Foundation Registration No. 200308081M

Halogen Foundation (Singapore)

Annual Financial Statements
31 December 2019

Building a better
working world

Halogen Foundation (Singapore)

General information

Directors

Ramlee Bin Buang (Treasurer)
Martin Tan Beng Chong (Chen Mingzong)
Lim Hwee Seh
Ann Tan Sian Ann (Dr)
Mark John Sayer
Tam Chee Chong
Thong Yuen Siew Jessie
Seah Gek Choo
Derrick Kon Sen Choeng (Dr)

Finance and Establishment Committee

Ramlee Bin Buang (Chairperson)
Tam Chee Chong (Co-Chairperson)
Martin Tan Beng Chong (Chen Mingzong)
Lim Hwee Seh

Audit and Risk Management Committee

Seah Gek Choo (Chairperson)
Mark John Sayer (Co-Chairperson)
Thong Yuen Siew Jessie
Derrick Kon Sen Choeng (Dr)

Sponsorships Committee

Ann Tan Sian Ann (Dr) (Chairperson)
Thong Yuen Siew Jessie
Mark John Sayer
Lim Hwee Seh
Derrick Kon Sen Choeng (Dr)
Martin Tan Beng Chong (Chen Mingzong)
Tam Chee Chong

Business Development Committee

Mark John Sayer (Chairperson)
Derrick Kon Sen Choeng (Dr) (Co-Chairperson)
Martin Tan Beng Chong (Chen Mingzong)
Seah Gek Choo

Company secretary

Moncy Mathew

Halogen Foundation (Singapore)

General information

Registered Office

133 New Bridge Road
#13-10 Chinatown Point
Singapore 059413

Banker

The Development Bank of Singapore Limited

Auditor

Ernst & Young LLP

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The directors are pleased to present their statement to the members together with the audited financial statements of Halogen Foundation (Singapore) (the "Foundation") for the financial year ended 31 December 2019.

Opinion of the directors

In the opinion of the directors,

(i) the accompanying balance sheet, statement of comprehensive income, statement of changes in funds and statement of cash flows together with notes thereto, are drawn up so as to give a true and fair view of the financial position of the Foundation as at 31 December 2019 and the financial performance, changes in funds and cash flows of the Foundation for the financial year ended on that date; and

(ii) at the date of this statement, there are reasonable grounds to believe that the Foundation 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:

Ramlee Bin Buang (Treasurer)
Ann Tan Sian Ann (Dr)
Lim Hwee Seh
Mark John Sayer
Martin Tan Beng Chong (Chen Mingzong)
Tam Chee Chong
Thong Yuen Siew Jessie
Seah Gek Choo
Derrick Kon Sen Choeng (Dr)

Arrangements to enable directors to acquire shares and debentures

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

Directors' interests in shares and debentures

As the Foundation is a company limited by guarantee and not having a share capital, the statutory information required to be disclosed in the directors' statement under Section 201(6)(g) of the Singapore Companies Act, Chapter 50 does not apply.

Directors' contractual benefits

Since the end of the previous financial year:

(a) Except as disclosed in note (b) below, no other director of the Foundation has been paid any remuneration for being a director of the Foundation saves for reasonable reimbursements incurred by them in connection with their office as a director pursuant to Article 7.5 of the Articles of Association.

(b) No director of the Foundation has received or become entitled to receive a benefit by reason of a contract made by the Foundation or a related corporation with the director, or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.

Auditor

Ernst & Young LLP will not seek re-appointment as auditors.

On behalf of the board of directors

Martin Tan Beng Chong
Director

Ramlee Bin Buang (Treasurer)
Director

Singapore
20 August 2020

Independent auditor's report to the members of Halogen Foundation (Singapore)

Report on the audit of the financial statements

Opinion

We have audited the accompanying financial statements of Halogen Foundation (Singapore) (the "Foundation"), which comprise the balance sheet as at 31 December 2019, and the statement of comprehensive income, statement of changes in funds and statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements of the Foundation are properly drawn up in accordance with the Charities Act, Chapter 37 (the Charities Act) and Financial Reporting Standards in Singapore (FRSs) so as to present fairly, in all material respects, the state of affairs of the Foundation as at 31 December 2019 and the results, changes in equity and cash flows of the Foundation for the period 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 Foundation 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 other information. The other information comprises General information and Directors' statement set out on pages 1 to 2.

