

Yellow Ribbon Fund
(Registration Number: T04CC1808H)
(IPC No.: IPC000045)
(Charity Registration Number: 01808)

**Executive Committee's Statement and
Financial Statements
Financial Year Ended 31 December 2018**

KONG, LIM & PARTNERS LLP
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**Yellow Ribbon Fund
General Information**

Executive Committee

Mrs Wong Ai Ai (Chairman)
Mr Keith Tan Keng Soon (Vice Chairman)
Mr Manraj Singh Sekhon (Vice Chairman)
Mr Matthew Wee Yik Keong (Secretary)
Mr Woo Woh Kuan Christopher (Treasurer)
Mdm Shie Yong Lee (Board Member)
Mr Goh Soo Lim (Board Member)
Ms Liok Wei Theng Natasha Marie (Board Member)
Mr Mohamed Abdul Jaleel (Board Member)
Ms Lai Siu Chiu (Board Member)
Ms Charlotte Yew Li Lin (Board Member)
Mr Asad Jumabhoy (Board Member)
Mr Lim Zhi Yang (Board Member)
Mr Nazri Hadi Saparin (Board Member)
Mr Lee Kim Shin (Board Member)

Registered Office

980 Upper Changi Road North
Singapore 507708

Auditor

Kong, Lim & Partners LLP

Principal Bankers

DBS Bank
Standard Chartered Bank (Singapore) Limited

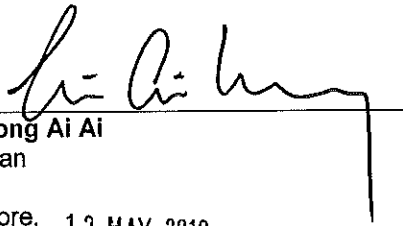
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**Yellow Ribbon Fund
Executive Committee's Statement
For the financial year ended 31 December 2018**

In our opinion:

- (a) the financial statements of the Yellow Ribbon Fund (the "Fund") are drawn up in accordance to the provisions of the Charities Act (Chapter 37) and Financial Reporting Standards in Singapore so as to present fairly the state of affairs of the Fund as at 31 December 2018 and the results, changes in fund and cash flows of the Fund for the year ended on that date; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Fund will be able to pay its debts as and when they fall due.

On behalf of the Executive Committee,



Mrs Wong Ai Ai
Chairman

Singapore, 13 MAY 2019



Mr Woo Woh Kuan Christopher
Treasurer

Independent Auditor's Report to the member of Yellow Ribbon Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Yellow Ribbon Fund (the "Fund"), which comprise the statement of financial position as at 31 December 2018, and the statement of financial activities, statement of changes in funds 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 Charities Act, Chapter 37 and other relevant regulations (the Charities Act and Regulations) and Singapore Financial Reporting Standards in Singapore (SFRSs) so as to present fairly, in all material aspects, the state of affairs of the Fund as at 31 December 2018 and the activities, changes in funds and cash flows of the Fund 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 Fund in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the Executive Committee's Statement set out on page 1.

Our opinion on the financial statements do 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 member of Yellow Ribbon Fund (continued)

Responsibilities of Executive Committee for the Financial Statements

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

In preparing the financial statements, the Executive Committee is responsible for assessing the Fund'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 Executive Committee either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund'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 Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Executive Committee.
- Conclude on the appropriateness of Executive Committee' 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 Fund'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 Fund to cease to continue as a going concern.

Independent Auditor's Report to the member of Yellow Ribbon Fund (continued)

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

- 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 Executive 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 Fund have been properly kept in accordance with the provision of the Charities Act, Chapter 37 and other relevant regulations.

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

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



KONG, LIM & PARTNERS LLP
Public Accountants and
Chartered Accountants

Singapore, 13 MAY 2019

Yellow Ribbon Fund
Statement of Financial Position
As at 31 December 2018

	Note	2018 S\$	2017 S\$
Assets			
Non-current asset			
Equipment	4	6,017	24,064
Other receivables	5	9,350	10,913
		<u>15,367</u>	<u>34,977</u>
Current assets			
Other receivables	5	282,568	349,047
Prepayments		6,954	5,565
Fixed deposits	6	1,349,786	1,339,960
Cash and bank balances	7	5,319,731	3,563,049
		<u>6,959,039</u>	<u>5,257,621</u>
Total assets		<u>6,974,406</u>	<u>5,292,598</u>
Funds and liabilities			
Funds			
<i>Unrestricted Fund:</i>			
General fund		3,808,953	3,213,613
<i>Designated Fund:</i>			
SCORE Skills Training		-	20,650
Yellow Ribbon Children Fund		622,309	-
<i>Restricted Fund:</i>			
Care and Share Grant		722,523	(11,421)
Changi Foundation		(17,011)	-
ISCOS Fairy Godparent Programme		-	92,450
MES STAR Bursary		186,681	203,867
SAL STAR Bursary		502,032	470,645
Springer Singapore STAR Bursary		7,089	11,622
STAR Bursary		231,615	113,521
Subhas Anandan STAR Bursary		181,611	235,815
Surbana Jurong STAR Bursary		29,166	41,525
Temasek Cares Bursary		44,925	76,615
VCF Consultancy Grant		15,000	-
Yellow Ribbon Prestige Children		-	541,267
Yellow Ribbon Fund-Acronis IT Skills Programme		41,110	-
Total funds		<u>6,376,003</u>	<u>5,010,169</u>
Current liabilities			
Other payables	9	598,403	282,429
Total funds and liabilities		<u>6,974,406</u>	<u>5,292,598</u>

