

# financial statements

## ORGANISATION INFORMATION

Society registration number	265/86Rel
Registered office	Blk 414 Tampines Street 41 #01-301 Singapore 520414
Executive committee members	Mr. Brian Jenner, President/Chairman Mrs. Lois Goh, Vice President Ms. Ivy Goh, Honorary Treasurer Rev. K. Steven, Honorary Chaplain/Member Mr. Benny Lim, Honorary Secretary Mrs. Elizabeth Liew, Member
Advisor	Mrs. Patricia Sabapathy
Executive director	Mr. Koh Kee Sem, Samuel
Bankers	DBS Bank Ltd Citibank N.A.
Auditors	P G Wee & Partners Certified Public Accountants 143 Cecil Street #07-03/04 GB Building Singapore 069542

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## STATEMENT BY THE EXECUTIVE COMMITTEE MEMBERS

The Executive Committee is responsible for the preparation and fair presentation of these financial statements in accordance with the Societies Act, Chapter 311, Charities Act, Chapter 37 and Singapore Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

In our opinion, the financial statements are drawn up so as to give a true and fair view of the state of affairs of the Christian Outreach To The Handicapped ("Centre") as at 31 December 2008 and of the results, changes in funds and cash flows of the Centre for the year ended on that date in accordance with the provisions of the Acts.

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

On behalf of the Executive Committee Members,





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Chairman




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Honorary Secretary




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Honorary Treasurer



## INDEPENDENT AUDITORS' REPORT

### *Independent Auditors' Report to the Executive Committee Members of Christian Outreach To The Handicapped*

#### **P G Wee & Partners**

Certified Public Accountants Singapore  
143 Cecil St #07-03/04 GB Building  
Singapore 069542  
Tel: (65) 6220 8858  
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We have audited the financial statements of Christian Outreach To The Handicapped ("Centre") which comprise the balance sheet as at 31 December 2008, the income statement, statement of changes in funds and cash flow statement of the Centre for the year then ended, and a summary of significant accounting policies and other explanatory notes.

#### Executive Committee Members' responsibility for the financial statements

Executive Committee Members are responsible for the preparation and fair presentation of these financial statements in accordance with Singapore Financial Reporting Standards. This responsibility includes:

- (a) 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 income statement and balance sheet and to maintain accountability of assets;
- (b) selecting and applying appropriate accounting policies; and
- (c) making accounting estimates that are reasonable in the circumstances.

#### Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation

and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Executive Committee Members, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

*In our opinion,*

- (a) the financial statements of the Centre are properly drawn up in accordance with the Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Centre as at 31 December 2008 and of the results, changes in accumulated fund and cash flows of the Centre for the year ended on that date; and
- (b) the accounting and other records required by the Centre have been properly kept in accordance with the Regulations; and
- (c) the fund-raising appeals conducted by the Centre during the year were carried out in accordance with Regulation 6 and proper accounts and other records have been kept for the fund-raising appeals.
- (d) during the course of audit, nothing has come to our attention that cause us to believe that the fund-raising expenses have exceeded 30% of the gross receipt for fund raising during the year.



P G WEE & PARTNERS  
*Public Accountants and  
Certified Public Accountants Singapore*

31 March 2009

1759-08/LSF/ysh

# INCOME STATEMENT

(FOR THE YEAR ENDED 31 DECEMBER 2008)

	Note	Toa Payoh Centre	Tampines Centre	HQ	2008	2007
		SGD	SGD	SGD	SGD	SGD
<b>Income</b>						
Government grants	3	-	394,311	-	394,311	289,943
Donations		-	-	590,176	590,176	905,875
Programme fee		44,002	68,365	-	112,367	161,208
Donation-Tree of life Project		-	10,616	-	10,616	-
Monthly pledges		-	-	190,885	190,885	136,914
Flag day		-	-	251,804	251,804	154,688
Interest income		-	-	13,916	13,916	21,940
Miscellaneous income		290	-	4,238	4,528	4,011
Rebate for TOL		181,805	60,602	-	242,407	230,378
Class income		2,118	-	-	2,118	1,326
Amortisation of grant received		-	-	90,113	90,113	-
		<b>228,215</b>	<b>533,894</b>	<b>1,141,132</b>	<b>1,903,241</b>	<b>1,906,283</b>
<b>Other expenses</b>						
Accountancy fee		-	-	8,160	8,160	7,200
Auditors' remuneration		-	-	2,600	2,600	2,600
Bank charges		-	-	4,227	4,227	3,066
CPF contribution and Skills Development Fund		39,779	56,647	13,946	110,372	101,469
Computer expenses		-	-	-	-	180
Depreciation of plant and equipment		-	-	143,164	143,164	10,427
Entertainment and refreshment		1,009	-	737	1,746	-
Activity of daily living		232	147	-	379	210
CL-Home functioning skills		865	900	-	1,765	1,944
CL-Com Functioning Skills		2,217	2,396	-	4,613	4,900
SRA-Functional Communication		16	19	-	35	36
SRA- Psychosocial Wellness		139	405	-	544	190
SRA- Cognitive functioning		225	155	-	380	189
Annual camp		919	-	-	919	374
Class expenses		1,468	-	-	1,468	1,365
Festive activities		9	1,383	-	1,392	1,001
Household supplies		675	3,436	-	4,111	1,650

