

**SMA CHARITY FUND  
(UEN: 201305017E)**

**AUDITED FINANCIAL STATEMENTS  
AND OTHER FINANCIAL INFORMATION  
FOR THE YEAR ENDED 31 DECEMBER 2016**

**SMA CHARITY FUND  
(UEN: 201305017E)**

**DIRECTORS' STATEMENT**

The directors present their statement to the members together with the audited financial statements of the company for the year ended 31 December 2016.

**1. OPINION OF THE DIRECTORS**

In the opinion of the directors,

- i) the accompanying financial statements together with the notes thereto are drawn up so as to give a true and fair view of the financial position of the company as at 31 December 2016, and the financial performance, changes in general and specific funds and cash flows of the company for the year ended on that date; and
- ii) at the date of this statement there are reasonable grounds to believe that the company will be able to pay its debts as and when they fall due.

**2. DIRECTORS**

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

LIM FUNG WAN, COLIN  
SITOH YIH PIN  
TAN SZE WEE  
THALI KOATTIATH UDAIRAM  
THIO LI-ANN  
TOH CHAI SOON  
WONG CHIANG YIN  
WONG TIEN YIN  
LIM KHENG CHOON (LIN JINGCUN)  
NOORUL FATHA AS'ART

**3. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES OR DEBENTURES**

The company is a company limited by guarantee and has no share capital.

**4. DIRECTORS' INTEREST IN SHARES OR DEBENTURES**

The company is a company limited by guarantee.

There were no shares or debentures issued.

**SMA CHARITY FUND**  
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**DIRECTORS' STATEMENT**

**5. OPTIONS GRANTED, EXERCISED AND OUTSTANDING**

There are no options granted, exercised and outstanding to take up unissued shares as the company is limited by guarantee.

**6. AUDITORS**

The auditors, Kreston David Yeung PAC, have expressed their willingness to accept re-appointment.

On behalf of the Board,

**WONG TIEN YIN**  
**Director**

Singapore, 23 MAR 2017

**WONG CHIANG YIN**  
**Director**



## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SMA CHARITY FUND (UEN: 201305017E)**

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

#### *Opinion*

We have audited the financial statements of SMA Charity Fund (the “company”), which comprise the statement of financial position of the company as at 31 December 2016, the statement of financial activities, statement of changes in general and specific 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 Singapore Charities Act, Chapter. 37 (Charities Act), Companies Act, Chapter 50 (the Act) and Financial Reporting Standards in Singapore (FRSs) so as to give a true and fair view of the financial position of the company as at 31 December 2016 and of the financial performance, changes in general and specific 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 1 to 2].

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.



## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SMA CHARITY FUND (UEN: 201305017E)**

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

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

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

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

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

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

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
SMA CHARITY FUND (UEN: 201305017E)**

*Auditor's Responsibilities for the Audit of the Financial Statements (Continued)*

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

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

**Report on Other Legal and Regulatory Requirements**

In our opinion,

- a) the accounting and other records required by the above regulations to be kept by the company have been properly kept in accordance with these regulations; and
- b) the use of donation money received is in accordance with the company's objectives.

During the course of audit, nothing has come to our attention to cause us to believe that the company has not complied with the requirements of Regulation 15 (fund-raising expenses) of the Charities (Institutions of a Public Character) Regulations.

**KRESTON DAVID YEUNG PAC**  
**Public Accountants and**  
**Chartered Accountants**

Singapore, 23 MAR 2017

**SMA CHARITY FUND**  
**(UEN: 201305017E)**

**STATEMENT OF FINANCIAL POSITION**  
**As at 31 DECEMBER 2016**

	Note	2016 S\$	2015 S\$
<b>ASSETS</b>			
<b>Non-current asset</b>			
Plant and equipment	3	-	-
<b>Current assets</b>			
Other receivable		-	43,005
Prepayment		2,497	2,497
Cash at bank		353,109	320,813
<b>Total current assets</b>		<u>355,606</u>	<u>366,315</u>
<b>Total assets</b>		<u>355,606</u>	<u>366,315</u>
<b>FUND AND LIABILITIES</b>			
<b>Funds</b>			
<b>Restricted Funds</b>			
Medical Students' Assistance Fund	4	5,510	81,343
<b>Unrestricted Fund</b>			
Accumulated Fund		<u>347,205</u>	<u>282,297</u>
<b>Total funds</b>		<u>352,715</u>	<u>363,640</u>
<b>Current liability</b>			
Accruals		<u>2,891</u>	<u>2,675</u>
<b>Total current liability</b>		<u>2,891</u>	<u>2,675</u>
<b>Total funds and liability</b>		<u>355,606</u>	<u>366,315</u>

The notes set out on pages 10 to 18 form an integral part of and should be read in conjunction with this set of financial statements.

