

Financial statements

Temasek Foundation Cares CLG Limited
(formerly known as Temasek Cares CLG Limited)
(A company limited by guarantee)

31 March 2017

Company information

Company registration number	200909154Z
Registered office	60B Orchard Road #06-18 The Atrium@Orchard Singapore 238891
Directors	Richard Rokmat Magnus (Chairman) Mohamed Salleh s/o Kadir Mohideen Saibu Maricar (Treasurer) Pang Cheng Lian Rajamanickam K Vemala Benedict Cheong Thiam Beng Zainul Abidin Bin Mohamed Rasheed Koo Tsai Kee
Secretaries	Wee Chor Yong Ng Kwee Lian
Auditor	Foo Kon Tan LLP Chartered Accountants 24 Raffles Place, #07-03 Clifford Centre Singapore 048621

Temasek Foundation Cares CLG Limited
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Contents

	Page
Directors' statement	1
Independent auditor's report	3
Statement of financial position	7
Statement of financial activities	8
Statement of changes in funds	9
Statement of cash flows	10
Notes to the financial statements	11

Directors' statement

for the financial year ended 31 March 2017

The directors of Temasek Foundation Cares CLG Limited (the "Foundation") present their statement to the members together with the audited financial statements of the Foundation for the financial year ended 31 March 2017.

Opinion of the directors

In our opinion of the directors:

- (a) the accompanying financial statements are drawn up so as to give a true and fair view of the financial position of the Foundation as at 31 March 2017 and the financial performance, changes in funds and cash flows of the Foundation for the financial year ended on that date in accordance with the provisions of the Singapore Companies Act, Chapter 50, the Singapore Charities Act, Chapter 37 and other relevant charities regulations and Singapore Financial Reporting Standards; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Foundation will be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

Names of directors

The directors of the Foundation in office at the date of this report are:

Richard Rokmat Magnus (Chairman)
Mohamed Salleh s/o Kadir Mohideen Saibu Maricar (Treasurer)
Pang Cheng Lian
Rajamanickam K Vemala
Benedict Cheong Thiam Beng
Zainul Abidin Bin Mohamed Rasheed
Koo Tsai Kee

Directors' interest in shares or debentures

As the Foundation is a company limited by guarantee and has no share capital, no director who held office at the end of the financial year had interests in the capital of the Foundation either at the beginning or at the end of the financial year.

Share options

As the Foundation is a company limited by guarantee and has no share capital, there are no share options or unissued shares under option.

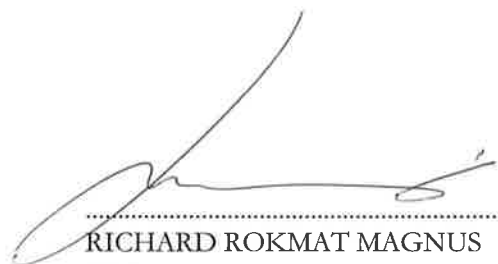
Temasek Foundation Cares CLG Limited
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Directors' statement for the financial year ended 31 March 2017

2


Independent auditor

The independent auditor, Foo Kon Tan LLP, Chartered Accountants, has expressed its willingness to accept re-appointment.

On behalf of the Directors



.....
RICHARD ROKMAT MAGNUS
Chairman



.....
MOHAMED SALLEH
S/O KADIR MOHIDEEN SAIBU MARICAR
Director and Treasurer

Dated: 25 May 2017

Independent auditor's report to the members of Temasek Foundation Cares CLG Limited (formerly known as Temasek Cares CLG Limited)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Temasek Foundation Cares CLG Limited (formerly known as Temasek Cares CLG Limited) ("the Foundation"), which comprise the statement of financial position of the Foundation as at 31 March 2017, and the statement of financial activities, statement of changes in funds and statement of cash flows of the Foundation for the financial 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 "Act"), the Charities Act, Chapter 37 and other relevant charities regulations (the "Charities Act and Regulations") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the Foundation as at 31 March 2017 and of the financial performance, changes in funds and cash flows of the Foundation for the financial year ended on that date.

