

Catholic Aids Response Effort
(Unique Entity Number: T04SS0204E)
(Registered under the Societies Act 1966 and Charities Act 1994)

AUDITED FINANCIAL STATEMENTS
For the Financial Year Ended 31 December 2023



26 Eng Hoon Street Singapore 169776
Tel: 6533 7393 Fax: 6533 6831
www.tanchan-cpa.com

Catholic Aids Response Effort
AUDITED FINANCIAL STATEMENTS
For the Financial Year Ended 31 December 2023

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Catholic Aids Response Effort

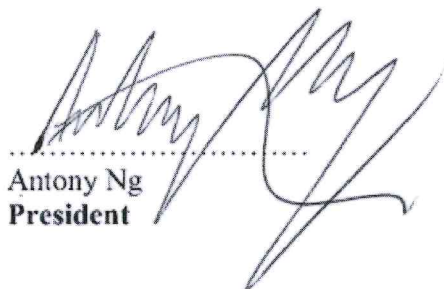
STATEMENT BY THE MANAGEMENT COMMITTEE For the Financial Year Ended 31 December 2023

In the opinion of the Management Committee,

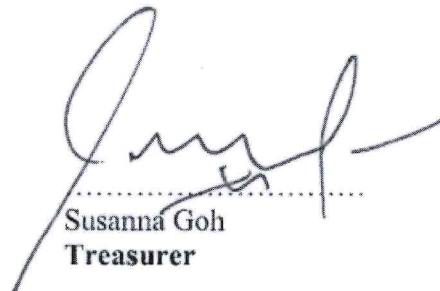
- (a) the financial statements of Catholic Aids Response Effort (the “Society”) together with the notes thereto are properly drawn up in accordance with the provisions of the Societies Act 1966 (the “Societies Act”), the Charities Act 1994 and other relevant regulations (the “Charities Act and Regulations”) and Charities Accounting Standard in Singapore (“CAS”) so as to present fairly, in all material respects, the state of affairs of the Society as at 31 December 2023 and the results and cash flows of the Society for the financial year ended on that date;
- (b) at the date of this statement, there are reasonable grounds to believe that the Society will be able to pay its debts as and when they fall due; and
- (c) there was no fund-raising appeal held by the Society during the financial year.

The Management Committee authorised the issue of these financial statements.

For and on behalf of the Management Committee



.....
Antony Ng
President



.....
Susanna Goh
Treasurer

Date: 7th March 2024

INDEPENDENT AUDITOR'S REPORT

To the Members of Catholic Aids Response Effort For the Financial Year Ended 31 December 2023

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Catholic Aids Response Effort (the "Society"), which comprise the balance sheet as at 31 December 2023, and the statement of financial activities and statement of cash flows 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 Societies Act 1966 (the "Societies Act"), the Charities Act 1994 and other relevant regulations (the "Charities Act and Regulations") and Charities Accounting Standard in Singapore ("CAS") so as to present fairly, in all material respects, the state of affairs of the Society as at 31 December 2023 and the results and cash flows of the Society 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 Society 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 comprise the Statement by the Management Committee and the annual report.

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

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

INDEPENDENT AUDITOR'S REPORT**To the Members of
Catholic Aids Response Effort
For the Financial Year Ended 31 December 2023**

Report on the Audit of the Financial Statements (Cont'd)*Responsibilities of Management Committee and Those Charged with Governance for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the provisions of the Societies Act, the Charities Act and Regulations, and CASs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Society'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 Society'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
Catholic Aids Response Effort
For the Financial Year Ended 31 December 2023**

Report on the Audit of the Financial Statements (Cont'd)

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)

- 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 Society'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 Society 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 Management Committee 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 Society have been properly kept in accordance with the provisions of the Societies Regulations enacted under the Societies 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 the Society 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

There was no fund-raising appeal held by the Society during the financial year.