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

Yellow Ribbon Fund
Statement of Financial Activities
For the year ended 31 December 2018

	Note	2018 S\$	2017 S\$
Income			
Donation income		1,466,549	841,244
Donation in kind		30,000	-
Events income		864,098	1,176,870
Grants and bursary		1,417,976	466,746
Sales of items		1,400	3,596
Miscellaneous income		114,840	11,704
Total income	10	<u>3,894,863</u>	<u>2,500,160</u>
Less: General expenditure			
Audit fee		13,952	4,718
Accounting fee		9,300	-
Bank charges		2,119	2,842
Charity golf expenses		59,280	-
Community art exhibition expenses		1,482	1,469
Fund raising expenses		123,913	221,210
General and miscellaneous expenses		110,718	34,927
Manpower cost	11	358,821	391,856
Other event expenses		7,669	5,494
Printing and stationery		3,160	1,954
Transport		7,548	7,306
YBR programme expenses		64,602	64,387
YMCA youth for course expenses		-	785
Total general expenditure		<u>762,564</u>	<u>736,948</u>
Operating surplus for the year		<u>3,132,299</u>	<u>1,763,212</u>
Add/(less): Other income/(expenditure)			
Disbursement of funds	12	(1,784,504)	(1,352,505)
Interest income		18,039	12,118
		<u>(1,766,465)</u>	<u>(1,340,387)</u>
Surplus for the year		<u>1,365,834</u>	<u>422,825</u>
Surplus for the year is attributable as follows:			
8			
Unrestricted Fund:			
- General fund		574,690	566,682
Designated Fund:			
- Emergency fund		-	(194,023)
- Yellow Ribbon Children Fund		81,042	-
Restricted Fund:			
- Care and Share Grant		733,944	(391,493)
- Changi Foundation		(17,011)	-
- ISCOS Fairy Godparent Programme		(92,450)	92,450
- MES STAR Bursary		(17,186)	203,867
- SAL STAR Bursary		31,387	7,808
- Springer Singapore STAR Bursary		(4,533)	(3,406)
- STAR Bursary		118,094	10,000
- Subhas Anandan STAR Bursary		(54,204)	(39,862)
- Surbana Jurong STAR Bursary		(12,359)	(14,089)
- Temasek Cares Bursary		(31,690)	(9,321)
- VCF Consultancy Grant		15,000	-
- Yellow Ribbon Prestige Children		-	194,212
- Yellow Ribbon Fund-Acronis IT Skills Programme		41,110	-
		<u>1,365,834</u>	<u>422,825</u>

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

**Yellow Ribbon Fund
Statement of Changes in Funds
For the financial year ended 31 December 2018**

	Unrestricted Fund	Restricted Fund														Yellow Ribbon Fund - Acronis IT Skills Programme	Total funds	
		Designated Fund							Other									
		SCORE Skills Training	Yellow Ribbon Children Fund	Care & Share Grant	ISICOS Fairy Godparent Foundation Programme	MES STAR Bursary	SAL STAR Bursary	Springer Singapore STAR Bursary	STAR Bursary	STAR Bursary	Subhas Anandan STAR Bursary	Subbasa Jurong STAR Bursary	Temasek Cares Bursary	VCF Consultancy Grant	Yellow Ribbon Prestige Children			
	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	
Balance as at 1 January 2017	2,840,954	-	20,650	-	380,072	-	-	462,837	15,028	103,521	275,677	55,614	85,936	-	347,055	-	4,587,344	
Transfer of funds (Deficit)/surplus for the year (Note 6)	(194,023)	194,023	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Balance as at 31 December 2017	566,682	(194,023)	-	-	(391,493)	-	92,450	203,867	7,808	(3,406)	10,000	(39,862)	(9,321)	-	194,212	-	422,825	
Transfer of funds	3,213,613	-	20,650	-	(11,421)	-	92,450	203,867	470,645	11,622	113,521	235,815	41,525	76,615	-	541,267	-	5,010,169
Surplus/(deficit) for the year (Note 6)	20,650	-	(20,650)	541,267	-	-	-	-	-	-	-	-	-	-	(541,267)	-	-	
Balance as at 31 December 2018	574,690	-	-	81,042	733,944	(17,011)	(92,450)	(17,186)	31,387	(4,533)	118,094	(54,204)	(31,690)	15,000	-	41,110	1,365,834	
	3,808,953	-	-	622,309	722,523	(17,011)	-	186,681	502,032	7,069	231,615	181,611	29,166	44,925	-	41,110	6,376,003	

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

Yellow Ribbon Fund
Statement of Cash Flows
For the financial year ended 31 December 2018

	<u>2018</u>	<u>2017</u>
	<u>S\$</u>	<u>S\$</u>
Cash flows from operating activities		
Surplus for the year	1,365,834	422,825
Adjustments for:		
Depreciation of equipment	18,047	18,047
Interest income	(18,039)	(12,118)
Operating surplus before working capital changes	<u>1,365,842</u>	<u>428,754</u>
Other receivables	68,042	181,617
Prepayments	(1,389)	32,356
Other payables	315,974	139,333
Net cash generated from operating activities	<u>1,748,469</u>	<u>782,060</u>
 Cash flows from investing activities		
Fixed deposits	(9,826)	(10,260)
Interest received	18,039	12,118
Net cash generated from investing activities	<u>8,213</u>	<u>1,858</u>
 Net increase in cash and bank balances	<u>1,756,682</u>	<u>783,918</u>
Cash and bank balances at the beginning of financial year	<u>3,563,049</u>	<u>2,779,131</u>
Cash and bank balances at the end of financial year (Note 7)	<u>5,319,731</u>	<u>3,563,049</u>

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

Yellow Ribbon Fund
Notes to the financial statements
For the financial year ended 31 December 2018

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

1. General

Yellow Ribbon Fund (the "Fund") was registered under the Charities Act (Chapter 37) and it is also an Institution of Public Character ('IPC') under the Ministry of Social and Family Development. It is located at 980 Upper Changi Road North, Singapore 507708.

