yearly basis, the Board of Directors reviews the amount of reserve that is required to ensure that the reserve is adequate to fulfil the continuing obligations of the Company and the long-term stability of the operations.

13. Provision

	<u>2023</u>	<u>2022</u>
	\$	\$
Movements in provision for reinstatement costs:		
At beginning and end of the year	<u>80,250</u>	<u>80,250</u>

The above provision 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 right-of-use assets. The unwinding of discount is not significant.

CHILDREN'S CANCER FOUNDATION**14. Lease liabilities**

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

	<u>2023</u>	<u>2022</u>
	\$	\$
Lease liabilities, non-current	1,092,075	1,407,811
Lease liabilities, current	<u>462,423</u>	<u>401,886</u>
	<u>1,554,498</u>	<u>1,809,697</u>

The Company's lease liabilities are in relation to its office premises.

Lease liabilities under operating leases are secured by the right-of-use assets because these will revert to the lessor in the event of default. The right-to-use assets are disclosed in Note 8.

A summary of the maturity analysis of lease liabilities that shows the remaining contractual maturities is disclosed in Note 18F below. Total cash outflows from leases are shown in the statement of cash flows.

There were no future cash outflows to which the lessee is potentially exposed that are not reflected in the measurement of lease liabilities above. At reporting year date, there were no commitments on leases which had not yet commenced.

15. Other payables

	<u>2023</u>	<u>2022</u>
	\$	\$
Outside parties and accrued liabilities	<u>1,434,082</u>	<u>1,508,848</u>

16. Other non-financial liabilities

	<u>2023</u>	<u>2022</u>
	\$	\$
<u>Deferred grants:</u>		
Charities Capabilities Fund (Note 16A)	1,440	-
Community Capability Trust (Note 16B)	168,213	210,867
Cyber Security & Data Protection (Note 16C)	<u>33,460</u>	<u>-</u>
	<u>203,113</u>	<u>210,867</u>

CHILDREN'S CANCER FOUNDATION**16. Other liabilities (cont'd)****16A. Charities Capabilities Fund**

The Charities Capabilities Fund ("CCF") is provided by the Singapore government to enhance productivity, operational efficiency, governance and management capabilities of the Company. The Company applied for CCF Consultancy Grant and appointed an internal auditor to review its internal control processes relating to the Human Resource matters.

Movements in the deferred grant are as follows:

	<u>2023</u>	<u>2022</u>
	\$	\$
Balance at beginning of the year	–	–
Grants received during the year	8,640	–
Utilised during the year	<u>(7,200)</u>	<u>–</u>
Balance at end of the year	<u>1,440</u>	<u>–</u>

16B. Community Capability Trust

This relates to the Tech-and-Go! Grant from the National Council of Social Services under the Community Capability Trust ("CCT") programme. The CCT programme was created to drive capability and capacity building within the social service sector to equip them and enable them to make more sustainable use of resources to deliver better service outcomes.

Movements in the deferred grant are as follows:

	<u>2023</u>	<u>2022</u>
	\$	\$
Balance at beginning of the year	210,867	–
Grants received / receivable during the year	–	214,536
Utilised during the year	<u>(42,654)</u>	<u>(3,669)</u>
Balance at end of the year	<u>168,213</u>	<u>210,867</u>

16C. Personal Data Protection

This also relates to the Tech-and-Go! Grant from the National Council of Social Services under the Community Capability Trust ("CCT") programme.

Other grants included with the CCT programme include grants for achieving personal data protection certification, thus demonstrating that the Company has robust practices in place to protect their stakeholders' data.

Movements in the deferred grant are as follows:

	<u>2023</u>	<u>2022</u>
	\$	\$
Balance at beginning of the year	–	–
Grants received during the year	<u>33,460</u>	<u>–</u>
Balance at end of the year	<u>33,460</u>	<u>–</u>

CHILDREN'S CANCER FOUNDATION**17. Grant making to partners**

The Company disbursed the funding to organisations as follows:

	<u>2023</u>	<u>2022</u>
	\$	\$
Hospitals	1,000,000	610,235
Not-for-profit organisations	100,000	100,000
University	925,000	1,100,000
Others	1,500	859
	<u>2,026,500</u>	<u>1,811,094</u>

The funding expense arose out of the following commitments made by the Company to its partners:

- (a) The Company has committed a funding of \$300,000 to Singapore Cord Blood Bank Limited for the purpose of building community (hybrid) cord blood banking on terms agreed by both parties from 2021 to 2023. A total of \$300,000 (2022: \$200,000) has been disbursed as of 2023.
- (b) The Company has committed funding of \$2,500,000 to National University of Singapore for the CAR-T cell immunotherapy programme on terms agreed by both parties. A total of \$2,500,000 (2022: \$2,000,000) has been disbursed as of 2023.
- (c) The Company has committed funding of \$3,050,000 to National University of Singapore for the Viva-NUS Centre for Translational Research in Acute Leukaemia (CentRAL) on terms agreed by both parties. A total of \$2,625,000 (2022: \$2,200,000) has been disbursed as of 2023. Remaining funds of \$425,000 are expected to be disbursed within the next two years.
- (d) The Company has committed funding of \$2,650,878 to CCF KKH Psychosocial & Supportive Care Programme for Paediatric Oncology (CCF PSCP) – Phase 3 on terms agreed by both parties. A total of \$894,910 (2022: Nil) has been disbursed as of 2023. Remaining funds of \$1,755,968 are expected to be disbursed within the next two years.
- (e) The Company has committed funding of \$222,090 to CCF-KKH Paediatric Oncology Survivorship Programme on terms agreed by both parties. A total of \$105,090 (2022: Nil) has been disbursed as of 2023. Remaining funds of \$117,000 are expected to be disbursed as of 2024.

