

BLOSSOM SEEDS LIMITED

[UEN. 201304904N]

[A Company limited by guarantee and not
having share capital]

[Incorporated in the Republic of Singapore]

**AUDITED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
31 DECEMBER 2020**

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Fiducia LLP

(UEN. T10LL0955L)

Public Accountants and
Chartered Accountants of Singapore

71 Ubi Crescent
Excalibur Centre #08-01
Singapore 408571
T: (65) 6846.8376
F: (65) 6491.5218

DIRECTORS' STATEMENT

The directors present their statement to the members together with the audited financial statements of Blossom Seeds Limited (the "Company") for the financial year ended 31 December 2020.

In the opinion of the directors,

- a) the financial statements are drawn up so as to give a true and fair view of the financial position of the Company as at 31 December 2020 and the financial performance, changes in funds and cash flows of the Company for the financial year then ended; 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.

Directors

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

Aw Cheow Thiam	
Chua Mui Kiang	
Goh Sock Choo	
John Zaw Min	
Lee Chin Chye	
Pua Hwee Leng	
Tan Chiew Hoon	
Teo Kim Swa	
Wong Yee Chee	
Leong Soon San	(Resigned on 14/09/2020)
Thet Naing Kyaw	(Appointed on 14/09/2020)
Ong Ai Lan	(Appointed on 02/02/2021)
Yeo Mui Hoon	(Appointed on 02/02/2021)

Arrangements to enable directors to acquire benefits

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose object is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Other matters

As the Company is limited by guarantee, matters relating to interest in shares, debentures or share options are not applicable.

Blossom Seeds Limited
[UEN. 201304904N]

Audited Financial Statements
Financial Year Ended 31 December 2020

DIRECTORS' STATEMENT (CONT'D)


Independent auditor

The independent auditor, Messrs. Fiducia LLP, Public Accountants and Chartered Accountants of Singapore, has expressed its willingness to accept re-appointment.

On behalf of the Board of Directors,

DocuSigned by:

0BB5850812BF47E...
Aw Cheow Thiam
Director

DocuSigned by:

F744B3FCC1EF4BB...
Ong Ai Lan
Director

Singapore, 16 June 2021

Fiducia LLP

Public Accountants and
Chartered Accountants of Singapore

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Independent auditor's report to the members of:

BLOSSOM SEEDS LIMITED

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Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Blossom Seeds Limited** (the "Company"), which comprise the statement of financial position as at 31 December 2020, and the statement of financial activities, statement of changes in funds and statement of cash flows of the Company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Companies Act"), the Charities Act, Chapter 37 and other relevant regulations (the "Charities Act and Regulations") and Charities Accounting Standard ("CAS") so as to give a true and fair view of the financial position of the Company as at 31 December 2020 and of the financial performance, changes in the funds and cash flows of the Company for the year ended on that date.

Basis for Opinion

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

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement (set out on pages 2 to 3), 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.

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(CONT'D)

Independent auditor's report to the members of:

BLOSSOM SEEDS LIMITED

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Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Companies Act, the Charities Act and Regulations and CAS, 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.

Those charged with governance comprises the directors. Their responsibilities include overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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(CONT'D)

Independent auditor's report to the members of:

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Auditor's Responsibilities for the Audit of the Financial Statements (Cont'd)

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

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

We communicate with 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.

Fiducia LLP

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Independent auditor's report to the members of:

BLOSSOM SEEDS LIMITED

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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 year:

- a. the Company has not use of the donation moneys in accordance with the 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.

DocuSigned by:


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Fiducia LLP
Public Accountants and
Chartered Accountants

Singapore, 16 June 2021

Partner-in-charge: Gan Chek Huat
PAB No.: 01939

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

	Note	Unrestricted fund	Restricted funds				Total unrestricted fund and restricted funds S\$
		General Fund S\$	Home Help Fund S\$	Blossom Kaki (Senior Volunteerism) Programme Fund S\$	Active Ageing Programme S\$	Community Befriending Programme S\$	
2020							
INCOME							
Income from generated funds							
<u>Voluntary income</u>							
Donations	5	71,769	65,415	0	10,000	573	147,757
<u>Activities for generating funds</u>							
Fund raising events	5	519,442	0	0	0	0	519,442
Events and activities	5	2,210	0	0	0	0	2,210
		521,652	0	0	0	0	521,652
Income from charitable activities							
<u>Grant income</u>							
Council for Third Age (C3A)							
- Blossom Kaki (Senior Volunteerism) Programme		0	0	70,795	0	0	70,795
- Community Befriending Program		0	0	0	0	64,028	64,028
Agency for Integrated Care (AIC)							
- Medical Escort & Transport Service		0	122,678	0	0	0	122,678
Tote Board Community Healthcare Fund							
- 4As Senior Health Programme		0	0	0	6,177	0	6,177
Community Silver Trust	12	220,199	0	0	0	0	220,199
Balance carried forward		220,199	122,678	70,795	6,177	64,028	483,877