**SMA CHARITY FUND**  
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**STATEMENT OF FINANCIAL ACTIVITIES**  
**For the year ended 31 December 2016**

	Note	Unrestricted Funds S\$	Restricted Fund S\$	2016 S\$	2015 S\$
<b>Income</b>					
Income from generating funds:					
Voluntary income					
Donation	5	149,773	41,667	191,440	246,417
Other income		677	-	677	258
Care and share grant		49,658	-	49,658	63,446
<b>Total income</b>		<b>200,108</b>	<b>41,667</b>	<b>241,775</b>	<b>310,121</b>
<b>Expenditures</b>					
Cost of generating funds					
Bank charges		465	-	465	575
General expenses		-	-	-	75
Management fee		4,236	-	4,236	4,620
Postage		150	-	150	148
Printing and stationery		1,380	-	1,380	1,660
Staff cost		30,610	-	30,610	30,183
Transaction charge		1,261	-	1,261	617
		<b>38,102</b>	<b>-</b>	<b>38,102</b>	<b>37,878</b>
Resources expended on charitable activities					
Management fee		4,236	-	4,236	4,620
Medical Students' Assistance Fund		-	117,500	117,500	47,500
Programme to promote exposure		2,400	-	2,400	1,714
Programme to promote mentorship		642	-	642	428
Programme to promote volunteerism		13,000	-	13,000	8,757
Staff cost		30,610	-	30,610	30,183
		<b>50,888</b>	<b>117,500</b>	<b>168,388</b>	<b>93,202</b>
Governance costs					
Audit and secretarial fee		3,531	-	3,531	5,029
Bank charges		90	-	90	50
General expenses		60	-	60	1,705
Insurance		4,869	-	4,869	4,870
Management fee		19,776	-	19,776	21,576
Medical fee		55	-	55	460
Printing and stationery		1,635	-	1,635	982
Rental (space and equipment)		180	-	180	-
Staff cost		15,305	-	15,305	15,091
Staff training		709	-	709	135
		<b>46,210</b>	<b>-</b>	<b>46,210</b>	<b>49,898</b>
<b>Total expenditures</b>		<b>135,200</b>	<b>117,500</b>	<b>252,700</b>	<b>180,978</b>
<b>Net surplus</b>	6	<b>64,908</b>	<b>(75,833)</b>	<b>(10,925)</b>	<b>129,143</b>
<b>Total fund brought forward</b>		<b>282,297</b>	<b>81,343</b>	<b>363,640</b>	<b>234,497</b>
<b>Total fund carried forward</b>		<b>347,205</b>	<b>5,510</b>	<b>352,715</b>	<b>363,640</b>

The notes set out on pages 10 to 18 form an integral part of and should be read in conjunction with this set of financial statements.

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**STATEMENT OF CHANGES IN GENERAL AND SPECIFIC FUNDS**  
**For the year ended 31 December 2016**

	Accumulated Fund S\$	Medical Students' Assistance Fund S\$	Total Funds S\$
Balance as at 01.01.2015	172,459	62,038	234,497
Net surplus for the year			
- Unrestricted funds	109,838	-	109,838
- Restricted fund	-	19,305	19,305
Balance as at 31.12.2015/01.01.2016	282,297	81,343	363,640
Net surplus/(deficit) for the year			
- Unrestricted funds	64,908	-	64,908
- Restricted fund	-	(75,833)	(75,833)
Balance as at 31.12.2016	347,205	5,510	352,715

The notes set out on pages 10 to 18 form an integral part of and should be read in conjunction with this set of financial statements.

**SMA CHARITY FUND**  
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**STATEMENT OF CASH FLOWS**  
**For the year ended 31 December 2016**

	2016 S\$	2015 S\$
<b>Cash flows from operating activities</b>		
Net surplus before taxation	64,908	109,838
<b>Operating surplus before working capital changes</b>	64,908	109,838
Changes in working capital:-		
Decrease/(Increase) in other receivable	43,005	(43,005)
Increase in accruals	216	1,123
<b>Cash generated from operations</b>	108,129	67,956
(Decrease)/Increase in specific funds	(75,833)	19,305
<b>Net cash generated from operating activities</b>	32,296	87,261
<b>Net increase in cash and cash equivalents</b>	32,296	87,261
<b>Cash and cash equivalents at beginning of year</b>	320,813	233,552
<b>Cash and cash equivalents at end of year</b>	353,109	320,813

The notes set out on pages 10 to 18 form an integral part of and should be read in conjunction with this set of financial statements.

**SMA CHARITY FUND**  
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**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2016**

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

**1. GENERAL**

The company is registered as a private company limited by guarantee and domiciled in the Republic of Singapore.

The company has been registered under the Charities Act, Cap. 37 with effect from 17 April 2013. The IPC status has been renewed for a further period of two years until 26 December 2018.