Basis for Opinion

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

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report and Chairman's message, but does not include the financial statements and our auditor's report thereon. The annual report and Chairman's message is expected to be made available to us after the date of this auditor's 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.

When we read the annual report and Chairman's message, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions in accordance with SSAs.

Independent auditor's report to the members of Temasek Foundation Cares CLG Limited (formerly known as Temasek Cares CLG Limited) (Cont'd)

Responsibilities of Management and Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- 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 Foundation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Independent auditor's report to the members of Temasek Foundation Cares CLG Limited (formerly known as Temasek Cares CLG Limited) (Cont'd)

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

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

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

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required to be kept by the Foundation have been properly kept in accordance with the provisions of the 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 financial year:

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

Independent auditor's report to the members of Temasek Foundation Cares CLG Limited (formerly known as Temasek Cares CLG Limited) (Cont'd)

Other matter

The financial statements for the financial year ended 31 March 2016 were audited by another firm of auditors who expressed an unmodified opinion on those financial statements in its report dated 10 June 2016.



Foo Kon Tan LLP
Public Accountants and
Chartered Accountants

Yeo Boon Chye
Partner in charge of the audit

Singapore, 25 May 2017

Statement of financial position

as at 31 March 2017

	Note	31 March 2017 \$	31 March 2016 \$
Assets			
Non-current			
Intangible asset	3(a)	59,477	-
Plant and equipment	3(b)	12,011	2,080
		71,488	2,080
Current			
Other receivables		-	44,761
Prepayments		11,021	9,728
Cash and cash equivalents	4	3,073,274	1,222,200
		3,084,295	1,276,689
Total assets		3,155,783	1,278,769
Accumulated funds			
Funds		2,100,294	633,614
Liabilities			
Current			
Other payables	5	1,055,489	645,155
Total funds and liabilities		3,155,783	1,278,769

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

Statement of financial activities

for the financial year ended 31 March 2017

	Note	Year ended 31 March 2017 \$	Year ended 31 March 2016 \$
Incoming resources			
Programme grants		5,960,530	7,413,453
Operating grants		1,568,319	1,278,968
Capital grants		26,056	4,340
Interest income		124	124
Miscellaneous income		1,270	478
Total incoming resources		7,556,299	8,697,363
Resources expended			
Programme expenses	7	5,960,530	7,413,453
Amortisation of intangible asset	3(a)	19,173	-
Depreciation of plant and equipment	3(b)	6,883	4,340
Employee benefit costs	8	1,290,653	1,046,105
Administrative expenses	9	279,060	233,465
Total resources expended		7,556,299	8,697,363
Net incoming resources		-	-

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

Statement of changes in funds for the financial year ended 31 March 2017

	Programme Funds						Total \$	
	Main Endowment \$	Balaji Sadasivan Healthcare Endowment \$	Ee Peng Liang Special Needs Endowment \$	Temasek Emergency Preparedness Fund \$	Operating Fund \$	Capital Fund \$		Others \$
Balance at 1 April 2015	424,870	-	169,764	180,308	275,245	2,666	-	1,052,853
Grants received	3,013,752	1,234,422	721,828	1,681,586	1,595,934	-	30,000	8,277,522
Grants recognised as incoming resources	(3,449,399)	(1,239,322)	(891,592)	(1,833,140)	(1,278,968)	(4,340)	-	(8,696,761)
Transfer	-	-	-	-	(3,754)	3,754	-	-
Balance at 31 March 2016	(10,777)	(4,900)	-	28,754	588,457	2,080	30,000	633,614
Grants received	4,594,453	363,204	516,356	1,980,330	1,546,242	-	21,000	9,021,585
Grants recognised as incoming resources	(3,238,842)	(230,143)	(440,893)	(2,000,652)	(1,568,319)	(26,056)	(50,000)	(7,554,905)
Transfer	-	-	-	-	(95,464)	95,464	-	-
Balance at 31 March 2017	1,344,834	128,161	75,463	8,432	470,916	71,488	1,000	2,100,294