	Note	Toa Payoh Centre	Tampines Centre	HQ	2008	2007
		SGD	SGD	SGD	SGD	SGD
Insurance		3,215	2,161	-	5,376	3,084
Recruitment/repatriation		-	-	-	-	20
Repair and maintenance of						
- Building		1,468	2,043	-	3,511	1,007
- Equipment		-	922	-	922	527
- Land		-	9	-	9	44
Rental		-	7,772	-	7,772	-
Rental of equipment		1,349	1,798	-	3,147	1,781
Resources/Equipment		76	608	-	684	13
Special events		-	537	-	537	697
Stationery/Craft		-	457	-	457	227
Teaching aids		-	-	-	-	4
Transportation		37,850	64,673	-	102,523	103,056
Tree of Life Project		-	2,606	-	2,606	7,382
Utilities		14,145	24,822	-	38,967	19,552
Vehicles						
- Fuel		514	492	-	1,006	1,753
- Parking		77	246	-	323	73
- Road tax		187	550	-	737	771
- Servicing		181	416	-	597	1,002
Others		-	12	-	12	186
Volunteers' allowance/Gifts		-	4,490	-	4,490	3,392
Wet market purchases		13,063	15,586	-	28,649	23,582
Financial assistance program		-	-	4,800	4,800	5,200
Fund raising expenses		-	-	4,049	4,049	3,619
Insurance		-	-	1,182	1,182	-
Loss on disposal of plant and equipment		-	-	-	-	173
Medical expenses		68	108	359	535	407
Postage		13	-	914	927	673
Printing and stationery		464	-	36,059	36,523	18,691
Professional fees		-	-	950	950	963

	Note	Toa Payoh Centre	Tampines Centre	HQ	2008	2007
		SGD	SGD	SGD	SGD	SGD
Refreshment		-	-	-	-	384
Salaries and bonus		314,729	475,686	112,423	902,838	806,602
Staff welfare		15,028	31,696	4,655	51,379	37,192
Staff training		1,057	4,752	875	6,684	13,922
Subscription		-	-	1,463	1,463	1,630
Sundry expenses		428	-	248	676	194
Telephone		1,158	-	2,921	4,079	2,974
TOL for premise		161,604	80,802	-	242,406	230,378
Transport and travelling		-	-	1,713	1,713	-
		<b>614,227</b>	<b>788,732</b>	<b>345,445</b>	<b>1,748,404</b>	<b>1,427,956</b>
(Deficit)/Surplus for the year		<b>(386,012)</b>	<b>(254,838)</b>	<b>795,687</b>	<b>154,837</b>	<b>478,327</b>

*See accompanying notes to the financial statements.*

**BALANCE SHEET** (AS AT 31 DECEMBER 2008)

	Note	2008 SGD	2007 SGD
<b>Assets</b>			
<i>Non-current assets</i>			
Plant and equipment	7	<b>564,609</b>	46,625
<i>Current assets</i>			
Other receivables	8	<b>1,478</b>	396,318
Other assets	9	<b>84,922</b>	76,599
Cash and cash equivalents	10	<b>1,936,282</b>	1,555,373
		<b>2,022,682</b>	2,028,290
<b>Total assets</b>		<b>2,587,291</b>	2,074,915
<b>Funds and liabilities</b>			
<i>Total funds</i>			
Benevolent fund	11	<b>44,905</b>	45,107
Building fund and Expansion Work	12	<b>770,178</b>	571,625
Renovation fund	13	<b>13,089</b>	13,089
Deferred capital donations/grants	14	<b>360,450</b>	-
Accumulated fund		<b>1,321,006</b>	1,166,169
		<b>2,509,628</b>	1,795,990
<i>Current liabilities</i>			
Other payables	15	<b>77,663</b>	278,925
<b>Total funds and liabilities</b>		<b>2,587,291</b>	2,074,915

See accompanying notes to the financial statements.