Tan, Chan & Partners
*Public Accountants and
Chartered Accountants*

Singapore

Date: 7th March 2024

Catholic Aids Response Effort

STATEMENT OF FINANCIAL ACTIVITIES For the Financial Year Ended 31 December 2023

	Note	Funds			
		Unrestricted		Restricted	Total
		Accumulated fund	Designated Capital expenditure fund	Care and share matching fund	
2023		\$	\$	\$	\$
<u>Income</u>					
<u>Income from generating funds:</u>					
Donations	3	26,243	-	-	26,243
Grants					
Caritas Singapore					
Community Council		160,000	-	-	160,000
<u>Income from other</u>					
<u>charitable activities:</u>					
Residents' projects		4,504	-	-	4,504
Residents' contribution		18,410	-	-	18,410
		22,914	-	-	22,914
Other income	4	6,862	25,816	-	32,678
Total income		216,019	25,816	-	241,835
Less: Cost of charitable activities	5	380,179	-	-	380,179
Less: Governance and administrative costs	6	147,703	-	-	147,703
Less: Refund of unutilised grant	13	-	-	284,217	284,217
Net surplus/(deficit) before tax expense		(311,863)	25,816	(284,217)	(570,264)
Taxation	7	-	-	-	-
Net surplus/(deficit) representing net movement in funds		(311,863)	25,816	(284,217)	(570,264)
Reconciliation of funds					
Total funds brought forward		1,300,911	1,053,053	287,823	2,641,787
Total funds carried forward		989,048	1,078,869	3,606	2,071,523

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

Catholic Aids Response Effort

**STATEMENT OF FINANCIAL ACTIVITIES
For the Financial Year Ended 31 December 2023**

2022	Note	Funds			
		Unrestricted		Restricted	Total
		Accumulated fund	Designated	Care and share matching fund	
			Capital expenditure fund		
		\$ (Restated)	\$	\$	\$ (Restated)
<u>Income</u>					
<u>Income from generating funds:</u>					
Donations	3	4,201	-	-	4,201
Grants					
Caritas Singapore					
Community Council		120,000	-	-	120,000
<u>Income from other</u>					
<u>charitable activities:</u>					
Residents' projects		4,011	-	-	4,011
Residents' contribution		22,410	-	-	22,410
		26,421	-	-	26,421
Other income	4	5,814	5,030	-	10,844
Total income		156,436	5,030	-	161,466
Less: Cost of charitable activities	5	411,955	-	8,595	420,550
Less: Governance and administrative costs	6	76,424	-	2,486	78,910
Net surplus/(deficit) before tax expense		(331,943)	5,030	(11,081)	(337,994)
Taxation	7	-	-	-	-
Net surplus/(deficit) representing net movement in funds		(331,943)	5,030	(11,081)	(337,994)
Reconciliation of funds					
Total funds brought forward		1,632,854	1,048,023	298,904	2,979,781
Total funds carried forward		1,300,911	1,053,053	287,823	2,641,787

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

Catholic Aids Response Effort

BALANCE SHEET
As at 31 December 2023

	Note	2023 \$	2022 \$
Non-current asset			
Plant and equipment	8	-	-
Current assets			
Prepayments		2,787	1
Other receivables	9	18,915	18,960
Cash and bank balances	10	2,058,228	2,633,345
		<u>2,079,930</u>	<u>2,652,306</u>
Current liability			
Other payables	11	8,407	10,519
Net assets		<u>2,071,523</u>	<u>2,641,787</u>
Funds			
<u>Unrestricted</u>			
Accumulated fund		989,048	1,300,911
<u>Designated</u>			
Capital expenditure fund	12	1,078,869	1,053,053
<u>Restricted</u>			
Care and share matching fund	13	3,606	287,823
Total funds		<u>2,071,523</u>	<u>2,641,787</u>

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

Catholic Aids Response Effort

STATEMENT OF CASH FLOWS

For the Financial Year Ended 31 December 2023

	Note	2023 \$	2022 \$
Operating activities			
Deficit for the financial year		(570,264)	(337,994)
<u>Adjustments for:</u>			
Fixed deposit interest income		(31,139)	(6,006)
Operating cash flow before working capital changes		(601,403)	(344,000)
<u>Adjustments for changes in working capital:</u>			
Prepayments		(2,786)	-
Other receivables		(250)	-
Other payables		(2,112)	3,143
Net cash used in operating activities		(606,551)	(340,857)
Investing activity			
Interest income received, representing			
net cash generated from investing activity		31,434	499
Net changes in cash and cash equivalents		(575,117)	(340,358)
Cash and cash equivalents at beginning of financial year		2,633,345	2,973,703
Cash and cash equivalents at end of financial year	10	2,058,228	2,633,345