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020 (CONT'D)**

	Note	Unrestricted fund	Restricted funds				Total unrestricted fund and restricted funds S\$	
		General Fund S\$	Home Help Fund S\$	Blossom Kaki (Senior Volunteerism) Programme Fund S\$	Active Ageing Programme S\$	Community Befriending Programme S\$		Total restricted funds S\$
2020 (CONT'D)								
INCOME (CONT'D)								
Income from charitable activities (Cont'd)								
<u>Grant income (Cont'd)</u>								
Balance brought forward		220,199	122,678	70,795	6,177	64,028	263,678	483,877
Community Chest Charity Support Fund for Active Ageing Programmes		0	0	0	50,000	0	50,000	50,000
National Council of Social Service								
- Invictus Fund		0	50,000	0	0	0	50,000	50,000
- Care and Share Grant		0	0	7,213	0	0	7,213	7,213
- Charities Capability Fund		3,000	24,780	0	0	0	24,780	27,780
Grant - others		4,395	338	0	3,000	0	3,338	7,733
		<u>227,594</u>	<u>197,796</u>	<u>78,008</u>	<u>59,177</u>	<u>64,028</u>	<u>399,009</u>	<u>626,603</u>
Other income	6	<u>129,534</u>	<u>12,801</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>12,801</u>	<u>142,335</u>
Total income		<u>950,549</u>	<u>276,012</u>	<u>78,008</u>	<u>69,177</u>	<u>64,601</u>	<u>487,798</u>	<u>1,438,347</u>
EXPENDITURE								
Cost of generating funds								
Fund raising expenses		9,771	0	0	0	0	0	9,771
Event expenses		6,401	0	0	0	0	0	6,401
		<u>16,172</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>16,172</u>

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020 (CONT'D)**

	Note	Unrestricted fund	Restricted funds					Total unrestricted fund and restricted funds S\$
		General Fund S\$	Home Help Fund S\$	Blossom Kaki (Senior Volunteerism) Programme Fund S\$	Active Ageing Programme S\$	Community Befriending Programme S\$	Total restricted funds S\$	
2020 (CONT'D)								
EXPENDITURE								
Cost of charitable activities								
Cleaning supplies		3,878	206	0	0	0	206	4,084
Consultant/trainers/speakers		13,434	300	6,200	620	0	7,120	20,554
Depreciation	9	13,319	112,739	497	2,545	842	116,623	129,942
Employer's contribution to CPF		28,542	25,250	8,792	14,159	10,099	58,300	86,842
Equipment rental		321	0	0	321	0	321	642
Facility supplies		262	400	0	0	0	400	662
Gift and goodie bags		20,990	1,118	0	502	1,187	2,807	23,797
Insurance		7,352	0	0	0	0	0	7,352
IT Hardware		1,189	0	0	0	0	0	1,189
IT Software		7,862	1,731	0	0	0	1,731	9,593
Licenses & Permit		200	0	0	32	0	32	232
Medical consumables		0	2,270	0	0	0	2,270	2,270
Minor assets		705	150	0	590	0	740	1,445
Newspaper		28	0	0	34	0	34	62
Pantry supplies		4	8	0	0	0	8	12
Postage		264	0	0	0	0	0	264
Premises rental*		1,506	9,029	1,505	16,553	1,505	28,592	30,098
Printing and stationery		1,704	144	0	0	0	144	1,848
Promotional expenses		14,166	0	0	64	0	64	14,230
Refreshments		1,559	100	246	1,938	0	2,284	3,843
Staff salaries and bonuses		206,219	187,201	63,520	85,049	70,988	406,758	612,977
Staff medical fee		315	476	19	42	17	554	869
SDL		485	504	156	229	188	1,077	1,562
Telecommunication costs		468	8,026	0	0	0	8,026	8,494
Balance carried forward		324,772	349,652	80,935	122,678	84,826	638,091	962,863

*This includes Covid-19 related rent concession received from landlord of S\$16,051.

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020 (CONT'D)**

	Unrestricted fund	Restricted funds				Total restricted funds S\$	Total unrestricted fund and restricted funds S\$
	General Fund S\$	Home Help Fund S\$	Blossom Kaki (Senior Volunteerism) Programme Fund S\$	Active Ageing Programme S\$	Community Befriending Programme S\$		
2020 (CONT'D)							
EXPENDITURE (CONT'D)							
Cost of charitable activities (Cont'd)							
Balance brought forward	324,772	349,652	80,935	122,678	84,826	638,091	962,863
Training	2,612	1,309	910	1,285	1,000	4,504	7,116
Transport and travelling	678	59,924	169	100	3,541	63,734	64,412
Utilities	420	2,426	420	4,620	420	7,886	8,306
Vehicle	0	25,819	0	0	0	25,819	25,819
Workshop	0	0	0	268	0	268	268
	<u>328,482</u>	<u>439,130</u>	<u>82,434</u>	<u>128,951</u>	<u>89,787</u>	<u>740,302</u>	<u>1,068,784</u>
Governance and other administrative costs							
Audit fee	5,029	0	0	0	0	0	5,029
Bank charges	339	172	0	0	0	172	511
Professional fee	24,303	0	0	0	0	0	24,303
	<u>29,671</u>	<u>172</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>172</u>	<u>29,843</u>
Total expenditure	<u>374,325</u>	<u>439,302</u>	<u>82,434</u>	<u>128,951</u>	<u>89,787</u>	<u>740,473</u>	<u>1,114,799</u>
NET INCOME/(EXPENDITURE) FOR THE FINANCIAL YEAR	576,224	(163,290)	(4,426)	(59,774)	(25,186)	(252,676)	323,548
TOTAL FUNDS BROUGHT FORWARD	<u>678,022</u>	<u>827,099</u>	<u>119,270</u>	<u>304,132</u>	<u>162,138</u>	<u>1,412,639</u>	<u>2,090,661</u>
TOTAL FUNDS CARRIED FORWARD	<u>1,254,246</u>	<u>663,809</u>	<u>114,844</u>	<u>244,358</u>	<u>136,952</u>	<u>1,159,963</u>	<u>2,414,209</u>