## STATEMENT OF CHANGES IN FUND (FOR THE YEAR ENDED 31 DECEMBER 2008)

	Benevolent Fund		Building Fund and Expansion Work		Renovation Fund		Deferred Capital donations/grants		Accumulated Fund		Total	
	SGD		SGD		SGD		SGD		SGD		SGD	
Balance as at 1 January 2008	45,107		571,625		13,089		-		1,166,169		1,795,990	
Net movement during the year	(202)		198,553		-		360,450		-		558,801	
Surplus for the year	-		-		-		-		154,837		154,837	
<b>Balance as at 31 December 2008</b>	<b>44,905</b>		<b>770,178</b>		<b>13,089</b>		<b>360,450</b>		<b>1,321,006</b>		<b>2,509,628</b>	
Balance as at 1 January 2007	38,486		770,178		13,089		-		687,842		1,509,595	
Net movement during the year	6,621		(198,553)		-		-		-		(191,932)	
Surplus for the year	-		-		-		-		478,327		478,327	
Balance as at 31 December 2007	45,107		571,625		13,089		-		1,166,169		1,795,990	

*See accompanying notes to the financial statements.*

## CASH FLOW STATEMENT (FOR THE YEAR ENDED 31 DECEMBER 2008)

	Note	2008 SGD	2007 SGD
<i>Cash flows from operating activities</i>			
Surplus for the year		<b>195,126</b>	478,327
<i>Adjustments for:</i>			
Amortisation of grant received		<b>(130,402)</b>	-
Depreciation of plant and equipment		<b>143,164</b>	10,427
Interest income		<b>(13,916)</b>	(21,940)
Loss on disposal of plant and equipment		<b>-</b>	173
Operating profit before working capital changes		<b>193,972</b>	466,987
Other receivables		<b>394,063</b>	(392,519)
Other assets		<b>(8,323)</b>	(7,682)
Other payables		<b>(201,263)</b>	207,103
Net cash generated from operating activities		<b>378,449</b>	273,889
<i>Cash flows from investing activities</i>			
Purchase of plant and equipment		<b>(9,138)</b>	(6,499)
Capital work-in-progress		<b>(2,895)</b>	(607,935)
Benevolent Fund		<b>(202)</b>	(6,621)
Interest received		<b>14,694</b>	22,655
Net cash generated from investing activities		<b>2,459</b>	(585,158)
<i>Cash flows from financing activities</i>			
Government grants received for relocation		<b>-</b>	409,382
Net cash generated from financing activities		<b>-</b>	409,382
Net increase in cash and cash equivalents		<b>380,908</b>	98,113
Cash and cash equivalents at beginning of year		<b>1,555,373</b>	1,457,260
Cash and cash equivalents at end of year	10	<b>1,936,281</b>	1,555,373

*See accompanying notes to the financial statements.*



## NOTES TO THE FINANCIAL STATEMENTS

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

### 1. *Significant accounting policies*

#### Basis of accounting

The financial statements of the Centre have been prepared in accordance with the provisions of the Societies Act, Chapter 311, Charities Act, Chapter 37 and Singapore Financial Reporting Standards (“FRS”).

The financial statements expressed in Singapore dollar are prepared in accordance with the historical cost convention except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRS 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 Executive Committee Member's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

The accounting policies have been consistently applied by the Centre and are consistent with those used in the previous year.

#### Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates (“the functional currency”). The financial statements are presented in Singapore dollar, which is the Centre's functional and presentation currency.

#### Plant and equipment

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

Depreciation is calculated on the straight line method to write off the cost of the assets over their estimated useful lives. The estimated useful lives have been taken as follows:

Computer	-	3 years
Furniture and fittings	-	2 years
Motor vehicles	-	6 years
Office equipment	-	5 years
Kitchen equipment	-	5 years

The residual values are reviewed, and adjusted as appropriate, at each balance sheet date.

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

On disposal of an item of plant and equipment, the difference between the net disposal proceeds and its carrying amount is taken to the income and expenditure account.

### Fund Accounting

In order to ensure observance of limitations and restrictions placed on the use of resources available to the Association the financial statements of the Association are maintained substantially in accordance with the principles of "fund accounting" whereby the resources for various purposes are classified for accounting and reporting purposes into specific funds that are in accordance with activities or objectives specified.

