



ANNUAL  
REPORT  
2015



# Annual Report for the Year Ended 31 December 2015

## OUR VISION

To build a compassionate and caring accountancy community that actively contributes towards the betterment of society.

## OUR MISSION

To encourage open-heartedness by promoting a strong social conscience and spirit of inclusivity within the accountancy community.

## OUR OBJECTIVES

ISCA Cares supports two charitable causes:

1. Education: To provide disadvantaged Singapore youths with academic potential access to quality accountancy education through financial and non-financial assistance.
2. Community: To harness the knowledge, skills and expertise of the accountancy community, for community development projects through collaborative programmes with partners.

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## BOARD & COMMITTEES

**Board of Directors** : **Ms Tan Hwee Hua @ Lim Hwee Hua** Chairman  
**Mr Max Loh Khum Whai** Deputy Chairman  
**Mr Arumugam Ravintran** Treasurer  
**Mr Gregory Vijayendran Ganesamoorthy** Board Member  
**Mr Lee Fook Chiew** Board Member  
**Ms Noorhayati Binte Mohamed Kassim** Board Member

**Audit Committee** : **Mr Gregory Vijayendran Ganesamoorthy** Chairman  
**Mr Max Loh Khum Whai** Member  
**Ms Noorhayati Binte Mohamed Kassim** Member

**Banker** : DBS Bank Ltd

**Auditor** : Baker Tilly TFW LLP

**Related Party** : Institute of Singapore Chartered Accountants (ISCA)

**Mr Max Loh Khum Wai**  
Deputy Chairman of ISCA Cares  
Council Member of ISCA

**Mr Lee Fook Chiew**  
Board Member of ISCA Cares  
CEO of ISCA

## CORPORATE INFORMATION

|                             |   |  |
|-----------------------------|---|--|
| <b>Unique Entity Number</b> | : | 201532966C   |
| <b>Registered Address</b>   | : | 60 Cecil Street,<br>ISCA House<br>Singapore 049709 |
| <b>Constitution</b>         | : | Company Limited by Guarantee                       |
| <b>IPC Period</b>           | : | 24 December 2015 – 23 December 2016                |

## POLICIES

**Conflict of interest policy** : All Board members and staff of ISCA Cares shall provide a disclosure of their interests in all other organisations in which they are directors or have control or have substantial shareholding or monetary interest to the Board when they are newly appointed and whenever there are updates. Such disclosures shall be circulated to all Board members and any potential conflicts of interest documented.

**Reserves Policy** : The use of reserves shall be approved by the Board. The reserves can be used for funding for operating expenditure during financial crisis and ex-budgetary capital expenditure for ensuring business continuity.

The Company seeks to maintain a reserve of one year's operating costs. The reserves are invested in fixed deposits with banks approved by the Board.

The Board will review the reserves policy and the amount of reserves annually.

## OUR PROGRAMMES

### ISCA Cares Education Programme

Commencing in 2016, the ISCA Cares Education Programme is the immediate focus of ISCA Cares. The programme provides disadvantaged Singapore youths with access to a quality education in accountancy.

Donors' contributions will go towards subsidising the tuition fees and basic living expenses of beneficiaries who have been admitted to, or are pursuing accountancy diplomas and degree courses, in local polytechnics and universities.

Beneficiaries will also benefit from internship and mentorship opportunities under the programme. The internships will enable beneficiaries to acquire relevant work skills and experience, to supplement their academic programmes. Mentorship opportunities will be offered by senior ISCA members who will share their expertise and experience with, and serve as role models for, these youths.

## REVIEW OF YEAR 2015

### Staffing

As at 31 December 2015, the ISCA Cares Secretariat Team comprised three volunteer staff from the Institute of Singapore Chartered Accountants (ISCA).

### Activities

- Focus group discussions with schools and accountancy firms

### Calendar of Events

- Launch of ISCA Cares at the Singapore Accountancy Convention 2015

### Fundraising Event and Activity

For the year ended 31 December 2015, ISCA Cares raised a total of \$165,988 from the following key donors:

- BDO LLP: \$40,000
- ISCA: \$95,888
- RSM Chio Lim LLP: \$30,000

## REVIEW OF FINANCIAL STATE AND EXPLANATION OF MAJOR FINANCIAL TRANSACTIONS

The Charity received donations amounting to \$165,988 and a net surplus and total comprehensive income of \$163,851 for the financial period ended 31 December 2015.