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020 (CONT'D)**

	Note	Unrestricted fund	Restricted funds				Total unrestricted fund and restricted funds S\$
		General Fund S\$	Home Help Fund S\$	Blossom Kaki (Senior Volunteerism) Programme Fund S\$	Active Ageing Programme S\$	Community Befriending Programme S\$	
2019 INCOME							
Income from generated funds							
<u>Voluntary income</u>							
Donations	5	0	131,551	31,978	273,270	33,144	469,943
<u>Activities for generating funds</u>							
Fund raising events	5	288,932	211,730	67,707	0	67,708	636,077
Events and activities	5	0	4,073	1,303	0	1,303	6,679
		288,932	215,803	69,010	0	69,011	642,756
Income from charitable activities							
<u>Grant income</u>							
Council for Third Age (C3A)							
- Blossom Kaki (Senior Volunteerism) Programme		0	0	29,157	0	0	29,157
- Community Befriending Programme		0	0	0	0	61,230	61,230
Agency for Integrated Care (AIC)							
- Manpower		109,550	6,300	24,150	28,001	13,999	182,000
- Medical Escort & Transport Service		0	32,507	0	0	0	32,507
Tote Board Community Healthcare Fund							
- Medical Escort & Transport Service		0	59,715	0	0	0	59,715
- 4As Senior Health Programme		0	0	0	20,872	0	20,872
Community Silver Trust	12	234,488	450,000	0	301,734	0	986,222
Balance carried forward		344,038	548,522	53,307	350,607	75,229	1,371,703

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020 (CONT'D)**

	Note	Unrestricted fund	Restricted funds				Total unrestricted fund and restricted funds S\$	
		General Fund S\$	Home Help Fund S\$	Blossom Kaki (Senior Volunteerism) Programme Fund S\$	Active Ageing Programme S\$	Community Befriending Programme S\$		Total restricted funds S\$
2019 (CONT'D)								
INCOME (CONT'D)								
Income from charitable activities (Cont'd)								
<u>Grant income (Cont'd)</u>								
Balance brought forward		344,038	548,522	53,307	350,607	75,229	1,027,665	1,371,703
Community Chest Charity Support Fund for Active Ageing Programmes		0	0	0	50,000	0	50,000	50,000
National Council of Social Service - Charities Capability Fund		46,240	0	0	0	0	0	46,240
- Innovation and Productivity Grant		4,000	0	0	0	0	0	4,000
		<u>394,278</u>	<u>548,522</u>	<u>53,307</u>	<u>400,607</u>	<u>75,229</u>	<u>1,077,665</u>	<u>1,471,943</u>
Other income								
Gain on disposal of PPE		2,300	0	0	0	0	0	2,300
Miscellaneous income	6	<u>3,116</u>	<u>360</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>360</u>	<u>3,476</u>
		<u>5,416</u>	<u>360</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>360</u>	<u>5,776</u>
Total income		<u>688,626</u>	<u>896,236</u>	<u>154,295</u>	<u>673,877</u>	<u>177,384</u>	<u>1,901,792</u>	<u>2,590,418</u>

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020 (CONT'D)**

	Note	Unrestricted fund	Restricted funds				Total unrestricted fund and restricted funds S\$	
		General Fund S\$	Home Help Fund S\$	Blossom Kaki (Senior Volunteerism) Programme Fund S\$	Active Ageing Programme S\$	Community Befriending Programme S\$		Total restricted funds S\$
2019 (CONT'D)								
EXPENDITURE								
Cost of generating funds								
Fund raising expenses		29,891	49,939	15,970	0	15,969	81,878	111,769
Event expenses		0	5,028	1,608	0	1,608	8,244	8,244
		<u>29,891</u>	<u>54,967</u>	<u>17,578</u>	<u>0</u>	<u>17,577</u>	<u>90,122</u>	<u>120,013</u>
Cost of charitable activities								
Cleaning supplies		1,765	26	0	0	48	74	1,839
Consultant/trainers/speakers		6,400	1,725	3,000	9,850	0	14,575	20,975
Depreciation	9	2,958	84,350	635	10,462	614	96,061	99,019
Employer's contribution to CPF		1,343	28,061	5,884	33,864	10,082	77,891	79,234
Equipment rental		0	0	0	1,305	0	1,305	1,305
Facility supplies		2,384	164	89	509	0	762	3,146
Gift and goodie bags		9,975	82	0	205	0	287	10,262
Insurance		4,686	0	0	0	0	0	4,686
Medical consumables		141	1,964	0	0	0	1,964	2,105
Pantry supplies		172	0	0	91	0	91	263
Parking, insurance and road tax		0	14,479	0	0	0	14,479	14,479
Postage		369	9	0	0	0	9	378
Premises rental		2,408	14,446	2,407	26,484	2,408	45,745	48,153
Printing and stationery		13,857	40	0	763	0	803	14,660
Promotional expenses		1,926	417	0	0	0	417	2,343
Refreshments		667	7	1,272	9,067	1,223	11,569	12,236
Staff salaries and bonuses		9,258	206,816	49,681	214,112	61,798	532,407	541,665
Staff medical fee		501	1,124	85	332	114	1,655	2,156
SDL		19	534	118	507	151	1,310	1,329
Telecommunication costs		105	2,466	306	1,800	1,800	6,372	6,477
Training fee		4,153	2,472	7,830	633	1,648	12,583	16,736
Balance carried forward		<u>63,087</u>	<u>359,182</u>	<u>71,307</u>	<u>309,984</u>	<u>79,886</u>	<u>820,359</u>	<u>883,446</u>