Estimated amounts committed at the end of the reporting year for future grants to be disbursed but not recognised in the financial statements amounted to \$2,297,968 (2022: \$1,450,000).

CHILDREN'S CANCER FOUNDATION**18. Financial instruments: information on material policy information and financial risks****18A. Categories of financial assets and financial liabilities:**

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

	<u>2023</u> \$	<u>2022</u> \$
<u>Financial assets:</u>		
At amortised cost	<u>39,691,428</u>	<u>37,488,624</u>
<u>Financial liabilities:</u>		
At amortised cost	<u>2,988,580</u>	<u>3,318,545</u>

Further quantitative disclosures are included throughout these financial statements.

18B. Financial risk management

The main purpose for holding or issuing financial instruments is to raise and manage the finances for the Company'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. The guidelines set up the objectives and action to be taken in order to manage the financial risks. All financial risk management activities are carried out and monitored by senior management staff. All financial risk management activities are carried out following acceptable market practices.

There are written policies and procedures for effectively supervising, monitoring and evaluating the investment assets. The governing board members hold all the funds as a fiduciary and have delegated authority over its investment affairs to the investment committee (the "committee") of the board. The committee advises the board on the implications of changes to its investment policy, helps it operate within policies and procedures, and advises on relevant matters. The management manages the investment risks by consulting expert advisors and operating an investment policy that provides for a degree of diversification of holdings within investment asset classes.

18C. Fair values of financial instruments

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.

CHILDREN'S CANCER FOUNDATION**18. Financial instruments: information on material policy information and financial risks (cont'd)****18D. Credit risk on financial assets**

Financial assets are principally from cash balances with banks, cash equivalents and receivables. They are potentially subject to credit risk due to failures by counterparties to discharge their obligations in full or in a timely manner. 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 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 applied to measure the impairment allowance. Under this approach the financial assets move through the three stages as their credit quality changes. However, the simplified approach (that is, to measure the loss allowance at an amount equal to lifetime ECL at initial recognition and throughout its life) permitted by the financial reporting standards on financial instruments is applied for financial assets that do not have a significant financing component.

Cash and cash equivalents as disclosed in Note 11 are also subject to the impairment requirements of the standard on financial instruments. There was no identified impairment loss.

18E. 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:

	<u>2023</u>	<u>2022</u>
	\$	\$
<u>Financial assets with interest:</u>		
Fixed rates	<u>32,667,905</u>	<u>30,078,498</u>

The interest rates are disclosed in Note 11.

Sensitivity analysis: The effect on surplus is not significant.

18F. Liquidity risk – financial instruments 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. The average credit period taken to settle trade payables is about 30 days (2022: 30 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. In order to meet such cash commitments the operating activities are expected to generate sufficient cash inflows.

CHILDREN'S CANCER FOUNDATION**18. Financial instruments: information on material policy information and financial risks (cont'd)****18F. Liquidity risk – financial instruments maturity analysis (cont'd)**

The following table analyses non-derivative financial liabilities by remaining contractual maturity (contractual and undiscounted cash flows):

	Less than <u>1 year</u> \$	Between <u>2 to 5 years</u> \$	<u>Total</u> \$
<u>2023:</u>			
Gross lease liabilities	530,338	1,153,528	1,683,866
Other payables	1,434,082	–	1,434,082
	<u>1,964,420</u>	<u>1,153,528</u>	<u>3,117,948</u>
<u>2022:</u>			
Gross lease liabilities	485,876	1,525,558	2,011,434
Other payables	1,508,848	–	1,508,848
	<u>1,994,724</u>	<u>1,525,558</u>	<u>3,520,282</u>

The above amounts disclosed in the maturity analysis are the contractual undiscounted cash flows and such undiscounted cash flows differ from the amount included in the statement of financial position. When the counterparty has a choice of when an amount is paid, the liability is included on the basis of the earliest date on which it can be required to pay.

19. Capital commitments

Estimated amounts committed at the end of the reporting year for future capital expenditure but not recognised in the financial statements are as follows:

	<u>2023</u> \$	<u>2022</u> \$
Commitments to purchase plant and equipment	<u>106,223</u>	<u>–</u>

20. Changes and adoption of financial reporting standards

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

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

For the future reporting years the ASC issued certain new or revised financial reporting standards. None is expected to have material impact on the Company based on its current operations.