## OUR FUTURE PLANS AND COMMITMENTS

### Education

For Year 2016 to 2017, ISCA Cares will focus on **education**.

**Target Beneficiaries:** ISCA Cares aims to provide disadvantaged Singapore youths who are academically strong or display academic potential with a more conducive environment so that they can better focus on acquiring an accountancy education.

**Donors as Nurturers:** The ISCA education programme is envisioned to be a holistic one to transform the lives of such youths. Donations would help subsidise the basic living expenses of the beneficiaries. In addition, where appropriate, donors can serve as mentors to guide the beneficiaries towards their aspirations in the accountancy profession. Where possible, institutional/corporate donors can provide valuable internship opportunities for them to gain relevant accountancy work experience. The greater level of interaction between donors and beneficiaries would help both groups to develop a deeper sense of commitment and connection to each other.

### Community

From the 3<sup>rd</sup> year of establishment, ISCA Cares will consider commencing community work and partner appropriate organisations in the social services sector to leverage their expertise and experience to deliver programmes targeted at improving the community. For instance, this includes educating the needy on effective financial management and the importance of savings. Additionally, ISCA is exploring the possibility of galvanising ISCA members (both individually and/or firms) to volunteer their skills to the community. This will also provide an opportunity for retired ISCA members to keep themselves actively involved in the profession without the stress associated with a full-time career.

# FINANCIAL STATEMENTS FOR THE YEAR

## ISCA CARES LIMITED

(Co. Reg. No. 201532966C)

### FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 26 AUGUST 2015 (DATE OF INCORPORATION) TO 31 DECEMBER 2015

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## **ISCA CARES LIMITED**

(A public company limited by guarantee and not having share capital)

### **DIRECTORS' STATEMENT**

The directors are pleased to present their first statement to the members together with the audited financial statements of the Company for the financial period from 26 August 2015 (date of incorporation) to 31 December 2015.

In the opinion of the directors:

- (i) the financial statements as set out on pages 12 to 21 are drawn up so as to give a true and fair view of the financial position of the Company at 31 December 2015 and of the results, changes in accumulated fund and cash flows of the Company for the financial period from 26 August 2015 (date of incorporation) to 31 December 2015 in accordance with the provisions of the Singapore Companies Act, Singapore Charities Act and Singapore Financial Reporting Standards; 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.

### **Directors**

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

Tan Hwee Hua @ Lim Hwee Hua

Max Loh Khum Whai

Arumugam Ravinthran

Gregory Vijayendran Ganesamoorthy

Lee Fook Chiew

Noorhayati Binte Mohamed Kassim

### **Arrangements to enable directors to acquire benefits**

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

### **Other matters**

As the Company is limited by guarantee and does not have a share capital, matters relating to the issue of shares or share options are not applicable.



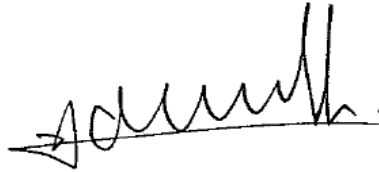
**Independent auditor**

The independent auditor, Baker Tilly TFW LLP, has expressed its willingness to accept re-appointment.

On behalf of the Directors



Tan Hwee Hua @ Lim Hwee Hua  
Director



Arumugam Ravinthran  
Director

8 March 2016

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ISCA CARES LIMITED**

(A public company limited by guarantee and not having share capital)

### **Report on the Financial Statements**

We have audited the accompanying financial statements of ISCA Cares Limited (the "Company") as set out on pages 12 to 21, which comprise the balance sheet as at 31 December 2015, and the statement of comprehensive income, statement of changes in accumulated fund and statement of cash flows for the financial period from 26 August 2015 (date of incorporation) to 31 December 2015, and a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act (the "Act"), Singapore Charities Act (the "Charities Act") and Singapore Financial Reporting Standards, 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.