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020 (CONT'D)**

	Note	Unrestricted fund	Restricted funds				Total unrestricted fund and restricted funds S\$	
		General Fund S\$	Home Help Fund S\$	Blossom Kaki (Senior Volunteerism) Programme Fund S\$	Active Ageing Programme S\$	Community Befriending Programme S\$		Total restricted funds S\$
2019 (CONT'D)								
EXPENDITURE (CONT'D)								
Cost of charitable activities (Cont'd)								
Balance brought forward		63,087	359,182	71,307	309,984	79,886	820,359	883,446
Transport and travelling		574	40,050	925	805	5,213	46,993	47,567
Uniforms		0	0	5,643	0	0	5,643	5,643
Utilities		1,276	3,748	420	4,631	420	9,219	10,495
		<u>64,937</u>	<u>402,980</u>	<u>78,295</u>	<u>315,420</u>	<u>85,519</u>	<u>882,214</u>	<u>947,151</u>
Governance and other administrative costs								
Audit fee		5,564	0	0	0	0	0	5,564
Bank charges		1,538	3	0	0	8	11	1,549
Membership fee		1,284	0	0	0	0	0	1,284
Professional fee		5,687	1,220	0	0	0	1,220	6,907
		<u>14,073</u>	<u>1,223</u>	<u>0</u>	<u>0</u>	<u>8</u>	<u>1,231</u>	<u>15,304</u>
Total expenditure		<u>108,901</u>	<u>459,170</u>	<u>95,873</u>	<u>315,420</u>	<u>103,104</u>	<u>973,567</u>	<u>1,082,468</u>
NET INCOME FOR THE FINANCIAL YEAR								
TOTAL FUNDS BROUGHT FORWARD		579,725	437,066	58,422	358,457	74,280	928,225	1,507,950
Transfer of fund	11	684,519	(36,189)	(19,152)	(54,325)	7,858	(101,808)	582,711
		<u>(586,222)</u>	<u>426,222</u>	<u>80,000</u>	<u>0</u>	<u>80,000</u>	<u>586,222</u>	<u>0</u>
TOTAL FUNDS CARRIED FORWARD		<u>678,022</u>	<u>827,099</u>	<u>119,270</u>	<u>304,132</u>	<u>162,138</u>	<u>1,412,639</u>	<u>2,090,661</u>

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

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2020

	Note	2020 S\$	2019 S\$
ASSETS			
Current assets			
Cash and cash equivalents	7	2,359,387	1,759,562
Other receivables	8	<u>282,084</u>	<u>107,880</u>
		<u>2,641,471</u>	<u>1,867,442</u>
Non-current assets			
Property, plant and equipment	9	<u>292,482</u>	<u>268,445</u>
Total assets		<u>2,933,953</u>	<u>2,135,887</u>
LIABILITIES			
Current liabilities			
Other payables	10	<u>519,744</u>	<u>45,226</u>
Total liabilities		<u>519,744</u>	<u>45,226</u>
NET ASSETS		<u>2,414,209</u>	<u>2,090,661</u>
FUNDS			
Unrestricted fund			
General fund	11	<u>1,254,246</u>	<u>678,022</u>
Restricted funds			
Home Help Fund	11	663,809	827,099
Blossom Kaki (Senior Volunteerism) Programme Fund	11	114,844	119,270
Active Ageing Programme	11	244,358	304,132
Community Befriending Programme	11	<u>136,952</u>	<u>162,138</u>
		<u>1,159,963</u>	<u>1,412,639</u>
TOTAL FUNDS		<u>2,414,209</u>	<u>2,090,661</u>

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

**STATEMENT OF CHANGES IN FUNDS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

	Balance at beginning of financial year S\$	Net income/ (expenditure) for the financial year S\$	Transfer of funds S\$	Balance at end of financial year S\$
2020				
Unrestricted fund				
General fund	678,022	576,224	0	1,254,246
Restricted funds				
Home Help Fund	827,099	(163,290)	0	663,809
Blossom Kaki (Senior Volunteerism) Programme Fund	119,270	(4,426)	0	114,844
Active Ageing Programme	304,132	(59,774)	0	244,358
Community Befriending Programme	162,138	(25,186)	0	136,952
	<u>1,412,639</u>	<u>(252,676)</u>	<u>0</u>	<u>1,159,963</u>
Total funds	<u>2,090,661</u>	<u>323,548</u>	<u>0</u>	<u>2,414,209</u>
	Balance at beginning of financial year S\$	Net income for the financial year S\$	Transfer of funds S\$	Balance at end of financial year S\$
2019				
Unrestricted fund				
General fund	684,519	579,725	(586,222)	678,022
Restricted funds				
Home Help Fund	(36,189)	437,066	426,222	827,099
Blossom Kaki (Senior Volunteerism) Programme Fund	(19,152)	58,422	80,000	119,270
Active Ageing Programme	(54,325)	358,457	0	304,132
Community Befriending Programme	7,858	74,280	80,000	162,138
	<u>(101,808)</u>	<u>928,225</u>	<u>586,222</u>	<u>1,412,639</u>
Total funds	<u>582,711</u>	<u>1,507,950</u>	<u>0</u>	<u>2,090,661</u>

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

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

	Note	2020 S\$	2019 S\$
Cash flows from operating activities			
Net income for the financial year		323,548	1,507,950
Adjustment for:			
- Depreciation	9	<u>129,942</u>	<u>99,019</u>
Operating cash flow before changes in working capital		453,490	1,606,969
Changes in working capital			
- Other receivables		(174,204)	36,438
- Other payables		<u>474,518</u>	<u>(11,772)</u>
Net cash generated from operating activities		<u>753,804</u>	<u>1,631,635</u>
Cash flows from investing activity			
Purchase of property, plant and equipment, representing net cash used in investing activity	9	<u>(153,979)</u>	<u>(198,114)</u>
Net increase in cash and cash equivalents		599,825	1,433,521
Cash and cash equivalents at beginning of financial year		<u>1,759,562</u>	<u>326,041</u>
Cash and cash equivalents at end of financial year	7	<u>2,359,387</u>	<u>1,759,562</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

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

1. General information

Blossom Seeds Limited (the "Company") is incorporated and domiciled in Singapore. The Company's registered office and principal place of business is located at 105 Canberra Street, #02-01 Singapore 750105.