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

Statement of cash flows

for the financial year ended 31 March 2017

	Year ended 31 March 2017 \$	Year ended 31 March 2016 \$
Cash Flows from Operating Activities		
Receipts from grants	9,021,585	8,277,522
Payments to programme partners, suppliers and employees	(7,075,171)	(8,590,480)
Net cash generated from/(used in) operating activities	1,946,414	(312,958)
Cash Flows from Investing Activities		
Acquisition of intangible asset	(78,650)	-
Acquisition of plant and equipment	(16,814)	(3,754)
Interest received	124	124
Net cash used in investing activities	(95,340)	(3,630)
Net increase/(decrease) in cash and cash equivalents	1,851,074	(316,588)
Cash and cash equivalents at beginning of the year	1,222,200	1,538,788
Cash and cash equivalents at end of the year (Note 4)	3,073,274	1,222,200

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

Notes to the financial statements

for the financial year ended 31 March 2017

1 General information

The financial statements of the Foundation for the financial year ended 31 March 2017 were authorised for issue in accordance with a resolution of the directors on Directors' statement.

The Foundation was incorporated in Singapore on 25 May 2009 as a company limited by guarantee and without share capital. The Foundation is approved as an Institute of Public Character up to 31 March 2019 unless extended further.

The Foundation's registered office is located at 60B Orchard Road #06-18 The Atrium@Orchard, Singapore 238891.

The Foundation is a non-profit philanthropic organisation established to contribute to the well-being, dignity and livelihood of needy individuals, families and communities in Singapore through the following strategic thrusts:

- Building people through support with dignity for individuals and families in times of need;
- Building capability through education, training and other initiatives to improve opportunities for livelihood;
- Building community through fostering racial and religious harmony and promoting understanding across cultures and languages for the underprivileged, poor and needy; through education, training, activities and campaigns to raise awareness and preparedness in the event of health, environmental and other large-scale emergencies affecting Singapore;
- Rebuilding lives through a helping hand for another chance for the disadvantaged individuals, families or communities.

The Foundation is a discretionary beneficiary of the Temasek Trust, a Singapore-incorporated trust. Incoming resources are provided by the Temasek Trust.

Each member of the Foundation has undertaken to contribute such amounts not exceeding \$10 to the assets of the Foundation in the event the Foundation is wound up and the monies are required for payment of the liabilities of the Foundation. The Foundation has three members.

2(a) Basis of preparation

The financial statements are prepared in accordance with Singapore Financial Reporting Standards ("FRS") including related Interpretations to FRS ("INT FRS") promulgated by the Accounting Standards Council ("ASC"). The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The financial statements are presented in Singapore dollar which is the Foundation's functional currency. All financial information is presented in Singapore dollar, unless otherwise stated.

Significant accounting estimates and judgements

The preparation of the financial statements in conformity with FRS requires the use of judgements, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates.

2(a) Basis of preparation (Cont'd)

The critical accounting estimates and assumptions used and areas involving a significant judgement are described below.

Critical accounting estimates and assumptions used in applying accounting policies

Amortisation of intangible asset [Note 3(a)]

Intangible asset is amortised on a straight-line basis over its estimated useful life. Management estimates the useful life of intangible asset to be 3 years. The carrying amount of the Foundation's intangible asset as at 31 March 2017 was \$59,477 (2016 - Nil). Changes in the expected level of usage and technological developments could impact the economic useful life and the residual value of this asset, therefore future amortisation charge could be revised. If the actual useful life of intangible asset differ by 10% from management's estimates, the carrying amount of the Foundation's intangible asset will be approximately \$2,000 (2016 - Nil) higher or lower.

Significant judgements in applying accounting policies

In the preparation of the financial statements, there were no significant judgements made in the process of applying the Foundation's accounting policies that have amounts recognised in the financial statements.