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

Catholic Aids Response Effort

NOTES TO THE FINANCIAL STATEMENTS For the Financial Year Ended 31 December 2023

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

1. GENERAL INFORMATION

Catholic Aids Response Effort (the “Society”) is registered under the Societies Act 1966 and the Charities Act 1994 and is domiciled in the Republic of Singapore. The Society is an approved Institution of Public Character (IPC). Its IPC status will expire on 31 January 2027.

The registered address of the Society is located at 9 Mandai Road, Singapore 779387.

The principal activities of the Society are those of providing holistic care and support to people living with HIV/AIDS (PLWHAs) and their families.

The financial statements of the Society for the financial year ended 31 December 2023 were authorised for issue by the Management Committee on the date of the Statement by the Management Committee.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements, expressed in Singapore Dollar (“\$”), which is the functional currency of the Society have been prepared in accordance with the Societies Act 1966, (the “Societies Act”), the Charities Act 1994 and other regulations (the “Charities Act and Regulations”) and Singapore Charities Accounting Standard (“CAS”). The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with CAS requires the use of 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 and historical experiences and various other factors that are believed to be reasonable under the circumstances, actual results may ultimately differ from those estimates.

Use of estimates and judgements

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

There were no significant judgements made in applying accounting policies and no estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period.

Catholic Aids Response Effort

NOTES TO THE FINANCIAL STATEMENTS For the Financial Year Ended 31 December 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.2 Income recognition

Income is recognised in the statement of financial activities to the extent that the Society becomes entitled to the income, when it is probable that the income will be received; and when the amount of the income can be measured with sufficient reliability.

Donations

Donations are recognised and accrued in the statement of financial activities as and when they are committed. Uncommitted donations are recognised on receipt basis. Donations-in-kind are recognised when the fair value of the assets received can be reasonably ascertained.

Interest income

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

Other income

Other income is recognised on receipt basis.

Government grant

Grants from the government or non-profit organisation are recognised as receivable at their fair value where there is a reasonable assurance that the grants will be received and the Society will comply with all attached conditions.

Grant receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately as other income.

Grants related to assets is presented in the statement of financial position by recognising the grant as deferred capital grants that is recognised in statement of financial activities on a systematic basis over the useful life of the asset and in the proportions in which depreciation expense on those assets is recognised.

2.3 Recognition of expenditures

Expenditures are recognised in the statement of financial activities once the goods or services have been received unless the expenditure qualifies for capitalisation as assets such as inventory and property, plant and equipment. Expenditure on performance-related grants is recognised to the extent the specified service or goods have been provided. Expenditures in the statement of financial activities are classified under the cost of generating funds, cost of charitable activities and governance costs.

Catholic Aids Response Effort

NOTES TO THE FINANCIAL STATEMENTS For the Financial Year Ended 31 December 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.3 Recognition of expenditures (cont'd)

Cost of charitable activities

Expenditure on charitable activities comprises all costs incurred in undertaking work to meet the charitable objects of the Society. Such costs include the direct costs of the charitable activities of the Society together with those support costs incurred that enable these activities to be undertaken.

All resources applied in undertaking activities to meet the Society's charitable objectives are classified under cost of charitable activities.

Governance and administrative costs

Governance costs include the costs of governance arrangement, which relate to the general running of the Society, 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.

Allocation of costs

Where appropriate, expenditures that are specifically identifiable to each cost classification are allocated directly to the type of costs incurred. Where apportionment between each costs classification is necessary, the following apportionment bases are applied:

- Usage;
- Head count i.e. on the number of people employed within an activity;
- Floor area occupied by an activity;
- On time basis; and
- Expenditure total.

2.4 Employee benefits

Defined contribution plan

The Society makes contributions to the Central Provident Fund in Singapore. Contributions to the defined contribution plan are recognised as an expense in the period in which the related service is performed.