The Company is a company limited by guarantee. The Company was registered as a charity under the Charities Act, Chapter 37 on 4 April 2016. The Company has been accorded an Institution of a Public Character ("IPC") status until 31 January 2022.

The principal activities of the Company are those of charitable and other supporting activities aimed at humanitarian work.

Every member of the Company undertakes to contribute to the assets of the Company in the event of its being wound up while he is a member or within one year afterwards for payment of debts and liabilities of the Company contracted before he ceased to be a member and of the costs and expenses of winding-up and for the adjustment of the right of the contributories among themselves such amount as may be required not exceeding S\$10 only.

2. Significant accounting policies**2.1 Basis of preparation**

The financial statements have been prepared in accordance with Charities Accounting Standard ("CAS") and disclosure requirements of the Charities Act, Chapter 37. The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

These financial statements are presented in Singapore Dollars ("S\$"), which is the Company's functional currency.

The preparation of the financial statements in conformity with CAS requires measurement to exercise its judgement in the process of applying Company's accounting policies. It also requires the use of certain critical accounting estimates and assumptions

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

2.2 Income recognition

Income comprises the fair value of the consideration received or receivable in the ordinary course of the Company's activities. Income is recognised as follows:

2.2.1 Donations

Donations are taken up and accrued as and when they are committed. Those uncommitted donations, income from charity events and all income except as listed below, are recognised on receipt basis. Donations-in-kind are recognised when the fair value of the assets received can be reasonably ascertained.

2. Significant accounting policies (Cont'd)**2.2 Income recognition (Cont'd)**

2.2.2 Government grants

The recognition of a promised grant is evidence of entitlement which normally exists when the grant is formally expressed in writing. Where the entitlement is demonstrable, and no conditions are attached, such promises are recognised as income once the criteria or certainty and measurability are met. When conditions are attached, they must be fulfilled before the Company has unconditional entitlement to the income. Income is deferred as a liability where uncertainty exists as to whether the Company can meet the conditions and is recognised as income when there is sufficient evidence that the conditions imposed can be met.

2.2.3 Income from events

Income from events is recognised upon completion of event.

2.2.4 Other income

Other income is recognised when received.

2.3 Expenditure recognition

All expenditure is accounted for on accrual basis, aggregated under the respective areas. Direct costs are attributed to the activity where possible. Where costs are not wholly attributable to an activity, they are apportioned on a basis consistent with the use of resources.

2.3.1 Cost of generating funds

Cost of generating funds comprises all directly attributable costs incurred in the generating voluntary income and fundraising activities. These costs include costs related to constitutional and statutory requirements and an apportionment of overhead and shared costs.

2.3.2 Cost of charitable activities

Cost of charitable activities comprises all directly attributable costs incurred in the pursuit of the charitable objects of the Company and an apportionment of overhead and shared costs.

2.3.3 Governance and administrative costs

Governance and administrative costs include the costs of governance arrangement, which relate to the general running of the Company, providing governance infrastructure and ensuring public accountability. These costs include costs related to constitutional and statutory requirements and an apportionment of overhead and shared costs.

2. Significant accounting policies (Cont'd)**2.4 Property, plant and equipment****2.4.1 Measurement**

All property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of property, plant and equipment includes its purchase price and any costs that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by Management.

Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal and restoration is included as a consequence of acquiring or using the property, plant and equipment.

2.4.2 Depreciation

Depreciation is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

	Useful lives
Renovation	3 years
Office and centre equipment	3 years
Motor vehicles	5 years
Furniture	3 years

Fully depreciated assets are retained in the financial statements until they are no longer in use.

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each reporting date. The effects of any revision are recognised in the statement of financial activities for the financial year in which the changes arise.

2.4.3 Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Other subsequent expenditure is recognised as repairs and maintenance expenses in the statement of financial activities during the financial year in which it is incurred.

2.4.4 Disposal

On disposal of an item of property, plant and equipment, the difference between the net disposal proceeds and its carrying amount is taken to the statement of financial activities.

2. Significant accounting policies (Cont'd)**2.5 Financial assets****2.5.1 Recognition and measurement**

Other receivables, excluding prepayments, are initially recognised at their transaction price, excluding transaction costs, if any. Transaction costs are recognised as expenditure in the statement of financial activities as incurred. Prepayments are initially recognised at the amount paid in advance for the economic resources expected to be received in the future.

Receivables in financial assets are subsequently measured at amortised cost, using the effective interest method.

2.5.2 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

2.5.3 Impairment

The Company assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired.

An allowance for impairment of other receivables is recognised when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the receivable is impaired. The amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The amount of the allowance for impairment is recognised in the statement of financial activities within "Governance and other administrative costs".