### *Auditor's 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 about 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 auditor's judgment, 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 auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view 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 management, 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, the financial statements of the Company are properly drawn up in accordance with the provisions of the Act, Charities Act and Singapore Financial Reporting Standards so as to give a true and fair view of the financial position of the Company as at 31 December 2015 and the results, changes in accumulated fund and cash flows of the Company for the financial period from 26 August 2015 (date of incorporation) to 31 December 2015.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

### ISCA CARES LIMITED (cont'd)

(A public company limited by guarantee and not having share capital)

#### Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

During the course of our audit, nothing has come to our attention that causes us to believe that during the financial period:

- (i) the use of the donation moneys was not in accordance with the objectives of the Company as required under regulation 11 of the Charities (Institutions of a Public Character) Regulations; and
- (ii) the Company has not complied with the requirements of regulation 15 (Fund-raising expenses) of the Charities (Institutions of a Public Character) Regulations.



**Baker Tilly TFW LLP**  
Public Accountants and  
Chartered Accountants  
Singapore

8 March 2016

**ISCA CARES LIMITED**

(A public company limited by guarantee and not having share capital)

**STATEMENT OF COMPREHENSIVE INCOME**

For the financial period from 26 August 2015 (date of incorporation) to 31 December 2015

|   | Note | \$      |
|---|------|---------|
| <b>Donation income</b>  | 3    | 165,988 |
|   |      | <hr/>   |
| <b>Less expenditure</b>   |      |         |
| Auditor's remuneration  |      | 2,000   |
| Other expenses  |      | 137     |
|   |      | <hr/>   |
|   |      | 2,137   |
|   |      | <hr/>   |
| Surplus and total comprehensive income for the financial period |      | 163,851 |
|   |      | <hr/>   |

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

**ISCA CARES LIMITED**

(A public company limited by guarantee and not having share capital)

**BALANCE SHEET**

**At 31 December 2015**

|                               |   | 26.8.2015<br>to<br>31.12.2015<br>\$ |
|-------------------------------|---|-------------------------------------|
| <b>Current asset</b>          |   |                                     |
| Bank balance                  |   | 165,988                             |
|                               |   | <hr/>                               |
| <b>Current liabilities</b>    |   |                                     |
| Amount due to a related party | 4 | 137                                 |
| Accrued operating expenses    |   | 2,000                               |
|                               |   | <hr/>                               |
|                               |   | 2,137                               |
|                               |   | <hr/>                               |
| <b>Net assets</b>             |   | 163,851                             |
|                               |   | <hr/>                               |
| <b>Accumulated Fund</b>       |   | 163,851                             |
|                               |   | <hr/>                               |

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

**ISCA CARES LIMITED**

(A public company limited by guarantee and not having share capital)

**STATEMENT OF CHANGES IN ACCUMULATED FUND**

**For the financial period from 26 August 2015 (date of incorporation) to 31 December 2015**

|  | \$      |
|--|---------|
| At date of incorporation                                     | –       |
| Net surplus and total comprehensive<br>income for the period | 163,851 |
|  | <hr/>   |
| Balance at 31 December 2015                                  | 163,851 |
|  | <hr/>   |

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

**ISCA CARES LIMITED**

(A public company limited by guarantee and not having share capital)

**STATEMENT OF CASH FLOWS**

**For the financial period from 26 August 2015 (date of incorporation) to 31 December 2015**

\$

**Cash flows from operating activities**

Surplus for the period and operating cash flow before working capital change 163,851

Amount due to a related party 137

Accrued operating expenses 2,000

Net cash generated from operating activities, represented by bank balances at end of the financial period 165,988

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

## **ISCA CARES LIMITED**

(A public company limited by guarantee and not having share capital)

### NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 26 August 2015 (date of incorporation) to 31 December 2015

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

#### **1 Corporate information**

The Company (Co. Reg. No. 201532966C) is incorporated and domiciled in Singapore. The registered office and principal place of operations is at 60 Cecil Street, ISCA House, Singapore 049709.

The principal activities of the Company are:

- (a) To provide disadvantaged Singapore youths with academic potential, access to quality accountancy education through pecuniary and non-pecuniary assistance, so that they can maximise their potential.
  
- (b) To harness the knowledge, skills and expertise of the accountancy community and through collaborative programmes with appropriate partners, develop the community.

The Company is limited by its members' guarantee to contribute to the assets of the Company up to \$1 each member in the event of it being wound up.

The Company is an approved Institution of a Public Character.