2(b) Interpretations and amendments to published standards effective in 2016

On 1 April 2016, the Foundation adopted the FRSs that are mandatory for application from that date. Changes to the Foundation's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS. This includes the following FRSs, which are relevant to the Foundation:

Reference	Description
Amendments to FRS 1	Disclosure Initiatives
Improvements to FRSs (November 2014)	

The directors do not anticipate that the adoption of the above FRSs in future periods will have a material impact on the financial statements of the Foundation in the period of their initial adoption.

2(c) FRS not yet effective

The following are the new or amended FRS issued that are not yet effective but may be early adopted for the current financial year:

Reference	Description	Effective date (Annual periods beginning on or after)
Amendments to FRS 7	Statement of Cash Flows	1 January 2017
FRS 115	Revenue from Contracts with Customers	1 January 2018
Clarifications to FRS 115	Revenue from Contracts with Customers	1 January 2018
FRS 109	Financial Instruments	1 January 2018
FRS 116	Leases	1 January 2019

2(c) FRS not yet effective (Cont'd)

Amendments to FRS 7 *Statement of Cash Flows*

The Amendments to FRS 7 *Statement of Cash Flows* required entities to reconcile cash flows arising from financing activities as reported in the statement of cash flows – excluding contributed equity – to the corresponding liabilities in the opening and closing statement of financial position and to disclose on any restrictions over the decisions of an entity to use cash and cash equivalent balances, in particular way - e.g. any tax liabilities that would arise on repatriation of foreign cash and cash equivalent balances. These amendments are effective on beginning or after 1 January 2017. As this is a disclosure standard, it will have no impact to the financial position and performance of the Foundation when applied in.

FRS 109 *Financial Instruments*

FRS 109 *Financial Instruments* replaces the FRS 39 and it is a package of improvements introduced by FRS 109 which include a logical model for:

- Classification and measurement;
- A single, forward-looking “expected loss” impairment model; and
- A substantially reformed approach to hedge accounting.

FRS 109 is effective for annual periods beginning on or after 1 January 2018. The Foundation is currently assessing the impact to the financial statements.

FRS 116 *Leases*

FRS 116 *Leases* replaces accounting requirements introduced more than 30 years ago in accordance with FRS 17 *Leases* that are no longer considered fit for purpose, and is a major revision of the way in which companies where it is required lessees to recognise most leases on their balance sheets. Lessor accounting is substantially unchanged from current accounting in accordance with FRS 17. FRS 116 *Leases* will be effective for accounting periods beginning on or after 1 January 2019. Early adoption will be permitted, provided the entity has adopted FRS 115. The Foundation is currently assessing the impact to the financial statements.

2(d) Summary of significant accounting policies

Intangible asset

Computer software is initially capitalised at cost which includes the purchase prices (net of any discounts and rebates) and other directly attributable costs of preparing the asset for its intended use. Direct expenditures including employee costs, if any, which enhance or extend the performance of computer software beyond its specifications and which can be reliably measured, are added to the original cost of the software. Costs associated with maintaining the computer software are expensed off when incurred.

Computer software is subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to the statement of financial activities using the straight-line method over its estimated useful life of 3 years.

The amortisation period and amortisation method of intangible assets other than goodwill are reviewed at least at each reporting period. The effects of any revision are recognised in the statement of financial activities when the changes arise.

2(d) Summary of significant accounting policies (Cont'd)

Plant and equipment and depreciation

Plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. Depreciation is calculated using the straight-line method to allocate their depreciable amount over their estimated useful lives as follows:

Equipment	2 years
Computers	2 years

The cost of plant and equipment includes expenditure that is directly attributable to the acquisition of the items. Dismantlement, removal or restoration costs are included as part of the cost of plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset. Cost may also include transfers from equity of any gains/losses on qualifying cash flow hedges of foreign currency purchases of plant and equipment, if any.

Subsequent expenditure relating to plant and equipment that have been recognised is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of the standard of performance of the asset before the expenditure was made, will flow to the Foundation and the cost can be reliably measured. Other subsequent expenditure is recognised as an expense during the financial year in which it is incurred.