The principal activities of the company consist of financial assistance bursaries, health and public health-related education, and promotion of volunteerism.

The registered office and principal place of business of the company is located at 2 College Road, #02-00, Alumni Medical Centre, Singapore 169850.

The financial statements of the company for the year ended 31 December 2016 are authorised for issue in accordance with a resolution of the directors on 23 March 2017.

**2. SIGNIFICANT ACCOUNTING POLICIES**

**a) Basis of Preparation**

The financial statements of the company have been prepared in accordance with the historical cost convention, except as disclosed in the accounting policies below, and in accordance with the Singapore Financial Reporting Standards (“FRS”).

In the current financial year, the company has adopted all the new and revised FRS and Interpretations of FRS (“INT FRS”) that are relevant to its operations and effective for annual periods beginning on or after 1 January 2016. The adoption of these new/revised FRSs, and INT FRSs has no material effect on the financial statements.

**b) Significant Accounting Estimates and Judgements**

Estimates, assumption concerning the future and judgements are made in the preparation of the financial statements. They affect the application of the company’s accounting policies, reported amounts of assets, liabilities, income and expense and disclosures made. They are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. The management is of the opinion that there are no critical estimates and judgements involved that have a significant effect on the amount recognised in the financial statements.

**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2016**

**2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**c) Plant and Equipment**

Plant and equipment are stated at cost less accumulated depreciation and impairment losses.

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual values, useful life and depreciation method are reviewed at end of each reporting period, and adjusted as appropriate. The effects of any revision are recognised in statement of financial activities when the changes arise.

Depreciation is calculated on the straight-line method to write off the costs of the plant and equipment over their estimated useful lives as follows:-

Office equipment	1 year
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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 arising on derecognition of the asset is included in statement of financial activities in the year the asset is derecognised.

**d) Cash and Cash Equivalents**

Cash and cash equivalents comprised cash at bank which are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

**e) Financial Assets**

*Initial recognition and measurement*

Financial assets are recognised on the statement of financial position when, and only when, the company becomes a party to the contractual provisions of the financial instrument. The company determines the classification of its financial assets at initial recognition.

When financial assets are recognised initially, they are measured at fair value, plus, directly attributable transaction costs.

*Subsequent measurement*

Loans and Receivables

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in statement of financial activities when the loans and receivables are derecognised or impaired, and through the amortisation process.

**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2016**

**2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

e) **Financial Assets (Continued)**

*Recognition and Derecognition*

All financial assets are recognised on their trade-date - the date on which the company commits to purchase or sell the asset.

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

f) **Impairment of Financial Assets**

The company assesses at the end of each reporting period whether there is any objective evidence that a financial asset is impaired.

Financial assets carried at amortised cost

For financial assets carried at amortised cost, the company first assesses individually whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the company determines that no objective evidence of impairment exists for an individually assessed financial assets, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The impairment loss is recognised in statement of financial activities.

When the asset becomes uncollectible, the carrying amount of impaired financial assets is reduced directly or if an amount was charged to the allowance account, the amounts charged to the allowance account are written off against the carrying value of the financial asset.

To determine whether there is objective evidence that an impairment loss on financial assets has incurred, the company considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2016**

**2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**f) Impairment of Financial Assets (Continued)**

Financial assets carried at amortised cost (Continued)

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in statement of financial activities.

**g) Impairment of Non-Financial Assets**

The company assesses at the end of each reporting period whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the company makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

Impairment losses are recognised in statement of financial activities in those expense categories consistent with the function of the impaired asset, except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

For assets excluding goodwill, an assessment is made at the end of each reporting period as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the company estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in statement of financial activities unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2016**

**2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**h) Provisions**

Provisions are recognised when the company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate.

**i) Income Recognition**

Revenue is recognised to the extent that is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured at the fair value of consideration received or receivable.

Donation is recognised when money is received or pledged and collection is certain.

Grant income is recognised when there is reasonable assurance that the conditions attaching to it will be complied with and the grant will be received.

**j) Employee Benefits**

*Defined Contribution Plans*

As required by law, the company makes contributions to the state pension scheme, the Central Provident Fund (CPF). CPF contributions are recognised as compensation expense in the same period as the employment that gives rise to the contribution.

*Employee Leave Entitlement*

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

**k) Currency Translation**

*Functional and presentation currency*

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the company operates (“functional currency”). The financial statements of the company are presented in Singapore dollar which is the functional currency of the company.

*Transactions and balances*

Transactions in a currency other than Singapore dollar (“foreign currency”) are translated into Singapore dollar using the exchange rates prevailing at the dates of the transactions. At the end of each reporting period, recorded foreign currency monetary items are adjusted to reflect the rate at end of reporting period. All realised and unrealised differences are taken to statement of financial activities.