### Impairment

The carrying amount of the Centre's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. All impairment losses are recognised in the income and expenditure account.

### Trade and other receivables

Trade and other receivables are classified and accounted for as loans and receivables under FRS 39.

Trade and other receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in the income and expenditure account when there is objective evidence that the assets is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

### Cash and cash equivalents

This includes cash on hand and deposits with financial institutions.

### Trade and other payables

Liabilities for trade and other payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

### Provisions

A provision is recognised when there is a present obligation (legal and constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

### Revenue recognition

Revenue for the charity comprises the fair value of the consideration received or receivables for rendering of services and donations received. Revenue is recognised as follows:

#### (a) Rendering of services

Revenue from services is recognised over the period in which the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be performed.

#### (b) Donation

Donations are recognised on receipt basis.

#### (c) Grant

Grants from other organisations for the purchase of fixed assets are taken to the Deferred capital grants account. Deferred capital grants are recognised in the income and expenditure statement over the periods necessary to match the depreciation of the assets purchased with the related grants. On disposal of plant and equipment, the balance of the related grants is recognised in the income statement to match the net carrying amount of plant and equipment disposed off.

Grants in respect of the current year's operating expenses are recognised as income in the same year. Grants which are received but not utilized are included in the Grants Received in Advance account. Grants are accounted for on an accrual basis.

#### (d) Interest income

Interest income is recognised on a time-proportion basis using the effective interest method. When a receivable is impaired, the charity reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at original effective interest rate of the instrument, and thereafter amortising the discount as interest income.

#### (e) Government grants

Government grants are recognised when they are received. The grants received will be adjusted based on audited number of programme users of Day Activity Centre.

#### Retirement benefit costs

Contributions to defined contribution retirement benefit plans are recorded as an expense as they fall due. Contributions made to government managed retirement benefit plan such as the Central Provident Fund which specifies the employer's obligations are dealt with as defined contribution retirement benefit plans.

#### Employee leave entitlement

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

#### 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 income and expenditure account 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.

#### Critical judgements, assumptions and estimation uncertainties

There were no key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The critical judgements made in the process of applying the Centre's accounting policies that have the most significant effect on the amounts recognised in the financial statements are discussed below:

Depreciation of plant and equipment

Plant and equipment are depreciated on a straight-line basis over their estimated useful lives. Management estimates the useful lives of these plant and equipment to be within 2 to 6 years. The carrying amount of the Centre's plant and equipment at 31 December 2008 is SGD564,609 (2007: SGD46,625). Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

2. *Charity information*

The charity's registered office and principal place of business is located at Blk 414 Tampines Street 41 #01-301 Singapore 520414.

Christian Outreach To The Handicapped is registered as a charity under the Charities Act, Chapter 37 on 27 March 1987.

The principal activities of the charity are as follows:

- a) to provide holistic learning through recreational, social, Bible-based instructions and economic help to disabled people as a whole person and the family unit as the main building block of society;
- b) encourage and train volunteers to work with the disabled in the area of spiritual and physical education;
- c) operate facilities to minister to the needs of the disabled;
- d) cooperate, coordinate, complement and network with the recognised bodies, religious organisations, para-church groups, welfare agencies, government or private with the aim to meet its objective; and
- e) do all such things as are necessary, incidental or conducive to the attainment of the objects.

3. *Government grants*

The amount relates to government grants received from Ministry of Community Development, Youth and Sports under the Government Financial Assistance for Recurrent Expenditure Scheme.

4. *Donations received*

General donations include tax-deductible receipts of SGD919,740 (2007: SGD1,128,952).

<i>5. Staff costs</i>	<b>2008</b>	2007
	<b>SGD</b>	SGD
CPF contribution and Skills Development Fund	<b>110,372</b>	101,469
Medical expenses	<b>535</b>	407
Salaries and bonus	<b>902,838</b>	806,602
Staff welfare	<b>51,379</b>	37,192
Staff training	<b>6,684</b>	13,922
	<b><u>1,071,808</u></b>	<u>959,592</u>

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*6. Income Tax*      The Charity is a registered charity under the Charities Act, Chapter 3 and is exempted from income tax with effect from year of Assessment 2008.