The Fund is established by the Singapore Corporation of Rehabilitative Enterprises ("SCORE") and shall be managed by a committee.

The primary objective of the Fund is:

- (a) To provide financial support for the provision of rehabilitative and aftercare services to prisoners and inmates before and after their discharge from custody and to assist the provision by others of such services.
- (b) To provide financial support for public awareness programmes aimed at creating awareness in giving 2nd chances to ex-offenders and inspiring community action to support the rehabilitation and reintegration of ex-offenders.
- (c) To provide financial support for services associated with rehabilitation and reintegration for family members of prisoners and inmates before and after their discharge from custody.

2. Summary of significant accounting policies

2.1 Basis of preparation

The financial statements of the Fund have been drawn up in accordance with Financial Reporting Standards ("SFRS") in Singapore and the Charities Act, Cap 37. The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollars (S\$), which is the Fund's functional currency.

2.2 Adoption of new and revised standards

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Fund has adopted all the new and amended standards which are relevant to the Fund and are effective for annual financial periods beginning on or after 1 January 2018. Except for the adoption of FRS 109 Financial Instruments described below, the adoption of these standards did not have any material effect on the financial performance or position of the Fund.

FRS 109 Financial Instruments

FRS 109 replaces FRS 39 *Financial Instruments: Recognition and Measurement* for annual periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting.

There is no impact arising from FRS 109 adoption at the date of initial application.

2. Summary of significant accounting policies (continued)

2.2 Adoption of new and revised standards (continued)

FRS 109 Financial Instruments (continued)

(a) Classification and measurement

Under FRS 109, debt instruments are subsequently measured either at fair value through profit or loss (FVPL), amortised cost or fair value through other comprehensive income (FVOCI). The classification is based on two criteria: the Fund's business model for managing the assets; and whether the instruments' contractual cash flows represent 'solely payments of principal and interest' on the principal amount outstanding.

The assessment of the Fund's business model was made as of the date of initial application, 1 January 2018. The assessment of whether contractual cash flows on debt instruments solely comprised of principal and interest was made based on the facts and circumstances as at the initial recognition of the assets.

The classification and measurement requirements of FRS 109 did not have a significant impact to the Fund. The Fund continued measuring at fair value all financial assets previously held at fair value under FRS 39. The following are the changes in the classification and measurement of the Fund's financial assets:

- Other receivables classified as loans and receivables as at 31 December 2017 are held to collect contractual cash flows and give rise to cash flows representing solely payments of principal. These were classified and measured as debt instruments at amortised cost beginning 1 January 2018.

The Club has not designated any financial liabilities at FVPL. There are no changes in classification and measurement for the Club's financial liabilities.

(b) Impairment

The adoption of FRS 109 has fundamentally changed the Fund's accounting for impairment losses for financial assets by replacing FRS 39's incurred loss approach with a forward-looking expected credit loss (ECL) approach. FRS 109 requires the Fund to recognise an allowance for ECLs for all debt instruments not held at FVPL.

The impairment requirements under FRS 109 did not bring significant impact to the Fund.

FRS 115 Revenue from Contracts with Customers

FRS 115 supersedes FRS 11 Construction Contracts, FRS 18 Revenue and related interpretations and it applies, with limited exceptions, to all revenue arising from contracts with customers. FRS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflect the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

FRS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

The Fund has performed an analysis in the impact of this standard on the Fund's financial statement and determined that the new standard does not have a material effect on the Fund's financial statements.

2.2 Adoption of new and revised standards (continued)

FRS 115 Revenue from Contracts with Customers (continued)

The Executive Committee has accessed and conclude that there is no impact for the use of the above new standards.

2.3 Standards issued but not yet effective

The Fund has not adopted the following standards applicable to the Fund that have been issued but not yet effective:

<i>Description</i>	<i>Effective for annual periods beginning on or after</i>
FRS 116 Leases	1 Jan 2019
Annual improvements to FRSs (March 2018)	1 Jan 2019

Except for FRS 116, the Executive Committee expect that the adoption of the other standards above will have no material impact on the financial statements in the year of initial application. The nature of the impending changes in accounting policy on adoption of FRS 116 are described below.

FRS 116 Leases

FRS 116 requires lessees to recognise most leases on the statement of financial position. The standard includes two recognition exemptions for lessees – leases of 'low value' assets and short-term leases. FRS 116 is effective for annual periods beginning on or after 1 January 2019. At commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e. the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e. the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

The Fund plans to adopt FRS 116 retrospectively with the cumulative effect of initially applying the standard as an adjustment to the opening retained earnings at the date of initial application, 1 January 2019.