## 2 Summary of significant accounting policies

### a) Basis of preparation

The financial statements, expressed in Singapore dollar (“\$”) which is the Company’s functional currency, have been prepared in accordance with the provisions of the Singapore Companies Act, Singapore Charities Act and Singapore Financial Reporting Standards (“FRS”). 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 FRS requires management to exercise its judgment in the process of applying the Company’s accounting policies. It also requires the use of accounting 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 income and expenditure during the financial period. These estimates and assumptions 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. There were no significant judgments and estimates made during the financial period.

In the current financial period, 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 the current financial period. The adoption of these new and revised FRS and INT FRS did not have any material effect on the financial statements.

New standards, amendments to standards and interpretations that have been issued at the balance sheet date but are not yet effective for the financial period ended 31 December 2015 have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Company.

### b) Income

Revenue is recognised to the extent that the Company 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 are recognised as and when they are received.

### c) **Financial assets**

The Company's only financial assets are "loans and receivables" which comprise bank balances.

Loans and receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest method less impairment. The Company assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. When such evidence exists, the carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in income or expenditure. 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. When a receivable is uncollectible, it is written off against the allowance account for the receivables. Subsequent recoveries of amounts previously written off are credited in income or expenditure.

### d) **Financial liabilities**

Financial liabilities which comprise amount due to a related party and accrued operating expenses are initially recognised at fair value, and are subsequently measured at amortised cost, using the effective interest method.

### e) **Taxation**

The Company has been registered as a Charity under the Singapore Charities Act and is exempted from income tax under the provisions of the Income Tax Act Cap. 134.

## **3 Donation income**

Donations received are tax deductible.

## **4 Amount due to a related party**

The amount due to a related party is non-trade in nature, unsecured, interest-free and repayable on demand.

## 5 Related party transactions

In addition to information disclosed elsewhere in the financial statements, the following transactions took place between the Company and a related party, during the financial period on terms agreed by the parties concerned:

|                 | \$     |
|-----------------|--------|
| Donation income | 95,888 |
|                 | <hr/>  |

During the financial year, the related party has provided secretariat support towards the management of the affairs of the Company and incurred expenses of \$13,049 towards the setting up of the Company. These expenses, including secretariat support, were not charged by the related party to the Company.

The related party refers to Institute of Singapore Chartered Accountants, in which certain of its key management personnel and council member are also the directors of the Company.

## 6 Financial instruments

### (a) Categories of financial instruments

The financial instruments at their carrying amounts balance sheet date are as follows:

|   | \$      |
|---|---------|
| <i>Financial assets</i>                         |         |
| Loans and receivables (including bank balances) | 165,988 |
|   | <hr/>   |
| <i>Financial liabilities</i>                    |         |
| At amortised cost                               | 2,137   |
|   | <hr/>   |

## **6 Financial instruments (cont'd)**

### **(b) Financial risk management (cont'd)**

The Company's overall risk management is determined and carried out by the board of directors on an informal basis.

#### *Credit risk*

The Company's exposure to credit risk arises from the failure of a customer or counterparty to settle its financial and contractual obligations to the Company, as and when they fall due.

The Company places its cash with banks and financial institutions which are regulated.

At balance sheet date, there is no significant concentration of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each class of financial instruments on the balance sheet.

#### *Foreign exchange risk*

The Company has no significant exposure to foreign exchange risk as all of its financial assets and financial liabilities are denominated in Singapore dollars.

#### *Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flow of the Company's financial instruments will fluctuate because of changes in market interest rates. The Company's income and operating cash flows are not substantially dependent on changes in market interest rates as the Company has no significant interest-bearing assets and liabilities.

#### *Liquidity and cash flow risk*

The board of directors exercises prudent liquidity and cash flow risk management policies and aims at maintaining an adequate level of liquidity and cash flow at all times.

## **7 Fair value**

The carrying amounts of the assets and liabilities recorded in the financial statements of the Company approximate their fair values.

## **8 Fund management**

The Company's objectives when managing its funds are to safeguard and maintain adequate funding to ensure the continuity and development of its principal activities.

## **9 Comparative figures**

No comparative figures are available as this is the Company's first set of financial statements since its incorporation on 26 August 2015.

## **10 Authorisation of financial statements**

The financial statements of the Company for the financial period from 26 August 2015 (date of incorporation) to 31 December 2015 were authorised for issue in accordance with a resolution of the Board of Directors dated 8 March 2016.



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