Short-term benefits

All short-term benefits including accumulating compensated absences are recognised in the statement of financial activities in the period in which the employees rendered their services to the Society.

Catholic Aids Response Effort

NOTES TO THE FINANCIAL STATEMENTS For the Financial Year Ended 31 December 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.5 Operating leases

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 the statement of financial activities.

2.6 Plant and equipment

Plant and equipment are carried at cost less accumulated depreciation. Depreciation is charged on the straight-line method to write off the assets over their estimated useful lives as follows:

	<u>Useful lives</u>
Office equipment	3 years
Renovation	5 years
Furniture and fittings	5 years

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

The gain or loss arising on disposal or retirement of an item of plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of financial activities

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

2.7 Receivables

Receivables, excluding prepayments, are measured at initial recognition at transaction price, excluding transaction costs, if any. Transaction costs shall be recognised as expenditure in the statement of financial activities. Prepayments shall be initially recognised at the amount paid in advance for the economic resources expected to be received in the future.

After initial recognition, receivables, excluding prepayments, shall be measured at cost less any accumulated impairment losses. Prepayments shall be measured at the amount paid less the economic resources received or consumed during the financial period.

Catholic Aids Response Effort

NOTES TO THE FINANCIAL STATEMENTS For the Financial Year Ended 31 December 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.7 Receivables (cont'd)

At each balance sheet date, where there is objective evidence that a receivable is impaired, the carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the statement of financial activities. The allowance recognised is measured as the difference between the asset's carrying amount and the undiscounted future cash flows that the Society expects to receive from the receivables. When a receivable is uncollectible, it is written off against the allowance account for receivables. Subsequent recoveries of amounts previously written off are credited in the statement of financial activities.

2.8 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash at bank and fixed deposits that are subject to an insignificant risk of changes in value.

2.9 Payables

Payables are initially measured at transaction price, excluding transaction costs, if any, both at initial recognition and at subsequent measurement. Transactions costs shall be recognised as expenditure in the statement of financial activities as incurred. Accruals shall be recognised at the best estimate of the amount payable.

2.10 Provisions

Provisions are recognised when the Society has a present obligation (legal or constructive) as a result of a past event, it is probable that a transfer of economic benefits in settlement will be required and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, any adjustment to the amounts previously recognised shall be recognised as expenditure in the statement of financial activities unless the provision was originally recognised as part of the cost of an asset.

2.11 Taxation

The Society is registered as a Charity under the Charities Act and is exempted from income tax under Section 13(1)(zm) of the Income Tax Act.

Catholic Aids Response Effort

NOTES TO THE FINANCIAL STATEMENTS For the Financial Year Ended 31 December 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.12 Unrestricted funds

Unrestricted funds are classified into two categories:

Unrestricted non-designated funds

These represent funds received by the Society that are expendable for any activity within the Society at the discretion of the Management Committee in furtherance of the Society's charitable objectives.

Unrestricted designated funds

These represent funds that have been received by the Society specifically for one of its many programmes, or have been ear-marked for a specific programme or a specific purpose within a programme by the Management Committee. If part of the unrestricted designated fund of a programme is set aside for a particular purpose by the Management Committee, it may be designated as a separate fund within the programme but the designation has an administrative purpose only, and does not restrict the Management Committee from transferring or re-designating the fund for another purpose within the same programme. Funds that have been transferred from unrestricted non-designated funds by the Management Committee and designated for a specific purpose or programme, may at its discretion be transferred back to the non-designated unrestricted funds.

2.13 Restricted funds

Restricted funds are funds subject to specific trusts, which may be declared by the donors or with their authority such as in the literature of a public appeal or created through legal process, but still within the wider objects of the Society.

Restricted funds may only be utilised in accordance with the purposes established by the sources of such funds and are in contrast with unrestricted funds over which the board of management retains full control to use in achieving its institutional purposes.

The Society classifies the following fund as restricted fund:

- Care and Share Fund

Catholic Aids Response Effort

NOTES TO THE FINANCIAL STATEMENTS For the Financial Year Ended 31 December 2023

3. DONATIONS

	2023	2022
	\$	\$
Tax deductible donations	8,291	2,850
Non-tax deductible donations	17,952	1,351
	<u>26,243</u>	<u>4,201</u>

During the financial year, the Society issued tax-exempt receipts for donations collected amounting to \$,8291 (2022: \$2,850).