On the adoption of FRS 116, the Fund expects to choose, on a lease-by-lease basis, to measure the right-of-use asset at either:

- i. its carrying amount as if FRS 116 had been applied since the commencement date, but discounted using the lessee's incremental borrowing rate as of 1 January 2019; or
- ii. an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of financial position immediately before 1 January 2019.

In addition, the Fund plans to elect the following practical expedients:

- not to reassess whether a contract is, or contains a lease at the date of initial application and to apply FRS 116 to all contracts that were previously identified as leases;
- to apply the exemption not to recognise right-of-use asset and lease liabilities to leases for which the lease term ends within 12 months as of 1 January 2019; and
- to apply a single discount rate to a portfolio of leases with reasonably similar characteristics.

The Fund has performed a preliminary impact assessment based on currently available information, and the assessment may be subject to changes arising from ongoing analysis until the Fund adopts FRS 116 in 2019.

The Fund plans to adopt the new standard on the required effective date.

2. Summary of significant accounting policies (continued)

2.4 Equipment

All items of equipment are initially recorded at cost. Subsequent to recognition, equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of equipment includes its purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by Executive Committee.

Depreciation is calculated using the straight-line method to allocate depreciable amounts over their estimated useful lives. The estimated useful lives are as follows:

	<u>Years</u>
Computer and software licence	3

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

The residual value, useful lives and depreciation method are reviewed at the end of each reporting period, and adjusted prospectively, if appropriate.

An item of equipment is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on de-recognition of the asset is included in profit or loss in the year the asset is de-recognised.

2.5 Financial instruments

These accounting policies are applied on and after the initial application date of FRS 109, 1 January 2018:

(a) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when the entity becomes party to the contractual provisions of the instruments.

At initial recognition, the Fund measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Subsequent measurement

Debt instruments measured at amortised cost

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through the amortisation process.

De-recognition

A financial asset is de-recognised when the contractual right to receive cash flows from the asset has expired. On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that has been recognised in other comprehensive income is recognised in profit or loss.

2. Summary of significant accounting policies (continued)

2.5 Financial instruments (continued)

(b) Financial liabilities

Initial recognition and measurement

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

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at FVPL, directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at FVPL are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

These accounting policies are applied before the initial application date of FRS 109, 1 January 2018:

(a) Financial assets

Initial recognition and measurement

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

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

Subsequent measurement

Loans and receivables

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

Loans and receivables comprise other receivables, fixed deposits, cash and bank balances.

2. Summary of significant accounting policies (continued)

2.5 Financial instruments (continued)

(a) Financial assets (continued)

De-recognition

A financial asset is de-recognised when the contractual right to receive cash flows from the asset has expired. On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that has been recognised in other comprehensive income is recognised in profit or loss.

(b) Financial liabilities

Initial recognition and measurement

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

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

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

Such financial liabilities comprise other payables.

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

2. Summary of significant accounting policies (continued)

2.6 Impairment of financial assets

These accounting policies are applied on and after the initial application date of FRS 109, 1 January 2018:

The Fund assesses at each reporting date whether there is any objective evidence that a financial asset is impaired.

Financial assets carried at amortised cost

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

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The impairment loss is recognised in profit or loss.

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

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

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

2.7 Cash and bank balances

Cash and bank balances comprise cash at banks and on hand are subject to an insignificant risk of changes in value.

2. Summary of significant accounting policies (continued)

2.8 Income recognition

These accounting policies are applied on and after the initial application date of FRS 115, 1 January 2018:

Revenue is measured based on the consideration to which the Fund expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Fund satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

(a) Donations (cash or in kind)

Donation income is recognised at the timing of receipt of donation whether in cash or in asset (in-kind).

(b) Events income

Income from events is recognised at the timing of receipt of event income.

(c) Sales of items

Sales of items income is recognised when the goods are delivered to the donors and all criteria for acceptance have been satisfied.

(d) Interest income

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

(e) Rendering of service income

Rendering of service including miscellaneous income is recognised when the services are rendered.

These accounting policies are applied before the initial application date of FRS 115, 1 January 2018:

Income comprises the fair value of the consideration received or receivable in the ordinary course of the Fund's activities. Income is recognised as follows:

(a) Donations

Donation income is recognised as income upon receipt of such monies.

(b) Events income

Income from events is recognised when the event takes place.

(c) Sales of items

Sales of items income is recognised when there is probable that the economic benefits will flow to the Fund and the sales income can be reliably measured. Sales of items income is recognised on cash basis.

2. Summary of significant accounting policies (continued)

2.8 Income recognition (continued)

(d) Interest income

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

(e) Rendering of service income

Rendering of service including miscellaneous income is recognised when the services are rendered.

2.9 Government grant

Government grants are recognised when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Government grant shall be recognised in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate. Grants related to income may be presented as a credit in profit or loss, either separately or under a general heading such as "Other income". Alternatively, they are deducted in reporting that related expenses.

2.10 Employee benefits

Defined contribution plans

The Fund makes contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

2.11 Income tax

As a registered charity under the Charities Act, Cap. 37, the Fund is exempt from income tax under Section 13(1)(zm) of the Income Tax Act, Cap. 134.