For acquisitions and disposals during the financial year, depreciation is provided from the month of acquisition and to the month before disposal respectively. Fully depreciated plant and equipment are retained in the books of accounts until they are no longer in use.

Depreciation methods, useful lives and residual values are reviewed, and adjusted as appropriate, at each reporting date as a change in estimates.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in the statement of financial activities in the financial year the asset is derecognised.

Grants

Programme grants and/or donations received are recognised as incoming resources to match the related programme costs. Programme costs are recognised as expenses in the statement of financial activities when the funds are disbursed to the programme partners and grant recipients.

Operating grants received to meet the Foundation's operating expenses are recognised as incoming resources to match the related operating expenditure incurred.

Grants for plant and equipment are taken to the capital grants account, and are credited to the statement of financial activities over the periods necessary to match the depreciation of the corresponding assets.

Interest income

Interest income is recognised on a time-apportioned basis using the effective interest method.

2(d) Summary of significant accounting policies (Cont'd)

Financial assets

Financial assets, other than hedging instruments, if any, can be divided into the following categories: financial assets at fair value through profit or loss, held-to-maturity investments, loans and receivables and available-for-sale financial assets. Financial assets are assigned to the different categories by management on initial recognition, depending on the purpose for which the assets were acquired. The designation of financial assets is re-evaluated and classification may be changed at the reporting date with the exception that the designation of financial assets at fair value through profit or loss is not revocable.

All financial assets are recognised on their trade date - the date on which the Foundation commits to purchase or sell the asset. Financial assets are initially recognised at fair value, plus directly attributable transaction costs except for financial assets at fair value through profit or loss, which are recognised at fair value.

Derecognition of financial instruments occurs when the rights to receive cash flows from the investments expire or are transferred and substantially all of the risks and rewards of ownership have been transferred. An assessment for impairment is undertaken at least at the end of each reporting period whether or not there is objective evidence that a financial asset or a group of financial assets is impaired.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Foundation currently has a legally enforceable right to set off the recognised amounts; and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Non-compounding interest and other cash flows resulting from holding financial assets, if any, are recognised in the statement of financial activities when received, regardless of how the related carrying amount of financial assets is measured.

The Foundation does not have any investments and accordingly, there are no investments to be designated as financial assets at fair value through profit or loss, assets held-to-maturity or available-for-sale.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Foundation provides money, goods or services directly to a debtor with no intention of trading the receivables. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets, if any.

Loans and receivables include other receivables and deposits held in a bank. They are subsequently measured at amortised cost using the effective interest method, less allowance for impairment. If there is objective evidence that the assets have been impaired, the financial assets are measured at the present value of the estimated future cash flows discounted at the original effective interest rate. Impairment losses are reversed in subsequent periods when an increase in the assets recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to a restriction that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised. The impairment or write-back is recognised in the statement of financial activities, if any.

Cash and cash equivalents

Cash and cash equivalents include bank and cash balances and bank deposits placed with a financial institution which are readily convertible to cash and which are subject to an insignificant risk of change in value.

2(d) Summary of significant accounting policies (Cont'd)

Financial liabilities

The Foundation's financial liabilities include other payables and accruals.

Financial liabilities are recognised when the Foundation becomes a party to the contractual agreements of the instrument. All interest related charges, if any, is recognised as an expense in "finance cost" in the statement of financial activities.

Financial liabilities are derecognised if the Foundation's obligations specified in the contract expire or are discharged or cancelled.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Foundation currently has a legally enforceable right to set off the recognised amounts; and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Gains and losses are recognised in the statement of financial activities when the liabilities are derecognised as well as through the amortisation process.

Other payables are initially measured at fair value, and subsequently measured at amortised cost, using the effective interest method.

Employee benefits

Pension obligations

The Foundation contributes to the Central Provident Fund ("CPF"), a defined contribution plan regulated and managed by the Government of Singapore, which applies to the majority of the employees. The contributions to the CPF are charged to the statement of financial activities in the period to which the contributions relate.

Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. Accrual is made for the unconsumed leave as a result of services rendered by employees up to the end of reporting period.