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

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

Responsibilities of management and those charged with governance for the financial statements

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

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

Those charged with governance are responsible for overseeing the Foundation'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 Foundation's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Foundation'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 Foundation to cease to continue as a going concern.

Independent auditor's report to the members of Halogen Foundation (Singapore)

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

Report on other legal and regulatory requirements

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

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

a. The use of the donation moneys was not in accordance with the objectives of the Foundation as required under regulation 16 of the Charities (Institutions of a Public Character) Regulations; and

b. The Foundation has not complied with the requirements of regulation 15 (Fund-raising expenses) of the Charities (Institutions of a Public Character) Regulations.

Ernst & Young LLP

Ernst & Young LLP

Public Accountants and
Chartered Accountants
Singapore

20 August 2020

Halogen Foundation (Singapore)

Balance sheet
As at 31 December 2019

	Note	2019 $	2018 $
Members' guarantee			
Members' guarantee at $10 each	4	110	110
Accumulated surplus		3,587,150	3,268,892
Non-current assets			
Plant and equipment	5	62,566	126,104
Intangible assets	6	11,681	27,499
Right-of-use assets	7	385,065	–
		459,312	153,603
Current assets			
Trade and other receivables	8	110,970	369,186
Prepaid operating expenses		39,347	1,620
Cash and short-term deposits	9	4,126,040	3,270,324
		4,276,357	3,641,130
Current liabilities			
Trade payables and accruals	10	191,208	158,111
Contract liabilities	11	562,402	367,730
Lease liabilities	7	111,709	–
		865,319	525,841
Non-current liability			
Lease liabilities	7	283,200	–
Net current assets		3,411,838	3,115,289
Net assets		3,587,150	3,268,892

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Halogen Foundation (Singapore)

Statement of comprehensive income
For the financial year ended 31 December 2019

	Note	2019 $	2018 $
Sponsorships in kind		100,623	87,750
Donations (including fund raising)	12	585,916	899,570
Grants	13	998,451	851,198
Sales of event tickets		–	15,775
Academy income		609,804	565,113
Merchandise sales		17,962	3,754
Other income	14	134,569	52,250
		2,447,325	2,475,410
Less: operating expenditures			
Academy expenses		242,286	453,011
Other expenses		89,695	153,156
Fund raising expense		306,220	162,713
Depreciation of plant and equipment	5	69,407	65,734
Amortisation of intangible assets	6	15,818	15,819
Depreciation of right-of-use assets	7	104,863	–
Interest expense on lease liabilities	7	23,457	–
Rental expense		–	110,247
Staff costs		1,277,321	1,130,580
		2,129,067	2,091,260
Surplus before taxation	15	318,258	384,150
Income tax expenses	16	–	–
Surplus net of tax, representing total comprehensive income for the financial year		318,258	384,150

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Halogen Foundation (Singapore)

Statement of changes in funds
For the for the financial year ended 31 December 2019

	Note	Restricted funds $	Operating funds $	Total accumulated surplus $
2019				
Balance at 1 January 2019		12,973	3,255,919	3,268,892
Surplus for the financial year	21	259,923	58,336	318,258
Balance at 31 December 2019		272,896	3,314,255	3,587,150
2018				
Balance at 1 January 2018		(42,739)	2,927,481	2,884,742
Surplus for the financial year	21	55,712	328,438	384,150
Balance at 31 December 2018		12,973	3,255,919	3,268,892

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Halogen Foundation (Singapore)

Statement of cash flows
For the financial year ended 31 December 2019

	Note	2019 $	2018 $
Operating activities			
Surplus before taxation		318,258	384,150
Adjustments:			
Depreciation of plant and equipment	5	69,407	65,734
Amortisation of intangible assets	6	15,818	15,819
Depreciation of right-of-use assets	7	104,863	–
Interest income		(51,076)	(26,654)
Interest on lease liabilities	7	23,457	–
Operating cash flows before changes in working capital		162,469	54,899
Changes in working capital			
Decrease/(increase) in trade and other receivables		256,329	(263,747)
(Increase)/decrease in prepaid operating expenses		(37,727)	69,760
Increase in trade payables and accruals		33,097	30,075
Decrease in contract liabilities		194,672	285,483
Cash flows generated from operations		927,098	560,622
Interest income received		52,963	13,874
Net cash flows generated from operating activities		980,061	574,496
Investing activities			
Decrease/(increase) in fixed deposit		729,142	(1,069,117)
Purchase of plant and equipment	5	(5,869)	(125,416)
Net cash flows generated from/(used in) investing activities		723,273	(1,194,533)
Financing activities			
Principal repayment for lease liabilities		(95,019)	–
Interest expense on lease liabilities		(23,457)	–
Net cash flows used in investing activities		(118,476)	–
Net increase/(decrease) in cash and cash equivalents		1,584,858	(620,037)
Cash and cash equivalents at 1 January		270,324	890,361
Cash and cash equivalents at 31 December (Note 9)		1,855,182	270,324