8. <i>Other receivables</i>	2008	2007
	SGD	SGD
Interest receivable from fixed deposits	1,478	2,255
Sundry receivables	-	394,063
	<u>1,478</u>	<u>396,318</u>

9. <i>Other assets</i>	2008	2007
	SGD	SGD
Deposits	66,132	63,677
Prepayments	18,790	12,922
	<u>84,922</u>	<u>76,599</u>

10. <i>Cash and cash equivalents</i>	2008	2007
	SGD	SGD
Fixed deposits with banks	853,920	840,610
Cash and bank balances	1,082,362	714,763
	<u>1,936,282</u>	<u>1,555,373</u>

Fixed deposit bears interest at 0.55% to 1.42% (2008: 0.5% to 1.86%) and mature with varying dates within 3 to 12 months from the financial year end.

11. <i>Benevolent fund</i>	2008	2007
	SGD	SGD
Balance at beginning of year	45,107	38,486
Amount utilised during the year	(344)	(419)
Donations received during the year	142	7,040
Balance at end of year	<u>44,905</u>	<u>45,107</u>

The fund is set aside for assistance to needy clients and their families.



<i>12. Building fund and expansion work</i>	2008	2007
	SGD	SGD
Balance at beginning of year	571,625	770,178
Capital work-in-progress	(2,895)	(607,935)
Amount transferred to plant and equipment (note 7)	610,830	-
Government grant received/receivable	-	409,382
Amount transferred to deferred capital grant (note 14)	(409,382)	-
	<b>770,178</b>	<b>571,625</b>

The fund is set aside for purpose of purchasing of premises or expansion work in the future.

*13. Renovation fund* The fund is set aside for renovation purposes.

<i>14. Deferred capital donations/grants</i>	2008	2007
	SGD	SGD
<b>Cost</b>		
Amount transferred from building fund and expansion work (note 12)	409,382	-
Amount in current year	41,181	-
	<b>450,563</b>	-
<b>Accumulated amortisation</b>		
Amortisation for the year	90,113	-
Net carrying amount	<b>360,450</b>	-

Deferred capital donations/grants relate to donations received for the purchase of motor vehicles and renovation amounting to SGD41,181 (2007: SGD Nil) and SGD Nil (2007: SGD409,382) respectively. Donations related to assets are transferred to the balance sheet and amortised over the useful lives of depreciable asset.

<i>15. Other payables</i>	<b>2008</b>	2007
	<b>SGD</b>	SGD
	<hr/>	
Accrued liabilities	<b>21,731</b>	29,978
Other payables	<b>55,932</b>	248,947
	<b>77,663</b>	278,925
	<hr/>	

*16. Operating lease commitments* At the balance sheet date, the Charity was committed to making the following lease rental payments in respect of rental of a photocopier:

	<b>2008</b>	2007
	<b>SGD</b>	SGD
	<hr/>	
<i>Rental payable</i>		
Not later than one year	<b>4,460</b>	1,764
Later than one year but not later than five years	<b>10,940</b>	3,360
	<b>15,400</b>	5,124
	<hr/>	

The lease on the photocopier on which rental is payable will expire on 31 May 2009. The current rent payable on the lease is SGD140 per month, with a final payment of SGD2,500. Rental expenses is SGD2,098 (2007: SGD1,781)

*17. Capital commitment* At the balance sheet date, the charity has capital commitments amounting to SGD 372,876 in respect of renovation work carried out at Toa Payoh Centre have not been accounted for in the financial statements.

*18. Key Management* The top three key management personnel earn less than SGD100,000 per year.

*19. Financial risk management objectives and policies* The main risks from the Charity financial instruments are interest rate risk and liquidity risk. The policies for managing each of these risks are summarised below:

Interest Rate Risk

The company is exposed to interest rate risk through the impact of rate changes on interest-bearing liabilities and interest-earning assets. Interest-earning financial assets are mainly bank balances which are short-term in nature. Therefore, any future variations in interest rates will not have a material impact on the results of the company.

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.

The Charity manages its liquidity risk through the collection of donations and funding from government bodies.

Fair value of financial assets and financial liabilities

The carrying amounts of cash and cash equivalents, trade payables, provisions and other liabilities and amounts payable approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

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*20. New accounting standards and FRSs interpretations* At the date of authorisation of these financial statements, certain FRSs and INT FRSs were issued but not effective.

Consequential amendments were also made to various standards as a result of these new/revised standards.

The executive committee members anticipate that the adoption of the FRSs and INT FRSs that were issued, but not yet effective until future periods will not have material impact on the financial statements of the Centre.



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