4. OTHER INCOME

	2023	2022
	\$	\$
<i>Accumulated fund</i>		
Central provident fund transition offset	824	416
Fixed deposit income	5,324	976
Other miscellaneous income	244	2,756
Senior employment credit	470	1,036
Singtel sponsorship scheme	-	480
Wages credit scheme	-	150
	<u>6,862</u>	<u>5,814</u>
<i>Capital expenditure fund</i>		
Fixed deposit income	<u>25,816</u>	<u>5,030</u>
	<u>32,678</u>	<u>10,844</u>

Catholic Aids Response Effort

NOTES TO THE FINANCIAL STATEMENTS For the Financial Year Ended 31 December 2023

5. COST OF CHARITABLE ACTIVITIES

	Note	Unrestricted Accumulated fund 2023 \$
Air conditioning, installations and equipment		1,363
Building and grounds		8,431
Catering, food and household expenses		7,887
Central Provident Funds contributions	16	25,216
Childrens' transport fund and related transport cost		3,200
Cleaning and environment services		3,560
Cyclical maintenance		1,038
Dum spiro spero		2,900
Education and training expenses		31
Electrical and lighting		1,268
Furniture and fixtures		458
Landscaping services		3,204
Medicine and medical equipment		65
Monthly rations		14,640
Night warden cost		25,760
Other event expenses		6,197
Other volunteer expenses		20
Other non-resident expenses		500
Outreach expenses		2,448
Rental expenses		47,952
Resident incentive and assistance		6,517
Staff costs	16	194,241
Staff insurance		4,205
Sundries		844
Transportation and travelling		120
Utilities		17,844
Water system		270
		<u>380,179</u>

Catholic Aids Response Effort

NOTES TO THE FINANCIAL STATEMENTS For the Financial Year Ended 31 December 2023

5. COST OF CHARITABLE ACTIVITIES (cont'd)

		Unrestricted fund	Restricted fund	
		General fund	Care and share matching fund	Total
Note		2022 \$ (Restated)	2022 \$ (Restated)	2022 \$ (Restated)
	Air conditioning, installations and equipment	672	-	672
	Building and grounds	3,669	7,785	11,454
	Catering, food and household expenses	6,334	-	6,334
	Central Provident Funds contributions	20,560	-	20,560
	Childrens' transport fund and related transport cost	3,500	-	3,500
	Cleaning and environment services	2,817	-	2,817
	Education and training expenses	406	-	406
	Electrical and lighting	819	-	819
	Landscaping services	2,490	810	3,300
	Medicine and medical equipment	712	-	712
	Monthly rations	12,100	-	12,100
	Night warden cost	31,050	-	31,050
	Other event expenses	921	-	921
	Other volunteer expenses	2,167	-	2,167
	Other non-resident expenses	1,230	-	1,230
	Outreach expenses	2,125	-	2,125
	Rental expenses	47,959	-	47,959
	Resident incentive and assistance	5,750	-	5,750
	Staff costs	244,374	-	244,374
	Staff insurance	4,640	-	4,640
	Transportation and travelling	80	-	80
	Utilities	17,435	-	17,435
	Water system	145	-	145
		411,955	8,595	420,550

Catholic Aids Response Effort

**NOTES TO THE FINANCIAL STATEMENTS
For the Financial Year Ended 31 December 2023**

6. GOVERNANCE AND ADMINISTRATIVE COSTS

		Unrestricted Accumulated fund
		2023
		\$
Auditor's remuneration		6,709
Board meeting expenses		1,065
Bank charges		260
Central Provident Fund contributions	16	12,019
Copier rental, postage, printing and stationery		4,001
Fees, licenses and TOL		(130)
Insurance expenses		2,233
IT purchase and maintenance		7,880
IT subscriptions		1,613
Professional fees		15,000
Repair and maintenance		1,324
Skill Development Levy contribution		201
Staff costs	16	87,190
Sundries		1,016
Telecommunications		3,067
Training and development		499
Transportation and travelling		607
Utilities		3,149
		<u>147,703</u>