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

1. General

Halogen Foundation Singapore (the "Foundation") is domiciled and incorporated in Singapore as a Foundation limited by guarantee and not having a share capital. The Foundation was registered as a charity under the Charities Act with effect from 15 November 2003 and was first awarded the Institution of Public Character ("IPC") status on 16 November 2007 for a period of one year, expiring on 15 November 2008. The IPC status has since been renewed on 1 October 2019 and is effective for a further period of two years, expiring on 30 September 2021.

The registered office of the Foundation is located at 133 New Bridge Road, #13-10 Chinatown Point, Singapore 059413. The principal place of business of the Foundation is located at 336 Smith Street #07-303, Singapore 050336.

The principal activities of the Foundation, a charitable organisation, are to undertake, pursue, promote and advance educational, leadership and entrepreneurial causes and activities among young leaders and entrepreneurs irrespective of race, creed or religion. The Foundation relies mainly on sponsorships, grants and donations to fund such activities for needy and underprivileged youth.

2. Summary of significant accounting policies

2.1 *Basis of preparation*

The financial statements of the Foundation have been prepared in accordance with Financial Reporting Standards in Singapore ("FRS") as issued by the Accounting Standards Council of Singapore as well as all related Interpretations to FRS ("INT FRS"),. The Foundation is also subject to the provisions of the Charities Act, Cap. 37.

The financial statements have been prepared on a historical cost basis except for fair value policies as disclosed in the accounting policies below.

The financial statements are presented in Singapore dollars ("SGD" or "$").

2.2 *Adoption of new and amended standard and interpretations*

The accounting policies adopted are consistent with those previously applied under FRS except that in the current financial year, the Foundation has adopted all the FRS which are effective for annual financial periods beginning on or after 1 January 2019. Except for the adoption of FRS 116 Leases described below, the adoption of these standards did not have any material effect on the financial performance or position of the Foundation.

FRS 116 Leases

FRS 116 supersedes FRS 17 Leases, INT FRS 104 Determining whether an Arrangement contains a Lease, INT FRS 15 Operating Leases-Incentives and INT FRS 27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the statement of financial position.

2. Summary of significant accounting policies (cont'd)

2.2 *Adoption of new and amended standard and interpretations (cont'd)*

FRS 116 Leases (cont'd)

The Foundation adopted FRS 116 using the modified retrospective method of adoption with the date of initial application of 1 January 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application. The Foundation elected to use the transition practical expedient to not reassess whether a contract is, or contains a lease at 1 January 2019. Instead, the Foundation applied the standard only to contracts that were previously identified as leases applying FRS 17 and INT FRS 104 at the date of initial application.

The effect of adoption FRS 116 as at 1 January 2019 was as follows:

	$
Operating lease commitment disclosed as at 31 December 2018	197,219
Add: Extension options which are reasonably certain to be exercised	292,709
Lease liabilities	489,928

Upon adoption of FRS 116, the Foundation applied a single recognition and measurement approach for all leases except for short-term leases and leases of low-value assets. The accounting policy beginning or and after 1 January 2019 is disclosed in Note 2.15. The standard provides specific transition requirements and practical expedients, which have been applied by the Foundation.

Leases previously accounted for as operating leases

The Foundation recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases and leases of low-value assets. The right-of-use assets for most leases were recognised based on the carrying amount as if the standard had always been applied, apart from the use of incremental borrowing rate at the date of initial application. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

The Foundation also applied the available practical expedients wherein it:

- Applied the short-term leases exemptions to leases with lease term that ends within 12 months of the date of initial application;

- Used hindsight in determining the lease term where the contract contained options to extend or terminate the lease.