3. Significant accounting judgments and estimates

The preparation of the Fund's financial statements requires the Executive Committee to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods. The Executive Committee is of the opinion that there are no significant judgments made in applying accounting estimates and policies that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Yellow Ribbon Fund
Notes to the financial statements
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4. Equipment

	Computer and software license	Total
	S\$	S\$
Cost		
At 1 January 2017	54,143	54,143
Additions	-	-
At 31 December 2017	54,143	54,143
Additions	-	-
At 31 December 2018	54,143	54,143
Accumulated depreciation		
At 1 January 2017	12,032	12,032
Depreciation	18,047	18,047
At 31 December 2017	30,079	30,079
Depreciation	18,047	18,047
At 31 December 2018	48,126	48,126
Carrying amount		
At 31 December 2017	24,064	24,064
At 31 December 2018	6,017	6,017

The depreciation expense of the equipment are claimed under the Care and Share Grant which amounting to S\$18,047 (2017: S\$18,047).

5. Other receivables

	2018	2017
	S\$	S\$
Non-current:		
- Other receivable	9,350	10,913
Current:		
- Amount due from related party	241,028	275,724
- Donations receivable	28,168	71,156
- Other receivable	13,372	2,167
	282,568	349,047
	291,918	359,960

Other receivables amounting to S\$22,722 (2017: S\$10,913) are non-trade in nature, unsecured, interest bearing with rate of Nil (2017: 10%) per annum, repayable on demand and are to be settled in cash.

Amount due from related party are non-trade in nature, unsecured, interest-free and are to be settled in cash.

Donation receivables are donation that Fund obtains control of the donation or the right to receive the donation, the economic benefits of the donations is probable flow to the entity and the amount of the donation can be measured reliably.

Other receivables are denominated in Singapore Dollar.

Yellow Ribbon Fund
Notes to the financial statements
For the financial year ended 31 December 2018

6. Fixed deposits

All fixed deposits mature within six months to one year from the date of placement and bears interest at rates ranging from 0.20% to 1.62% (2017: 0.35% to 1%) per annum.

Fixed deposits are denominated in Singapore Dollar.

7. Cash and bank balances

	<u>2018</u>	<u>2017</u>
	S\$	S\$
Cash on hand	150	8,150
Cash at banks	<u>5,319,581</u>	<u>3,554,899</u>
	<u>5,319,731</u>	<u>3,563,049</u>

Cash at banks and on hand are denominated in Singapore Dollar.

Yellow Ribbon Fund
Notes to the financial statements
For the financial year ended 31 December 2018

8. Fund account transactions

	Unrestricted Fund		Restricted Funds												Total		
	(i)	(ii)	SCORE Skills Training (iii)	Yellow Ribbon Children Fund (iv)	Care & Share Grant (v)	Changi Foundation (vi)	ISCOS Fairy Godparent Programme (vii)	MES Star Bursary (viii)	SAL STAR Bursary (ix)	Springer Singapore STAR Bursary (x)	STAR Bursary (xi)	Subhas Anandan STAR Bursary (xii)	Subhana Jurong STAR Bursary (xiii)	Temasek Cares Bursary (xiv)		VCF Consultancy Grant (xv)	Yellow Ribbon Fund-Acronis IT Skills Programme (xvi)
	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$
2018																	
Fund received																	
Donations income	1,047,787	-	-	81,042	-	-	193,100	-	-	144,620	-	-	-	-	-	-	1,466,549
Donations in kind	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	30,000	30,000
Events income	864,098	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	864,098
Grants and bursary	-	-	-	-	1,065,000	157,500	-	-	110,476	-	-	-	-	-	15,000	70,000	1,417,976
Sale of items	1,400	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,400
Miscellaneous income	114,840	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	114,840
	2,028,125	-	-	81,042	1,065,000	157,500	193,100	-	110,476	-	144,620	-	-	-	15,000	100,000	3,894,863
Less: Fund utilised																	
Total expenditure	762,564	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	762,564
Disbursement of fund																	
(Note 12)	708,910	-	-	-	331,056	174,511	285,550	17,186	79,089	4,533	26,526	54,204	12,359	31,690	-	58,890	1,784,504
	1,471,474	-	-	-	331,056	174,511	285,550	17,186	79,089	4,533	26,526	54,204	12,359	31,690	-	58,890	2,547,068
Other income																	
Interest income	18,039	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	18,039
Surplus/(deficit) for the year	574,690	-	-	81,042	733,944	(17,011)	(92,450)	(17,186)	31,387	(4,533)	118,094	(54,204)	(12,359)	(31,690)	15,000	41,110	1,365,834

Yellow Ribbon Fund
Notes to the financial statements
For the financial year ended 31 December 2018