Subsequently, if the amount of an impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss will be reversed. The reversal will not result in any carrying amount of the financial asset (net of any allowance account) that exceeds what the carrying amount would have been had the impairment not previously been recognised. The amount of reversal is recognised in the statement of financial activities.

2.6 Cash and cash equivalents

Cash and cash equivalents include deposits with financial institutions, which are subject to an insignificant risk of changes in values.

2.7 Financial liabilities

Financial liabilities are recognised when the Company becomes a party to the contractual agreements of the instrument and are classified according to the substance of the contractual arrangements entered into. All interest related charges are recognised in the statement of financial activities. Financial liabilities include "Other payables" on the statement of financial position.

2. Significant accounting policies (Cont'd)**2.7 Financial liabilities (Cont'd)**

Financial liabilities are derecognised when the obligations under the liability is discharged or cancelled or expires. When existing financial liabilities are replaced by another from the same lender on substantially different terms of an existing liability or are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognised in the statement of financial activities.

2.8 Other payables

Other payables excluding accruals, are recognised at their transaction price, excluding transaction cost, if any, both at initial recognition and at subsequent measurement. Transaction costs are recognised as expenditure in the statement of financial activities as incurred.

Accruals are recognised at the best estimate of the amount payable.

2.9 Provisions for other liabilities and charges

Provisions for other liabilities and charges are recognised when the Company has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

2.10 Operating leases as lessee

Leases of assets in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are taken to the statement of financial activities on a straight-line basis over the period of the lease. When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

Rental on operating lease is charged to statement of financial activities.

2.11 Employee compensation**2.11.1 Defined contribution plans**

Defined contribution plans are post-employment benefit plans under which the Company pays fixed contributions into separate entities such as the Central Provident Fund ("CPF"), on a mandatory, contractual or voluntary basis. The Company has no further payment obligations once the contributions have been paid. The Company's contribution to defined contribution plans are recognised as employee compensation expense when they are due.

2.11.2 Short-term employee benefits

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the reporting date.

2. Significant accounting policies (Cont'd)**2.12 Funds**

Restricted funds balance are restricted by outside sources and may only be utilised in accordance with the purposes for which they are established. Designated funds are earmarked for specific purposes and are largely made up of funds allocated at the discretion of the Board of Directors. These designated funds are treated as restricted funds as they contain funds restricted by outside sources.

The Board of Directors retains full control over the use of unrestricted funds for any of the Company's purposes.

2.13 Contingencies

Contingent liabilities are not recognised in the financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is not recognised in the financial statements but disclosed when an inflow of economic benefit is probable.

2.14 Events after the reporting date

Post year-end events that provide additional information about the Company's position at the reporting date (adjusting events) are reflected in the financial statements. Post year-end events that are not adjusting events are disclosed in the notes to the financial statements when material.

3. Significant accounting judgements and estimates

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of income, expenditure, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3.1 Judgements made in applying accounting policies*Government grants*

Government grants to meet operating expenses are recognised as income in the statement of financial activities on the accrual basis in the year these operating expenses were incurred and there is reasonable assurance that the Company will comply with the conditions attached to it. For certain grants, the government agencies reserve the right to withdraw, withhold or reduce the amount of any funds approved but not yet disbursed or to call for the refund of all funds which have been disbursed to the Company if the conditions are not met.

3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting date are discussed below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

3. Significant accounting judgements and estimates (Cont'd)**3.2 Key sources of estimation uncertainty (Cont'd)**Useful lives of property, plant and equipment

Management determines the estimated useful lives and the related depreciation for its property, plant and equipment based on the period over which the property, plant and equipment are expected to provide economic benefits. Management's estimation of the useful lives of property, plant and equipment is based on collective assessment of industry practice, internal technical evaluation and experience with similar assets.

The estimation of the useful lives of the property, plant and equipment could change significantly due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of property, plant and equipment. The depreciation charge is increased where useful lives are less than previously estimated lives.

The carrying value of property, plant and equipment as of 31 December 2020 and 2019 are disclosed in Note 9.

Based on Management's assessment, no change in the estimated useful lives of property, plant and equipment is required as of 31 December 2020 and 2019.

4. Income tax

The Company is a charity registered under the Charities Act since 4 April 2016. Consequently, the income of the Company is exempted from tax under the provisions of Section 13 of the Income Tax Act Cap. 134.

5. Donations

	2020 S\$	2019 S\$
Tax deductible donations	386,269	487,416
Non-tax deductible donations	<u>283,140</u>	<u>463,081</u>
	<u>669,409</u>	<u>950,497</u>

The donations were allocated as follows:

• Donations	147,757	469,943
• Fund raising events	519,442	473,875
• Events and activities	<u>2,210</u>	<u>6,679</u>
	<u>669,409</u>	<u>950,497</u>

During the financial year, the Company issued tax deductible receipts for donations totalling S\$700,733 (2019: S\$487,416) pursuant to its Institutions of a Public Character ("IPC") status.

Total donations received during the financial year ended 31 December 2019 amounting to S\$550,497 was submitted and matched for CST FY2020 Grant Call and will be channelled to CST's eligible Intermediate and Long Term Care ("ILTC") programme in the next financial year.