2. Summary of significant accounting policies (cont'd)

2.2 *Adoption of new and amended standard and interpretations (cont'd)*

FRS 116 Leases (cont'd)

Leases previously accounted for as operating leases (cont'd)

Based on the above, as at 1 January 2019:

- Based on the above, as at 1 January 2019, right-of-use assets of $489,928 and lease liabilities of $489,928 were recognised and presented as a separate line in the statement of financial position.
- The lease liabilities as at 1 January 2019 can be reconciled to the operating lease commitments as of 31 December 2018, as follows:

	2019 $
Operating lease commitments as at 31 December 2018	218,471
	218,471
Weighted average incremental borrowing rate as at 1 January 2019	5.25%
Discounted operating lease commitments as at 1 January 2019	197,219
Add: Extension options which are reasonably certain to be exercised	292,709
Lease liabilities as at 1 January 2019	489,928

2.3 *Standards issued but not yet effective*

The Foundation has not adopted the following standards and interpretations that have been issued but are not yet effective:

Description	**Effective for annual periods beginning on or after**
Amendments to References to the Conceptual Framework in FRS Standards	1 January 2020
Amendments to FRS 1 and FRS 8 *Definition of Material*	1 January 2020
Amendments to FRS 110 & FRS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

The directors expect that the adoption of the standards above will have no material impact on the financial statements in the year of initial application.

2. Summary of significant accounting policies (cont'd)

2.4 *Foreign currencies*

The Foundation's financial statements are presented in Singapore Dollars, which is also the Foundation's functional currency.

Transactions in foreign currencies are measured and recorded on initial recognition in the functional currency at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in the profit or loss.

2.5 *Plant and equipment*

All items of plant and equipment are initially recorded at cost. Subsequent to recognition, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Furniture and fittings	-	3 years
Renovation	-	5 years
Office equipment	-	2 years
Computers	-	3 years

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

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

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

2. Summary of significant accounting policies (cont'd)

2.6 *Intangible assets*

Intangible assets acquired separately are measured initially at cost. Following initial acquisition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite useful lives are amortised over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with indefinite useful lives or not yet available for use are tested for impairment annually, or more frequently if the events and circumstances indicate that the carrying value may be impaired either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite useful life is reviewed annually to determine whether the useful life assessment continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

a) *Software*

Software was acquired separately and is amortised on a straight line basis over its finite useful life of 5 years

b) *Trademark*

Trademark was acquired separately and is amortised on a straight line basis over its finite useful life of 10 years.

2.7 *Impairment of non-financial assets*

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

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

2. Summary of significant accounting policies (cont'd)

2.7 *Impairment of non-financial assets (cont'd)*

Impairment losses are recognised in profit or loss, except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

2.8 *Financial instruments*

(a) *Financial assets*

Initial recognition and measurement

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

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

Trade receivables are measured at the amount of consideration to which the Foundation expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

Subsequent measurement

Subsequent measurement of debt instruments depends on the Foundation's business model for managing the asset and the contractual cash flow characteristics of the asset. The following is applicable to the Foundation:

<u>Amortised cost</u>

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 amortisation process.

2. Summary of significant accounting policies (cont'd)

2.8 *Financial instruments (cont'd)*

(a) *Financial assets (cont'd)*

Derecognition (cont'd)

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition 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 had 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 Foundation becomes a party to the contractual provisions of the financial instrument. The Foundation 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 fair value through profit or loss, 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.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or 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 (cont'd)

2.9 Impairment of financial assets

The Foundation recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss and financial guarantee contracts. ECLs are based on difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Foundation expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For trade and other receivables and contract assets, the Foundation applies a simplified approach in calculating ECLs. Therefore, the Foundation does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Foundation has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Foundation considers a financial asset in default when contractual payments are 60 days past due. However, in certain cases, the Foundation may also consider a financial asset to be in default when internal or external information indicates that the Foundation is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Foundation. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.10 *Cash and cash equivalents*

Cash and cash equivalents comprise cash at bank, demand deposits, and short-term, highly liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

2.11 *Provisions*

Provisions are recognised when the Foundation has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2. Summary of significant accounting policies (cont'd)

2.12 Government grants

Government grants are recognised when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Where the grant relates to an asset, the fair value is recognised as deferred capital grant on the balance sheet and is amortised to profit or loss over the expected useful life of the relevant asset by equal annual instalments.

Where loans or similar assistance are provided by governments or related institutions with favourable interest is regarded as additional government grant.

2.13 *Funds*

Operating funds

Operating Funds include funds to manage the daily operations of the Foundation.

Restricted funds

Donations to fund designated projects are taken directly to the restricted funds.

Income, expenditure, assets and liabilities of all funds are pooled in the income statement and balance sheet.