8. Fund account transactions (continued)

	Unrestricted		Restricted Funds												Total	
	Fund	Designated Fund	General fund (i)	Emergency fund (ii)	SCORE Skills Training (iii)	Care & Share Grant (iv)	ISCOS Fairy Godparent Programme (v)	MES STAR Bursary (vi)	SAL STAR Bursary (vii)	Springer Singapore STAR Bursary (viii)	STAR Bursary (ix)	Subhas Anandan STAR Bursary (x)	Surbana Jurong STAR Bursary (xi)	Temasek Cares Bursary (xii)		Yellow Ribbon Prestige Children (xiii)
	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$
2017																
Fund received																
Donations income	527,655	-	-	92,450	-	-	-	-	10,000	-	-	-	-	-	211,139	841,244
Events income	1,176,870	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,176,870
Grants and bursary	131,346	-	-	-	209,200	111,100	-	-	-	-	100	-	-	15,000	-	466,746
Sale of items	3,596	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,596
Miscellaneous income	11,704	-	-	-	-	-	-	-	-	-	-	-	-	-	-	11,704
	1,851,171	-	-	92,450	209,200	111,100	-	10,000	-	100	-	15,000	-	211,139	2,500,160	
Less: Fund utilised																
Total expenditure	723,139	-	-	-	-	13,809	-	-	-	-	-	-	-	-	-	736,948
Disbursement of fund (Note 12)	573,468	194,023	-	391,493	-	5,333	89,483	3,406	-	39,962	14,089	24,321	16,927	24,321	16,927	1,352,505
	1,296,607	194,023	-	391,493	-	5,333	103,292	3,406	-	39,962	14,089	24,321	16,927	24,321	16,927	2,089,453
Other income																
Interest income	12,118	-	-	-	-	-	-	-	-	-	-	-	-	-	-	12,118
Surplus/(deficit) for the year	566,682	(194,023)	-	(391,493)	92,450	203,867	7,808	(3,406)	10,000	(39,862)	(14,089)	(9,321)	194,212	(9,321)	194,212	422,825

8. Fund account transactions (continued)

(i) General fund

The general fund represents accumulated surpluses and is for the purpose of meeting operating expenses incurred by the Fund.

(ii) Emergency fund

The emergency fund was funded from general fund and disbursed to ex-offenders for emergency usage. Criteria for disbursement is decided by the Board.

(iii) SCORE Skills Training

This fund aims to help these offenders re-integrate into the workforce, SCORE adopts a structured approach in preparing them for work.

(iv) Yellow Ribbon Prestige Children

The Yellow Ribbon Prestige Children fund is to provide financial support for family and children programmes and services. During the year, the Fund has been renamed to Yellow Ribbon Children Fund.

(v) Care and Share Grant

This fund was set up with the following objectives:

- (a) To bring the nation together to show care and concern for the less fortunate;
- (b) To recognise the contributions made by Volunteer Welfare Organisations ("VWOs") over the years; and
- (c) To invest in building capability in the social service sector to meet future needs beyond 2015.

Ministry of Social and Family Development (MSF) agrees to give YRF a grant of up to S\$2,900,000 ("the Grant") which shall be computed on the basis that MSF will disburse a dollar and twenty-five cents for every eligible donation dollar for the first S\$1,000,000 that YRF raises, a dollar for every eligible donation dollar for the subsequent S\$1,000,000 that YRF raises, and sixty-five cents for every eligible donation dollar for the next subsequent S\$1,000,000 that YRF raises between 1 December 2013 and 31 March 2016 ("the matching period").

(vi) Changi Foundation

Changi Foundation is to provide grant to the Recipient for the purpose of Yellow Brick Road Programme whereby it target on academic and emotional support to children and youths during their parents' incarceration, as well as case management support to the caregivers.

(vii) ISCOS Fairy Godparent Programme ("YISCOSFGP")

The Yellow Ribbon YISCOSFGP fund is to provide children of ex-offenders better family support and a conducive home study environment.

(viii) MES STAR Bursary

Mini Environment Service (MES) STAR Bursary Fund aims to support financially needy ex-offenders seeking vocational and skills training. This helps ex-offenders by training them for jobs so that they have a purpose in life, earn a living for themselves and their families, and regain their self-respect.

8. Fund account transactions (continued)

(ix) SAL STAR Bursary

SAL Skills Training Assistance to Restart (STAR) Bursary Fund aims to support financially needy ex-offenders seeking vocational and skills training. This helps ex-offenders by training them for jobs so that they have a purpose in life, earn a living for themselves and their families, and regain their self-respect.

The SAL STAR Bursary covers up to 100% of recipients' course fees and is part of a larger STAR Bursary which has supported financially needy ex-offenders seeking vocational and skills training since 2010.

(x) Springer Singapore STAR Bursary

This fund aims to provide ex-offenders the financial support they need to obtain vocational and skills training, so that they have a purpose in life, earn a living for themselves and their families and regain their self-respect

(xi) Star Bursary (YSB)

The Yellow Ribbon YSB fund is to provide financial support for ex-offenders in a form of paying their course fee or giving them living allowance.

(xii) Subhas Anandan STAR Bursary

This fund aims to help in the rehabilitation and reintegration of ex-offenders.

(xiii) Surbana Jurong STAR Bursary

This fund aims to provide ex-offenders the financial support they need to obtain vocational and skills training, so that they have a purpose in life, earn a living for themselves and their families and regain their self-respect.

(xiv) Temasek Cares Bursary

This fund aims to provide financial support to enable the ex-offenders to pursue training and education, helping them to gain skills for employment and self-sufficiency. Vocational training, skills upgrading and further education improve their employability and re-integration into society.

(xv) VCF Consultancy Grant

VCF Consultancy Grant provides co-funding for the engagement of external consultants for governance and management consultancy projects. The grant covers consultancy projects by external consultants to improve key governance and management areas, for example, conducting a review on policies covering regulatory compliance, internal controls and governance best practices.

(xvi) Yellow Ribbon Fund – Acronis IT Skills Programme

Yellow Ribbon Fund-Acronis IT Skills Programme is to provide for the IT educational programs in the forms of both cash and services donation in the amount of not less than SGD1 million over the course of 10 years.