**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2016**

**2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**l) Contingent Liabilities and Assets**

A contingent liability or asset is a possible obligation or asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future events not wholly within the control of the company.

Contingent liabilities and assets are not recognised on the statement of financial position of the company.

**m) Financial Liabilities**

*Initial recognition and measurement*

Financial liabilities are recognised when, and only when, the company becomes a party to the contractual provisions of the financial instrument. The company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value, plus, directly attributable transaction costs.

*Subsequent measurement*

After initial recognition, financial liabilities are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in statement of financial activities when the liabilities are derecognised, and through the amortisation process.

*Derecognition*

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability 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 the respective carrying amounts is recognised in statement of financial activities.

**n) Key Management Personnel**

Key management personnel of the company are those having authority and responsibility for planning, directing and controlling the activities of the company. The Directors and Chief Administrator are considered as key management personnel.

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**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2016**

**3. PLANT AND EQUIPMENT**

	Office Equipment S\$	Total S\$
Cost		
As at 01.01.2015/31.12.2015/31.12.2016	1,905	1,905
Accumulated Depreciation		
As at 01.01.2015/31.12.2015/31.12.2016	1,905	1,905
Net Book Value		
As at 31.12.2016	-	-
As at 31.12.2015	-	-

**4. MEDICAL STUDENTS' ASSISTANCE FUND**

The fund is set up for the purpose of providing financial assistance to needy medical students.

	2016 S\$	2015 S\$
Balance at beginning of year	81,343	62,038
Add: Donation received from general public	41,667	66,805
Less: Disbursement during the year	(117,500)	(47,500)
	<u>5,510</u>	<u>81,343</u>

**5. INCOMING RESOURCES**

Voluntary income comprises:-

Donations in cash

- Tax-deductible donations

- Non-tax deductible donations

184,715	219,590
6,725	26,827
<u>191,440</u>	<u>246,417</u>

**6. NET SURPLUS**

Staff costs consist of:-

- Contribution and skill development levy

- Staff salaries and other costs

11,239	11,076
<u>65,286</u>	<u>64,381</u>

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**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2016**

**7. TAXATION**

The company is registered under the Charities Act and is exempted from income tax under the Income Tax Act Cap. 34.

**8. RELATED PARTY TRANSACTIONS**

In addition to the related parties information disclosed elsewhere to the financial statements, the following related party transactions took place at terms mutually agreed between the parties:-

	2016	2015
	S\$	S\$
With entities with common key management personnel:-		
Management fee expenses	28,248	30,816
Donation income	<u>70,000</u>	<u>35,060</u>

None of the directors received any emoluments in respect of their services as directors of the company during the financial year.

**9. FINANCIAL RISK MANAGEMENT**

**Financial Risk Management Objectives and Policies**

The company does not have written financial risk management policies and guidelines which set out its tolerance for risk and its general risk management philosophy but management may use natural hedges or closely monitor the company's business risk exposures in connection with its financial assets and financial liabilities and adopts the appropriate measures including the use of other financial instruments when considered necessary to reduce any potential financial risk exposures or losses.

**Credit Risk**

The company has no significant concentrations of credit risk. Cash is placed with established financial institutions. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

**Liquidity Risk**

The company monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the company's operations and mitigate the effects of fluctuations in cash flows.

The maturity profile of the company's financial liabilities is within 12 months from the end of the reporting period.

**SMA CHARITY FUND**  
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**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2016**

**9. FINANCIAL RISK MANAGEMENT (Continued)**

**Interest Rate Risk**

The company is not exposed to interest rate risk as all financial assets and liabilities bear no interest rate as at the year end.

**Foreign Currency Risk**

The company is not exposed to foreign currency risk as all its transactions are denominated in Singapore dollar.

**10. CATEGORIES OF FINANCIAL INSTRUMENTS**

	2016	2015
	S\$	S\$
<u>Assets</u>		
Loans and receivables:-		
Other receivable	-	43,005
Cash at bank	353,109	320,813
	<hr/>	<hr/>
Total financial assets	353,109	363,818
	<hr/>	<hr/>
<u>Liability</u>		
At amortised cost:-		
Accruals	2,891	2,675
	<hr/>	<hr/>
Total financial liabilities	2,891	2,675
	<hr/>	<hr/>

**11. FAIR VALUE**

The carrying amounts of financial assets and financial liabilities are recorded in the financial statements at their approximate fair values, determined in accordance with the accounting policies disclosed in Note 2 to the financial statements.

**12. FUNDS MANAGEMENT**

The management manages the fund to ensure that the company will be able to continue as a going concern and fulfill its objectives and services to the community.

**13. NEW OR REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS**

Certain new accounting standards, amendments and interpretations to existing standards have been published that are mandatory for accounting periods beginning on or after 1 January 2017. The directors expect that the adoption of these standards will have no material impact on the financial statements in the period of initial application.