2.14 *Employee benefits*

(a) ***Defined contribution plans***

The Foundation makes contributions to the Central Provident Fund ("CPF") 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.

(b) ***Employee leave entitlement***

Employee entitlements to annual leave are recognised as a liability when they are accrued to the employees. The undiscounted liability for leave expected to be settled wholly before twelve months after the end of the reporting period is recognised for services rendered by employees up to the end of the reporting period.

2.15 *Leases*

These accounting policies are applied on and after the initial application date of FRS 116, 1 January 2019:

The Foundation assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

2. Summary of significant accounting policies (cont'd)

2.15 *Leases (cont'd)*

As lessee

The Foundation applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Foundation recognises lease liabilities representing the obligations to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Rights-of-use assets

The Foundation recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term.

If ownership of the leased asset transfers to the Foundation at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in Note 2.6.

(ii) Lease liabilities

At the commencement date of the lease, the Foundation recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also penalties for terminating the lease, if the lease term reflects the Foundation exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Foundation uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

2. Summary of significant accounting policies (cont'd)

2.15 *Leases (cont'd)*

(iii) Short-term leases

The Foundation applies the short-term lease recognition exemption to its short-term leases of office equipment (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases are recognised as expense on a straight-line basis over the lease term.

These accounting policies are applied before the initial application date of FRS 116, 1 January 2019:

As lessee

Finance leases which transfer to the Foundation substantially all the risks and rewards incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Any initial direct costs are also added to the amount capitalised. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to profit or loss. Contingent rents, if any, are charged as expenses in the periods in which they are incurred.

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset and the lease term, if there is no reasonable certainty that the Foundation will obtain ownership by the end of the lease term.

Operating lease payments are recognised as an expense in the profit or loss on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

2.16 *Revenue recognition*

Revenue is measured based on the consideration to which the Foundation 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 Foundation 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.

2. Summary of significant accounting policies (cont'd)

2.16 *Revenue recognition (cont'd)*

(a) *Grants*

Grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised in profit or loss over the period necessary to match them on a systematic basis to the costs that it is intended to compensate.

(b) *Interest income*

Interest income is recognised using the effective interest method.

(c) *Rendering of services*

Revenue from rendering of services, which include Young Leaders Academy income and event management income that are of short duration, are recognised when the services are completed.

(d) *Donations and sponsorships*

Revenue from committed donations from government agencies are recognised when government agencies, provide written commitments and there are no uncertainties regarding receipts.

Revenue from other donations and sponsorships are recognised when cash or cheques are received.

3. Significant accounting judgements and estimates

The preparation of the Foundation's financial statements requires management 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.

Leases – Estimating the incremental borrowing rate

The Foundation cannot readily determine the interest rate implicit in the lease, therefore it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Foundation would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Foundation 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Foundation estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates

4. Membership

The members of the Foundation comprise Martin Tan Beng Chong, Melissa Aratani Kwee Mei Wan, Palmer Michael Anthony, Lim Soon Hock, Tam Chee Chong, Ann Tan Sian Ann (Dr), Cho Pei Lin (Zhu Peilin), Mark John Sayer, Ramlee Bin Buang, Thong Yuen Siew Jessie Lim Hwee Seh, Seah Gek Choo and Derrick Kon Sen Cheong.

The Memorandum of Association of the Foundation provides that the liability of the Foundation members is limited and each member undertakes to contribute $10 to the assets of the Foundation in the event of it being wound-up during the time he is a member, or within one year afterwards for payment of the debts and liabilities of the Foundation contracted before he ceases to be a member.

5. Plant and equipment

	Furniture and fittings $	Renovation $	Office equipment $	Computers $	Total $
Cost:					
At 1 January 2018	13,738	39,690	15,647	43,028	112,103
Additions	13,983	82,952	21,428	7,053	125,416
Write-off	(5,669)	–	(2,759)	–	(8,428)
At 31 December 2018 and at 1 January 2019	22,052	122,642	34,316	50,081	229,091
Additions	–	–	1,068	4,801	5,869
At 31 December 2019	22,052	122,642	35,384	54,882	234,960
Accumulated depreciation:					
At 1 January 2018	5,669	–	9,976	30,036	45,681
Charge for the financial year	7,148	37,176	13,157	8,253	65,734
Write-off	(5,669)	–	(2,759)	–	(8,428)
At 31 December 2018 and at 1 January 2019	7,148	37,176	20,374	38,289	102,987
Charge for the financial year	7,351	40,876	13,960	7,220	69,407
At 31 December 2019	14,499	78,052	34,334	45,509	172,394
Net carrying amounts:					
At 31 December 2018	14,904	85,466	13,942	11,793	126,104
At 31 December 2019	7,553	44,590	1,050	9,373	62,566