Yellow Ribbon Fund
Notes to the financial statements
For the financial year ended 31 December 2018

9. Other payables

	<u>2018</u>	<u>2017</u>
	S\$	S\$
Other payables	434,505	275,829
Accruals	133,898	6,600
Prepaid donation	30,000	-
	<u>598,403</u>	<u>282,429</u>

Other payables are non-trade in nature, unsecured, non-interest bearing, normally settled within 90 days or on demand and are to be settled in cash.

Other payables are denominated in Singapore Dollar.

10. Income

	<u>2018</u>	<u>2017</u>
	S\$	S\$
General Fund:		
General donations	1,047,787	527,655
Events income	864,098	1,176,870
Grant and bursary income	-	131,346
Sales of items	1,400	3,596
Miscellaneous income	114,840	11,704
Total income for general fund	<u>2,028,125</u>	<u>1,851,171</u>
Designated fund:		
- Yellow Ribbon Children	81,042	-
Total income for designated fund	<u>81,042</u>	<u>-</u>
Restricted fund:		
- Care and Share Grant	1,065,000	-
- Changi Foundation	157,500	-
- ISCOS Fairy Godparent Programme	193,100	92,450
- MES STAR Bursary	-	209,200
- SAL STAR Bursary	110,476	111,100
- Star Bursary	144,620	10,000
- Subhas Anandan STAR Bursary	-	100
- Surbana Jurong STAR Bursary	-	-
- Temasek Cares Bursary	-	15,000
- VCF Consultancy Grant	15,000	-
- Yellow Ribbon Prestige Children	-	211,139
- Yellow Ribbon Fund-Acronis IT Skills Programme	100,000	-
Total income for restricted fund	<u>1,785,696</u>	<u>648,989</u>
Total income	<u>3,894,863</u>	<u>2,500,160</u>
Represented by:		
Tax-deductible donations	2,299,836	2,146,010
Non-tax deductible donations	1,595,027	354,150
	<u>3,894,863</u>	<u>2,500,160</u>

Yellow Ribbon Fund
Notes to the financial statements
For the financial year ended 31 December 2018

11. Manpower cost

	<u>2018</u>	<u>2017</u>
	S\$	S\$
Salaries and related costs	311,581	328,352
Employer's contributions to Central Provident Fund	47,240	63,504
	<u>358,821</u>	<u>391,856</u>

12. Disbursement of funds

This represents funding to various agencies for children programmes, reintegration programmes for ex-offenders and family support programmes for inmates.

13. Fund raising expenses

	<u>2018</u>	<u>2017</u>
	S\$	S\$
Direct cost incurred for fund raising events	<u>7,987</u>	<u>207,402</u>

Total expenses incurred on public fund-raising appeals in the financial year did not exceed 30% of the total donations collected through the public appeals in the same year. The Fund had complied with the requirements on the 30/70 fund-raising rule set out in Regulation 15 of Charities (Institutions of a Public Character) Regulations.

14. Significant related party transactions

In addition to the related party information disclosed elsewhere in the financial statements, the following transactions with related parties took place at terms agreed between the parties during the financial year:

	<u>2018</u>	<u>2017</u>
	S\$	S\$
<i>With Committee members</i>		
Donations received	121,710	30,095
Events income	<u>-</u>	<u>964</u>
<i>With related parties</i>		
Donations received	-	219,200
Staff costs	<u>401,236</u>	<u>443,415</u>

Related party transactions are based on terms agreed between the parties.

During the year, no loans were given to any employee, executive committee member or any other parties.

14. Significant related party transactions (continued)

The Fund did not have any transaction with key management personnel and the annual remuneration (comprising basic salary, bonuses, allowances and employer's contributions to Central Provident Fund) of the three highest paid staff classified by remuneration bands are as follows:

	<u>2018</u>	<u>2017</u>
	No. of staff	No. of staff
Annual remuneration		
- S\$50,001 to S\$100,000	2	3
- more than S\$100,000	1	1
	<u>1</u>	<u>1</u>

15. Fair values of assets and liabilities

Assets and liabilities not measured at fair value

Other receivables, fixed deposits, cash and bank balances and other payables

The carrying amounts of these balances approximate their fair values due to the short-term nature of these balances.

16. Financial risk management

The Fund's activities expose it to a variety of financial risks from its operation. The key financial risks include credit risk and liquidity risk.

The Executive Committee reviews and agrees policies and procedures for the management of these risks, which are executed by the management team. It is, and has been throughout the current and previous financial year, the Fund's policy that no trading in derivatives for speculative purposes shall be undertaken.

The following sections provide details regarding the Fund's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the Fund's exposure to these financial risks or the manner in which it manages and measures the risks.

Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Fund. The Fund's exposure to credit risk arises primarily from other receivables. For other financial assets (including cash), the Fund minimises credit risk by dealing exclusively with high credit rating counterparties.

16. Financial risk management (continued)

Credit risk (continued)

The Fund has adopted a policy of only dealing with creditworthy counterparties. The Fund performs ongoing credit evaluation of its counterparties' financial condition and generally do not require a collateral.

The Fund considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The Fund has determined the default event on a financial asset to be when internal and/or external information indicates that the financial asset is unlikely to be received, which could include default of contractual payments or there is significant difficulty of the counterparty.

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Fund's performance to developments affecting a particular industry.

Exposure to credit risk

The Fund has no significant concentration of credit risk other than those balances with related party comprising 60% (2017: 77%) of other receivables. The Fund has credit policies and procedures in place to minimise and mitigate its credit risk exposure.