6. Miscellaneous income

	2020 S\$	2019 S\$
Jobs support scheme	129,534	0
Special employment credit	2,428	2,846
Wages credit scheme	10,373	0
Others	0	630
	<u>142,335</u>	<u>3,476</u>

7. Cash and cash equivalents

	2020 S\$	2019 S\$
Cash on hand	3,830	5,280
Cash at banks	<u>2,355,557</u>	<u>1,754,282</u>
	<u>2,359,387</u>	<u>1,759,562</u>

8. Other receivables

	Note	2020 S\$	2019 S\$
Deposits		5,044	4,544
Grant receivables – Jobs Support Scheme		15,440	0
Prepayments		28,393	2,802
Advances to suppliers	15.2	135,693	30,664
Other receivables		<u>97,514</u>	<u>69,870</u>
		<u>282,084</u>	<u>107,880</u>

The Jobs Support Scheme (JSS) provides wage support to employers to help them retain their local employees (Singapore citizens and Permanent Residents) during this period of economic and pandemic uncertainty. JSS payouts are intended to offset local employees wages and help protect their jobs.

9. Property, plant and equipment

	Renovation S\$	Office and centre equipment S\$	Motor vehicles S\$	Furniture S\$	Total S\$
Cost					
At 1 January 2019	159,372	12,314	0	0	171,686
Additions	12,410	37,639	145,776	2,289	198,114
31 December 2019	171,782	49,953	145,776	2,289	369,800
Additions	64,468	89,511	0	0	153,979
At 31 December 2020	236,250	139,464	145,776	2,289	523,779
Accumulated Depreciation					
At 1 January 2019	0	2,336	0	0	2,336
Depreciation	56,484	13,095	28,840	600	99,019
At 31 December 2019	56,484	15,431	28,840	600	101,355
Depreciation	71,041	28,984	29,155	762	129,942
At 31 December 2020	127,525	44,415	57,995	1,362	231,297
Carrying amount					
31 December 2019	115,298	34,522	116,936	1,689	268,445
31 December 2020	108,725	95,049	87,781	927	292,482

10. Other payables

	2020 S\$	2019 S\$
Accruals	82,628	35,696
Deferred grant income – Jobs Support Scheme	30,358	0
Deferred grant income – Care and share grant	36,063	0
Deferred rent	3,512	9,530
Donation received in advance	367,183	0
	<u>519,744</u>	<u>45,226</u>

The deferred grant income – Jobs Support Scheme (JSS) will be recognised as a grant income, on a systematic basis, over the estimated 17 months of economic uncertainty till August 2021 in which the entity recognises the related salary costs.

Deferred rent pertained to timing difference on the recognition of actual rental expenses and the payment amounts recorded in the Company's financial statements. The Company was given with 4 months' rent free (fitting-up) period under the lease agreement signed for the office premises. The Company account the rental expense for the fitting up period on straight-line basis through dividing the total lease payables by total lease term including the rent free period.

Donations received in advance pertain to donations received for our inaugural flag day A Compassionate Journey Made Possible which ends on 31 March 2021.

11. Funds

11.1 Unrestricted fund

General Fund

General fund are expendable at the discretion of the Board of Directors for the achieving of their overall objectives.

On 24 July 2019, the Board approved the transfer of funds of S\$586,222 from General Fund to Home Help Fund for S\$426,222, S\$80,000 to Blossom Kaki (Senior Volunteerism) Programme Fund and S\$80,000 to Community Befriending Programme respectively.

11.2 Restricted funds

Home Help Fund

To provide medical escort and transport (MET) services partnering Agency for Integrated Care (AIC). The funds are also used for befriending, grocery assistance, house cleaning and bring the vulnerable seniors to our centres for activities so that they can live and age well at home and in the community. These are not funded under government schemes. Plans are also underway to provide nursing support to the vulnerable seniors.

Included are also funds used to purchase and maintain two wheelchair enabled buses for the transportation of vulnerable seniors for their medical appointments and for the renovation of the Home Help Centre at #02-01.

Blossom Kaki (Senior Volunteerism) Programme Fund

To engage seniors for active ageing by volunteering in our events and serving the needy elderly.

Active Ageing Programme

To conduct programmes to empower seniors in different areas of health including physical, social, cultural, emotional and financial health, so that the seniors can stay healthy and happy.

Included are also funds set aside for the renovation of the Activity Centre for Seniors at #02-06 and Gym equipment.

Community Befriending Programme

Befriending programme that befriends seniors that are living alone, frail and at high risk of social isolation.

12. Community Silver Trust

The Community Silver Trust is a matching grant of one dollar for every donation dollar raised by the Company for programmes supported by Ministry of Health (MOH).

The objectives are to encourage donations and provide additional resources for service providers in the Intermediate and Long-Term Care (ILTC) sector to enhance our capabilities, provide value added services to achieve higher quality care and enhance affordability of step down care for service users. Up to 40% of the funds can be claimed for recurring operating costs incurred.

13. Related party transactions**(a) Related party transactions and balances**

There was no transaction between the Company and related party for the financial years ended 31 December 2020 and 31 December 2019.

None of the director received any remuneration from the Company for the financial years ended 31 December 2020 and 31 December 2019.

(b) Key management personnel compensation

Key management personnel compensation for the financial year is as follows:

	2020 S\$	2019 S\$
<u>Key Executives</u>		
Salaries and other short-term employee benefits	210,172	240,500
Post-employment benefits – Contribution to CPF	26,246	31,585
SDL	358	405
	<u>236,776</u>	<u>272,490</u>

Number of key management personnel whose remuneration was in the S\$100,000 band and above is 1 (2019: 1).

14. Number of employees

The number of employees in the Company at the end of the reporting date was 20 (2019: 16). As disclosed in the statement of financial activities, total staff costs as at year-end amounted to S\$701,381 (2019: S\$622,228).

15. Commitments**15.1 Operating lease commitments**

The Company leases office premise from non-related parties under non-cancellable operating lease agreement.