6. Intangible assets

	Software $	Trademark $	Total $
Cost:			
At 1 January 2018, 31 December 2018, 1 January 2019 and 31 December 2019	81,648	10,534	92,182
Accumulated depreciation:			
At 1 January 2018, 31 December 2018 and at 1 January 2019	63,191	1,492	64,683
Charge for the financial year	14,766	1,052	15,818
At 31 December 2019	77,957	2,544	80,501
Net carrying amounts:			
At 31 December 2018	18,457	9,042	27,499
At 31 December 2019	3,691	7,990	11,681

7. Leases

The Foundation has leases for its office unit and office equipment. The lease for its office space is for a period of 3 years with 3 years renewal option included in the contract. The Management has assessed that the extension option is reasonably certain to be exercised and has recorded the effect of exercising the extension option. This accounts for an increase of S$292,709.in the lease liabilities and right-of-use assets.

(a) Right-of-use assets

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

	Office space $	Office equipment $	Total $
As at 1 January 2019	465,102	24,826	489,928
Depreciation expense	(98,783)	(6,080)	(104,863)
As at 31 December 2019	366,319	18,746	385,065

7. Leases (cont'd)

(b) Lease liabilities

Set out below are the carrying amounts of lease liabilities and the movements during the period:

	$
As at 1 January 2019	489,928
Accretion of interest	23,457
Payments	(118,476)
As at 31 December 2019	394,909
Current	111,709
Non-current	283,200

(c) Amount recognised in statement of comprehensive income

The following are the amounts recognised in statement of comprehensive income:

	2019 $
Depreciation expense of right-of-use assets	104,863
Interest expense on leases liabilities	23,457
Total amount recognised in statement of comprehensive income	128,320

(d) Total cash outflow

The Foundation had total cash outflow for leases of $118,476 in 2019.

(e) Extension options

The Foundation has a lease contract that includes an extension option. Management exercised significant judgement in determining whether the extension option is reasonably certain to be exercised and has recorded the effect of exercising the extension option. This accounts for an increase of $292,709 in the lease liabilities and right-of-use assets.

8. Trade and other receivables

	2019 $	2018 $
Trade receivables	8,094	47,648
Other receivables	90,122	308,884
Refundable deposits	12,754	12,654
Total trade and other receivables	110,970	369,186
Add: Cash and short-term deposits (Note 9)	4,126,040	3,270,324
Total financial assets at amortised cost	4,237,010	3,639,510

Trade receivables

Trade receivables are non-interest bearing and are on 30 days' terms. They are recognised at their original invoice amounts which represent their fair values on recognition.

Expected credit losses

The Foundation has assessed the estimated credit losses as immaterial as at financial year end.

9. Cash and short-term deposits

For the purpose of the cash flow statement, cash and cash equivalents comprise the following at the end of the reporting period:

	2019 $	2018 $
Cash and short-term deposits	4,126,040	3,270,324
Less: Short-term deposits	(2,270,858)	(3,000,000)
Cash and cash equivalents	1,855,182	270,324

Short-term deposits are placed for approximately six months to one year and earn interests at the respective short-term deposit rates. The weighted average effective interest rate of short-term deposits is 1.3% to 1.9% (2018: 1.7 to 1.8%) per annum.

10. Trade payables and accruals

	2019 $	2018 $
Trade payables	12,208	9,118
Accrued operating expenses	179,000	148,993
Total trade payables and accruals, representing total financial liabilities at amortised cost	191,208	158,111

Trade payable are trade in nature, non-interest bearing and are normally settled on 30 to 60 days' terms.

11. Contract liabilities

	2019 $	2018 $
Contract liabilities	562,402	367,730
Revenue recognised that was included in the contract liability balance as at beginning of the year	367,730	82,247

Contract liabilities represent donations received for events to be held in the following year.

12. Donations

The Foundation was first awarded the Institution of Public Character ("IPC") status on 16 November 2007 for a period of one year, expiring on 15 November 2008. The IPC status has since been renewed on 1 October 2017 and is effective for a further period of two years, expiring on 30 September 2019 and has been renewed subsequently for a period of two year, expiring on 30 September 2021.