Liquidity risk

Liquidity risk refers to the risk that the Fund will encounter difficulties in meeting its short-term obligations due to shortage of funds. The Fund's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. It is managed by matching the payment and receipt cycles. The Fund's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities. The Fund's operations are financed mainly through funds. The executive committee are satisfied that funds are available to finance the operations of the Fund.

Yellow Ribbon Fund
Notes to the financial statements
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16. Financial risk management (continued)

Liquidity risk (continued)

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Fund's financial assets and liabilities at the reporting date based on contractual undiscounted repayment obligations.

	Carrying amount	Contractual cash flows	One year or less	More than 1 year
	S\$	S\$	S\$	
2018				
Financial assets:				
Other receivables	291,918	291,918	282,568	9,350
Fixed deposits	1,349,786	1,353,038	1,353,038	-
Cash and bank balances	5,319,731	5,319,731	5,319,731	-
Total undiscounted financial assets	<u>6,961,435</u>	<u>6,964,687</u>	<u>6,955,337</u>	<u>9,350</u>
Financial liabilities:				
Other payables	568,403	568,403	568,403	-
Total undiscounted financial liabilities	<u>568,403</u>	<u>568,403</u>	<u>568,403</u>	<u>-</u>
Net undiscounted financial assets	<u>6,393,032</u>	<u>6,396,284</u>	<u>6,386,934</u>	<u>9,350</u>
2017				
Financial assets:				
Other receivables	359,960	361,051	350,138	10,913
Fixed deposits	1,339,960	1,344,300	1,344,300	-
Cash and bank balances	3,563,049	3,563,049	3,563,049	-
Total undiscounted financial assets	<u>5,262,969</u>	<u>5,268,400</u>	<u>5,257,487</u>	<u>10,913</u>
Financial liabilities:				
Other payables	282,429	282,429	282,429	-
Total undiscounted financial liabilities	<u>282,429</u>	<u>282,429</u>	<u>282,429</u>	<u>-</u>
Net undiscounted financial assets	<u>4,980,540</u>	<u>4,985,971</u>	<u>4,975,058</u>	<u>10,913</u>

17. Financial instruments by category

At the reporting date, the aggregate carrying amounts of loans and receivables and financial liabilities at amortised cost were as follows:

	2018	2017
	S\$	S\$
Financial assets measured at amortised cost		
Other receivables (Note 5)	291,918	359,960
Fixed deposits (Note 6)	1,349,786	1,339,960
Cash and bank balances (Note 7)	5,319,731	3,563,049
Total financial assets measured at amortised cost	<u>6,961,435</u>	<u>5,262,969</u>
Financial liabilities measured at amortised cost		
Other payables (Note 9)	568,403	282,429
Total financial liabilities measured at amortised cost	<u>568,403</u>	<u>282,429</u>

18. Conflict of interest

Executive Committee members are required to disclose any interest that they may have, whether directly or indirectly, that Fund may enter into or in any organisations that the Fund has dealings with or is considering dealing with; and any personal interest accruing to him as one of the Fund's supplier, user of services or beneficiary. Should there be any potential conflict of interest, the affected Executive Committee members may not vote on the issue that was the subject matter of the disclosure. Detailed minutes will be taken on the disclosure as well as the basis for arriving at the final decision in relation to the issue at stake.

19. Fund management policy

The primary objective of the Fund is to ensure it maintains sufficient cash in order to support its activities. Its approach to fund management is to balance the allocation of cash and incurrence of debt. Available cash is deployed primarily to cover operational requirements.

20. Reserve position and policy

The primary objective of the Fund's reserves management policy is to provide financial stability and the means to support its ongoing programmes and develop its principal activities.

The Executive Committee periodically reviews the amount of reserves that are required to ensure that they are adequate to fulfil the fund's continuing obligations.

The Fund is not subject to externally imposed capital requirements.

There were no changes to the Fund's approach to reserves management during the year.

Yellow Ribbon Fund
Notes to the financial statements
For the financial year ended 31 December 2018

21. Comparative figures

Change in classification

During 2018, the Fund modified the classification of other receivable and expenses to reflect more appropriately for current year presentation.

	Before reclassification	Reclassification	After reclassification
	2017		2017
	S\$	S\$	S\$
Statement of Financial Statement			
Non-current asset			
Other receivable	-	10,913	10,913
Current asset			
Other receivable	359,960	(10,913)	349,047
Funds and liabilities			
<i>Unrestricted Fund:</i>			
General fund	2,775,103	438,510	3,213,613
<i>Restricted Fund:</i>			
Care and Share Grant	<u>427,089</u>	<u>(438,510)</u>	<u>(11,421)</u>
Statement of Financial Activities			
General Expenditure			
Charity management system maintenance fee	4,280	(4,280)	-
Depreciation	18,047	(18,047)	-
Seconded staff expenses	443,415	(51,559)	391,856
YBR tuition fee	264,724	(264,724)	-
Disbursement of funds	1,013,895	338,610	1,352,505
Surplus for the year			
<i>Unrestricted Fund:</i>			
General fund	228,072	338,610	566,682
<i>Restricted Fund:</i>			
Care and Share Grant	<u>(52,883)</u>	<u>(338,610)</u>	<u>(391,493)</u>

22. Authorisation of financial statements for issue

The financial statements for the financial year ended 31 December 2018 were authorised for issue by the Executive Committee on the date of the Executive Committee's Statement.