Key management personnel

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Foundation. Certain managerial personnel are considered key management personnel.

Income taxes

The Foundation is registered as a charity on 20 June 2009 under the Charities Act, Chapter 37. With effect from Year of Assessment 2008, all registered charities are not required to file income tax returns and will enjoy automatic income tax exemption falling within Section 13(1)(zm) of the Income Tax Act.

Functional currency

Functional and presentation currency

Items included in the financial statements of the Foundation are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to the Foundation (the "functional currency"). The financial statements of the Foundation are presented in Singapore dollar, which is also the functional currency of the Foundation.

Notes to the financial statements for the financial year ended 31 March 2017

2(d) Summary of significant accounting policies (Cont'd)

Funds

Fund is available for use at the discretion of the Foundation for the purpose in furtherance of the Foundation's objectives that have been approved by the board of directors.

Related parties

A related party is defined as a person who is a member of the key management personnel of the Foundation.

3(a) Intangible asset

	Computer software \$
<u>Cost</u>	
At 1 April 2015 and at 31 March 2016	-
Additions	78,650
At 31 March 2017	78,650
<u>Accumulated amortisation</u>	
At 1 April 2015 and at 31 March 2016	-
Amortisation for the year	19,173
At 31 March 2017	19,173
<u>Net book value</u>	
At 31 March 2017	59,477
At 31 March 2016	-

3(b) Plant and equipment

	Equipment \$	Computers \$	Total \$
<u>Cost</u>			
At 1 April 2015	260	13,338	13,598
Additions	609	3,145	3,754
At 31 March 2016	869	16,483	17,352
Additions	-	16,814	16,814
At 31 March 2017	869	33,297	34,166
<u>Accumulated depreciation</u>			
At 1 April 2015	260	10,672	10,932
Depreciation for the year	101	4,239	4,340
At 31 March 2016	361	14,911	15,272
Depreciation for the year	304	6,579	6,883
At 31 March 2017	665	21,490	22,155
<u>Net book value</u>			
At 31 March 2017	204	11,807	12,011
At 31 March 2016	508	1,572	2,080

Notes to the financial statements for the financial year ended 31 March 2017

4 Cash and cash equivalents

Cash and cash equivalents comprise bank balance and are denominated in Singapore dollar.

5 Other payables

	2017 \$	2016 \$
Sundry creditors	23,610	30,005
Accrued operating expenses	1,031,879	615,150
	1,055,489	645,155

The fair value of other payables have not been disclosed as, due to their short duration, management considers the carrying amounts recognised in the statement of financial position to be reasonable approximation of their fair values.

Other payables are denominated in Singapore dollar.

6 Tax deductible receipts

The Foundation enjoys a concessionary tax treatment whereby qualifying donors are granted 2.5 times tax deductions for the donations made to the Foundation during the financial year. The institutions of a Public Character status granted to the Foundation is for the period from 1 July 2016 to 31 March 2019.

	2017 \$	2016 \$
Tax-exempt receipts issued for donations collected	21,000	30,000

7 Programme expenses

Against the commitment for each approved programme, Temasek Foundation Cares CLG Limited disburses actual monies for the programme based on a schedule of payment and only as needed for the programme activities. The disbursement amounts depend on the roll-out schedule and actual progress of programme. While programme review efforts seek to ensure that programmes follow the roll-out schedules, there are inevitably unforeseen circumstances and necessary changes that may affect the progress. Hence the annual amounts actually disbursed may vary from one financial year to the next.

Notes to the financial statements for the financial year ended 31 March 2017

8 Employee benefit costs

	2017	2016
	\$	\$
Key management personnel and other employees		
- salaries and related costs	1,167,310	979,950
- CPF contributions	123,343	66,155
	<u>1,290,653</u>	<u>1,046,105</u>

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Foundation.

Employee benefit costs are in relation to employees contracted under Temasek Foundation International CLG Limited ("TFI"). TFI charges the Foundation on a cost recovery basis.