As an IPC, the Foundation enjoys a concessionary tax treatment whereby qualifying donors are granted 2.5 times tax deduction for the donations made to the Foundation. The tax-exempt receipts for donations collected during the year are as follows:

	2019 $	2018 $
Tax-exempt receipts issued	287,682	574,413
Non tax-exempt receipts	308,234	325,157
	595,916	899,570

Tax-exempted receipts issued amounted to $287,682 (2018: $574,413) as indicated in the IPC Return of Tax-Deductible Donations. Non-tax exempt receipts for 2019 include contract liabilities of $308,234 (2018: $325,157).

13. Grants

	2019 $	2018 $
Aon Singapore Pte Ltd	2,240	–
Citi Foundation	245,430	–
Credit Suisse AG	41,000	30,500
Goldbell Foundation	–	35,000
Moodys'	3,366	–
National Council of Social Services (TBSSF)	221,926	216,364
National Council of Social Services (Care & Share and Others)	374,049	13,368
Salesforce.org	14,000	14,000
Silicon Valley Community Foundation	12,992	20,424
Singapore Totalisator Board	47,448	223,042
SThree Foundation	1,000	–
Tata Communications Pte Ltd	35,000	–
UBS AG Fund	–	262,500
Deutsche Bank	–	1,000
Yongle Fund	–	35,000
Total grant income	998,451	851,198

These grants are for the purposes of partnership between Halogen Foundation Singapore and respective grantors projects undertaken by the Foundation.

14. Other income

	2019 $	2018 $
Interest income	51,076	26,654
Reimbursement from Ministry of Manpower	5,669	16,846
Temporary employment credit	–	2,031
Wages credit scheme	40,461	–
Employment and Employability Institute (for flexi work arrangement)	25,000	–
Others	12,363	6,719
	134,569	52,250

15. Surplus before taxation

The following items have been included in arriving at surplus before taxation:

	2019 $	2018 $
Audit fee	(3,500)	(7,395)
Depreciation of plant and equipment	(69,407)	(65,734)
Amortisation of intangible assets	(15,818)	(15,819)
Rental expense	–	(110,247)
Depreciation of right-of-use asset	(104,863)	–
Staff cost		
- Salaries and bonus	(1,102,217)	(980,333)
- CPF contribution	(175,104)	(150,247)

16. Income tax expense

The Foundation has been registered as a Charity under the Charities Act, Chapter 37. Being a Charity, the Foundation is exempted from income tax.

17. Related party transactions

In addition to related party transactions disclosed elsewhere in the financial statements, the following significant related party transactions took place between the Foundation and related parties based on terms agreed between the parties:

	2019 $	2018 $
Compensation of key management personnel		
Short-term employee benefits	240,104	218,561
CPF contributions	39,539	32,134
Total compensation paid to key management personnel	279,643	250,695

No employees received more than $100,000 in annual remuneration for the financial years ended 2019 and 2018. There is no compensation paid to directors for financial years ended 2019 and 2018.

18. Fair value of financial instruments

Fair values

The fair value of a financial instrument is the amount at which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction, other than in a forced or liquidation sale.

Financial instruments whose carrying amount approximates fair value

Management has determined that the carrying amounts of cash and short-term deposits, trade and other receivables and, trade and other payables based on their notional amounts, reasonably approximate their fair values because these are mostly short term in nature.

19. Financial risk management objectives and policies

The Foundation is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include liquidity risk and credit risk. The board of directors reviews and agrees policies and procedures for managing each of these risks and they are summarised below:

Liquidity risk

Liquidity risk is the risk that the Foundation will encounter difficulty in meeting obligations due to shortage of funds. The Foundation maintains sufficient liquidity by closely monitoring its cash flow and obtains financing via bank overdraft facility.

The table below summarises the majority profile of the Foundation's financial liabilities at the end of the reporting period based on contractual undiscounted cash flows:

	Less than 1 year	
	2019	**2018**
	$	$
Trade payables and accruals	191,208	158,111
Lease liabilities	136,822	–
Total undiscounted financial liabilities	328,030	158,111

Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Foundation. The carrying amount of bank balances, trade and other receivables represent the Foundation's maximum exposure to credit risk. No other financial assets carry a significant exposure to credit risk.