NOTES TO THE FINANCIAL STATEMENTS
For the Financial Year Ended 31 December 2023

Note	Unrestricted fund	Restricted fund	Total
	General fund	Care and share matching fund	
	2022 \$ (Restated)	2022 \$	2022 \$ (Restated)
16	6,385	-	6,385
	278	-	278
	5,880	-	5,880
	1,652	546	2,198
	690	-	690
16	931	-	931
	4,286	150	4,436
	1,199	1,383	2,582
	1,500	-	1,500
	226	-	226
	4,579	407	4,986
	410	-	410
	42,000	-	42,000
	90	-	90
	2,682	-	2,682
	651	-	651
2,985	-	2,985	
	76,424	2,486	78,910

The Society is registered as an exempt Charity under the Charities Act 1994. By virtue of section 13(1)(zm) of the Income Tax Act 1947, the Society is exempted from income tax.

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NOTES TO THE FINANCIAL STATEMENTS
For the Financial Year Ended 31 December 2023

8. PLANT AND EQUIPMENT

	Office equipment \$	Renovation \$	Furniture and fittings \$	Total \$
<u>Cost</u>				
As at 1 January 2022,				
31 December 2022 and				
31 December 2023	18,231	381,664	1,448	401,343
<u>Accumulated depreciation</u>				
As at 1 January 2022,				
31 December 2022 and				
31 December 2023	18,231	381,664	1,448	401,343
<u>Carrying amount</u>				
31 December 2022	-	-	-	-
31 December 2023	-	-	-	-

9. OTHER RECEIVABLES

	2023 \$	2022 \$
Deposits	13,703	13,453
Interest receivables	5,212	5,507
	<u>18,915</u>	<u>18,960</u>

10. CASH AND BANK BALANCES

	2023 \$	2022 \$
Cash at bank	821,646	1,428,197
Cash on hand	2,000	2,000
Fixed deposits	1,234,582	1,203,148
	<u>2,058,228</u>	<u>2,633,345</u>

Fixed deposits are placed with banks for a period of 3 to 12 (2022: 3 to 12) months and earn interest ranging from 2.40% to 3.00% (2022: 0.40% to 2.80%) per annum.

11. OTHER PAYABLES

	2023 \$	2022 \$
Accrued operating expenses	8,407	10,519

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NOTES TO THE FINANCIAL STATEMENTS For the Financial Year Ended 31 December 2023

12. CAPITAL EXPENDITURE FUND

The fund is set up for capital expenditure relating to CARE premise at 9 Mandai Road by setting aside fund for future improvement and additions to the premise. The transfer of \$1,000,000 to designated fund from general fund was approved by the Management Committee on 7 November 2017. The transfer was made during the financial year ended 31 December 2018 and the fund was placed in a separate deposit account since April 2018.

	2023 \$	2022 \$
At beginning of financial year	1,053,053	1,048,023
Income received during the financial year	25,816	5,030
At end of financial year	<u>1,078,869</u>	<u>1,053,053</u>

13. CARE AND SHARE MATCHING FUND

Care and Share Matching Grant is a grant from Ministry of Social and Family Development (“MSF”) based on qualifying donations, to develop the charitable agency’s capabilities and capacity in the provision of social services and programmes for its beneficiaries. The unused funds for projects that are withdrawn or terminated prematurely may be clawed back if the new proposed projects were not being approved by MSF.

	2023 \$	2022 \$
At beginning of financial year	287,823	298,904
Less: Utilisation	-	(11,081)
Less: Refund of unutilised grant	(284,217)	-
At end of financial year	<u>3,606</u>	<u>287,823</u>

During the financial year, unutilised grant balance amounting to \$284,217 (2022: NIL) was refunded to MSF. The refund was unanimously approved by members of the Society in the annual general meeting held on 30 May 2023.