No director has received compensation from the Foundation during the financial year.

9 Administrative expenses

The major components of administrative expenses include the following:

	2017	2016
	\$	\$
Communication platforms and IT services	169,994	116,530
Professional fees	65,973	65,461

10 Income tax expense

As a charity, the Foundation is exempted from tax on income and gains falling within section 13(1)(zm) of the Income Tax to the extent that these are applied to its charitable objects. No tax charges have arisen in the Foundation.

11 Programme commitments

Programme commitments approved by the board of directors during the financial year based on proposals submitted amounted to \$12,137,292 (2016 - \$9,850,000).

Programme commitments approved but not disbursed nor recognised in the financial statements as at the end of reporting period amounted to \$16,043,961 (2016 - \$9,867,200).

Programme commitments are subject to adjustments as the respective programmes progress in subsequent reporting years.

Notes to the financial statements for the financial year ended 31 March 2017

12 Capital commitments

	2017	2016
	\$	\$
Capital expenditure approved and contracted for purchase of intangible asset but not provided for in the financial statements	8,346	34,406

13 Financial risk management objectives and policies

Risk management is integral to the whole operations of the Foundation. The Foundation has a system of controls in place to create an acceptable balance between cost of risks occurring and the cost of managing the risks. The board of directors continually monitors the Foundation's risk management process to ensure that an appropriate balance between risk and control is achieved.

The Foundation actively engages with community and expertise partners in the development of identified programmes and in the regular reviews of the programmes to achieve the intended impact for the beneficiaries and the Foundation. Programme grants committed are disbursed to the programme partners and/or grant recipients based on a schedule of payments agreed on by the Foundation and its programme partners, and upon the programme partners meeting the key performance indicators set out.

As at the end of reporting period, the Foundation does not have any significant credit, liquidity and interest rate exposure, except where explained below.

13.1 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

The Foundation has no significant concentrations of credit risk. The maximum exposure to credit risk in relation to each class of recognised financial assets is represented by the carrying amount of each financial asset as indicated in the statement of financial position. As at 31 March 2016, other receivables of \$44,761 was considered current and not past due and categorised as financial asset.

Cash is held with a financial institution of good standing.

13.2 Liquidity risk

Liquidity or funding risk is the risk that an enterprise will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Foundation monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate to finance the Foundation's operations and to mitigate the effects of fluctuation in cash flows. The Foundation's activities are adequately funded by Temasek Trust to meet all its cash requirements.

As at the end of reporting period, there is no non-current item of monetary assets or liabilities which require analysis of the liquidity risk as to its maturity period.

13.3 Cash flow and fair value interest rate risk

Cash flow interest rate risk is the risk that future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

The Foundation is not exposed to any interest rate risk as it has no interest-bearing borrowings.

No sensitivity analysis is prepared as the Foundation has no exposure to significant interest rate risks.

Notes to the financial statements for the financial year ended 31 March 2017

14 Financial Instruments

Fair value

The carrying amounts of financial assets and liabilities with a maturity of less than one year are assumed to approximate their fair values.

The Foundation does not anticipate that the carrying amounts recorded at the end of the reporting period would be significantly different from the values that would eventually be received or settled.

The carrying amount of financial assets and financial liabilities in each category is as follows:

	2017	2016
	\$	\$
Financial assets		
Other receivables	-	44,761
Cash and cash equivalents	3,073,274	1,222,200
	<u>3,073,274</u>	<u>1,266,961</u>
Financial liabilities at amortised cost		
Other payables	1,055,489	645,155

15 Comparative figures

The following comparative figures have been reclassified to conform with current year's presentation:

	Reported	Reclassification	Restated
	31 March 2016	31 March 2016	31 March 2016
	\$	\$	\$
<u>Statement of financial position</u>			
Current assets			
Other receivables	54,489	(9,728)	44,761
Prepayments	-	9,728	9,728

The above reclassifications have no significant impact on the statement of financial position as at 1 April 2015. Accordingly, the statement of financial position as at 1 April 2015 is not presented.