The future minimum rental payable under non-cancellable operating lease contracted for at the end of the reporting period but not recognised as liabilities, are as follows:

	2020 S\$	2019 S\$
Not later than one year	28,089	48,153
More than a year but not more than five years	0	28,089
	<u>28,089</u>	<u>76,242</u>

15. Commitments (Cont'd)**15.2 Capital commitments**

At the reporting date, the Company has capital commitments in respect to purchase of office and centre equipment and renovation, are as follow:

	Note	2020 S\$	2019 S\$
Commitments for the acquisition of:			
- Office and Centre equipment		158,484	106,486
- Renovation		563,931	0
Recorded as advances to suppliers	8	<u>(135,693)</u>	<u>(30,664)</u>
		<u>586,722</u>	<u>75,822</u>

16. Fund-raising expenses

	2020 S\$	2019 S\$
Gross donations	519,442	474,962
Direct cost of fund-raising expenses	<u>9,771</u>	<u>112,169</u>
Percentage of direct fund-raising expenses over gross donation	<u>1.9%</u>	<u>23.6%</u>

For the financial year ended 31 December 2020, the Company kept their fund-raising efficiency ratio below 30%. This is commonly known as the 30/70 rule.

As a result of the COVID-19 pandemic, all physical fundraising events were cancelled. During the Circuit Breaker, the Company organised a fundraising campaign - COVID-19 Funds for Needy Seniors on Giving.sg, to raise funds to continue the service and support for the vulnerable seniors in our community.

The fund-raising event above was duly audited by another audit firm.

17. Reserves position and policy

The Company's reserves position for financial year ended 31 December 2020 and 2019 are as follows:

		2020	2019	Increase / (Decrease)
		S\$'000	S\$'000	%
A	Unrestricted Fund			
	General fund	1,254	678	85%
B	Restricted / Designated Funds	1,160	1,413	-18%
C	Endowment Fund	N/A	N/A	N/A
D	Total Funds	2,414	2,091	14%
E	Total Annual Operating Expenditure	1,115	1,082	3%
F	Ratio of Reserves to Annual Operating Expenditure (A/E)	1.12	0.63	

17. Reserves position and policy (Cont'd)

Reference:

- C. Endowment fund consists of assets, funds or properties, which are held in perpetuity, which produce annual income flow for an entity to spend as grants.
- D. Total funds include unrestricted, restricted, designated and endowment funds.
- E. Total annual operating expenditure includes expenses related to Cost of Generating Funds, Cost of Charitable Activities and Governance and Other Administrative Costs.

The Company's Reserve Policy is as follows:

- a) The reserves of the Company provide financial stability and the means for the development of the Company's activities.
- b) The Board intends to maintain reserves five times of the Company's operating needs.
- c) The Company reviews the level of reserves regularly for the Company's continuing obligations.

18. Management of conflict of interest

There is no paid staff on the Company's Board of Directors.

Board members are required to disclose any interest that they may have, whether directly or indirectly, that the Company may enter into or in any organisations that the Company has dealings with or is considering dealing with; and any personal interest accruing to him as one of the Company's supplier, user of services or beneficiary. Should there be any potential conflict of interest, the affected Board members may not vote on the issue that was the subject matter of the disclosure. Detailed minutes will be taken on the disclosure as well as the basis for arriving at the final decision in relation to the issue at stake.

19. Impact of COVID-19 (Coronavirus Disease 2019)

The COVID-19 pandemic has affected almost all countries of the world, and resulted in border closures, production stoppages, workplace closures, movement controls and other measures imposed by the various governments. The Company's significant operations are in Singapore which have been affected by the spread of COVID-19 in 2020. The nature of the Company's business are those of charitable and other supporting activities aimed at humanitarian work. Summarise the impact of COVID-19 as below on the Company's financial performance reflected in this set of financial statements for the year ended 31 December 2020:

- i. The Company has assessed that the going concern basis of preparation for this set of financial statements remains appropriate. The Board of Directors is continuously monitoring the COVID-19 pandemic situation and will take further action as necessary in response to the service disruptions.
- ii. The Singapore Multi-Ministry Taskforce implemented an elevated set of safe distancing measures as a circuit breaker from 7 April 2020 to 1 June 2020, to pre-empt the trend of increasing local transmission of COVID-19. Except for those providing essential services and selected economic sectors which are critical for our local and the global supply chains, all businesses are required to suspend all in-person activities and the Company's physical operations were temporarily closed to adhere to the respective governments' movement control measures.
- iii. In 2020, the Company has received rental waiver for its office rental for S\$16,051 from landlord during the circuit breaker period enforced by the Singapore Multi-Ministry Taskforce.
- iv. The government has also implemented assistance measure which might mitigate some of the impact of COVID-19 on the Company's results and liquidity.

19. Impact of COVID-19 (Coronavirus Disease 2019) (Cont'd)

As the global COVID-19 situation remains very fluid as at the date these financial statements were authorised for issuance, the Company cannot reasonably ascertain the full extent of the probable impact of the COVID-19 disruptions on its operating and financial performance for the financial year ending 31 December 2021. If the situation persists beyond management's current expectations, the Company's assets may be subject to further write downs in the subsequent financial periods.

20. Event after the reporting date

Commencing 3 May 2021, the Company will onboard the new eldercare service model by Ministry of Health as an Active Ageing Centre.

21. Authorisation of financial statements

The financial statements for the financial year ended 31 December 2020 were authorised for issue in accordance with a resolution of the Board of Directors on 16 June 2021.