14. RELATED PARTIES TRANSACTIONS

The Society has significant related party transactions with a related party on terms agreed between the parties as follows:

	2023 \$	2022 \$
<u>Caritas Singapore Community Council Limited: (“Caritas”)</u>		
Grant received	<u>160,000</u>	<u>120,000</u>

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NOTES TO THE FINANCIAL STATEMENTS For the Financial Year Ended 31 December 2023

15. KEY MANAGEMENT PERSONNEL COMPENSATION

The key management personnel are persons having authority and responsibility for planning, directing and controlling the activities of the Society. Key management personnel compensation for the financial year is as follows:

	2023	2022
	\$	\$
Salaries and bonuses	89,500	132,214
Central Provident Fund contributions	14,739	8,160
	<u>104,239</u>	<u>140,374</u>
<u>Number of key management in remuneration bands</u>		
\$100,001 to \$200,000	<u>1</u>	<u>1</u>

Apart from key management personnel listed above, there were no other staff that received more than \$100,000 in annual remuneration during the financial year ended 31 December 2023 and 2022 respectively.

None of the Management Committee members received remuneration for their contributions to the Management Committee.

16. STAFF COSTS

	Note	2023	2022
		\$	\$
Central provident fund contributions		37,235	26,440
Salaries and bonuses		281,431	286,374
		<u>318,666</u>	<u>312,814</u>
The staff costs were allocated as follows:			
Cost of charitable activities			
Central Provident Fund contributions	5	25,216	20,560
Salaries and bonuses	5	194,241	244,374
Governance and administrative costs			
Central Provident Fund contributions	6	12,019	5,880
Salaries and bonuses	6	87,190	42,000
		<u>318,666</u>	<u>312,814</u>

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NOTES TO THE FINANCIAL STATEMENTS For the Financial Year Ended 31 December 2023

17. OPERATING LEASE COMMITMENTS

The Society leases office premise and copier from third parties under non-cancellable operating leases agreements. The future minimum leases payable under non-cancellable operating lease contracted for at the reporting date but not recognised as liabilities, were as follows:

	2023	2022
	\$	\$
Within one year	49,812	49,981
Later than one year but not later than five years	47,952	49,812
	<u>97,764</u>	<u>99,793</u>

18. RESERVE POLICY AND POSITION

The Society's reserve position (excluding non-current assets) for the years ended 31 December 2023 and 2022 are as follows:

		2023	2022	Increase/ (Decrease)
		\$'000	\$'000	%
A	Unrestricted funds			
	- General funds	989	1,301	(23.98)
B	Restricted or designated funds			
	- Designated funds	1,079	1,053	2.47
	- Restricted funds	4	288	(98.61)
C	Endowment funds	-	-	-
D	Total funds	2,072	2,642	(21.57)
E	Total annual operating expenditure	528	499	5.81
F	Ratio of unrestricted fund to annual operating expenditure [A/E]	1.87	2.61	(28.16)

Reference:

- C. An endowment fund consists of assets, funds or properties, which are held in perpetuity, which produce annual income flow for a foundation 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 charitable activities and governance and other operating and administration expenses.

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NOTES TO THE FINANCIAL STATEMENTS For the Financial Year Ended 31 December 2023

18. RESERVE POLICY AND POSITION (Cont'd)

The Society's reserve policy is as follows:

The Society maintains an operating reserve (retained earnings) for the purpose of meeting shortfalls or deficits for any financial year. The operating reserve comprises surplus operating funds without donor restrictions.

As Caritas is the Society's main funding agency, the Society chooses to be in alignment with their reserves policy for member-organisations. The current recommendation for Caritas' member-organisations is reserves amounting to two years of operating expenses.

19. PRIOR FINANCIAL YEAR ADJUSTMENTS

Retrospective restatements have been made to reclassify a prior year expense. As a result, certain line items have been amended in the statement of financial activities. Comparative figures have been adjusted to conform to current year's presentation.

The effects of the restatement on the Society's reported amounts are as follows:

	Note	As previously stated \$	Increase/ (Decrease) \$	As restated \$
<u>At 30 December 2022</u>				
<u>Statement of financial Activities</u>				
<u>Cost of charitable activities</u>				
Night warden cost	5	-	31,050	31,050
<u>Governance and administrative costs</u>				
Night warden cost	6	31,050	(31,050)	-