For receivables, the Foundation adopts the policy of dealing with customers of appropriate credit history, and obtaining sufficient security where appropriate to mitigate credit risk. For other financial assets, the Foundation adopts the policy of dealing only with high credit rated counterparties.

Receivable balances are monitored on an on-going basis with the result that the Foundation's exposure to bad debts is not significant.

20. Capital management

The primary objective of the Foundation's capital management is to ensure that it maintains sufficient funds to support its operations.

The Foundation manages its capital structure and makes adjustments to it, in light of changes in economic conditions. The immediate focus is to continue to optimise its operations with prudent cash management. The Foundation will continue to be guided by prudent financial policies.

There was no change to the Foundation's approach to capital management during the financial years ended 31 December 2019 and 31 December 2018.

21. Operating and restricted funds

For financial statement disclosure purpose, the Foundation disclosed the statement of comprehensive income in relation to the programme "Halogen SPARK!" also known as The Network for Teaching Entrepreneurship (NFTE) which is a restricted fund. The disclosure includes the breakdown of expenditure on manpower, including staff salaries, bonuses and related costs.

Staff costs and overheads are allocated proportionally to the Halogen SPARK! (NFTE) based on staff hours spent on the programme. This includes training and preparation, back-end operations and school & corporate engagement.

21. Operating and restricted funds (cont'd)

	Note	Restricted Fund	Operating funds			Total
		Halogen SPARK! (NFTE) $	General funds $	Care and Share $	Total operating funds $	Total accumulated funds $
FY2019						
Sponsorships in kind		–	100,623	–	100,623	100,623
Donations (including fund raising)		307,200	278,716	–	278,716	585,916
Grants		538,356	137,966	322,129	460,095	998,451
Academy income		10,200	599,604	–	599,604	609,804
Merchandise sales		–	17,962	–	17,962	17,962
Other income		–	134,569	–	134,569	134,569
		855,756	1,269,440	322,129	1,591,569	2,447,325
Less: Operating expenditures						
Academy expenses		100,147	113,901	28,238	142,139	242,286
Other expenses		–	97,599	15,553	113,152	113,152
Fund raising expenses		–	306,220	–	306,220	306,220
Depreciation of plant and equipment		24,296	45,111	–	45,111	69,407
Amortisation of intangible assets		–	15,818	–	15,818	15,818
Depreciation of right-of-use assets		39,710	65,153	–	65,153	104,863
Staff costs	21(a)	431,680	839,190	6,451	845,641	1,277,321
		595,833	1,482,992	50,242	1,533,234	2,129,067
Surplus/(deficit) before taxation		259,923	(213,552)	271,887	58,335	318,258
Income tax expenses		–	–	–	–	–
Surplus/(deficit) net of tax, representing total comprehensive income for the financial year		259,923	(213,552)	271,887	58,335	318,258

21. Operating and restricted funds (cont'd)

	Note	Restricted Fund	Operating funds			Total
		Halogen SPARK! (NFTE) $	General funds $	Care and Share $	Total operating funds $	accumulated funds $
FY2018						
Sponsorships in kind		–	87,750	–	87,750	87,750
Donations (including fund raising)		75,695	823,875	–	823,875	899,570
Grants		579,364	271,834	–	271,834	851,198
Sales of event tickets		–	15,775	–	15,775	15,775
Academy income		7,750	557,363	–	557,363	565,113
Merchandise sales		30	3,724	–	3,724	3754
Other income		148	52,102	–	52,102	52,250
		662,987	1,812,423	–	1,812,423	2,475,410
Less: Operating expenditures						
Academy expenses		174,000	241,114	37,897	279,011	453,011
Other expenses (including cost for fund raising expenses)		-	315,139	730	315,869	315,869
Depreciation of plant and equipment		28,175	52,325	–	52,325	80,500
Amortisation of intangible assets		–	1,053	–	1,053	1,053
Rental expense		35,785	74,462	–	74,462	110,247
Staff costs	21(a)	369,315	753,679	7,586	761,265	1,130,580
		607,275	1,437,772	46,213	1,483,985	2,091,260
Surplus/(deficit) before taxation		55,712	374,651	(46,213)	328,438	384,150
Income tax expenses		–	–	–	–	–
Surplus/(deficit) net of tax, representing total comprehensive income for the financial year for the financial year		55,712	374,651	(46,213)	328,438	384,150

21. Operating and restricted funds (cont'd)

Staff costs

Staff costs for the year ended 31 December 2019 comprises of the following:-

	Restricted funds	Operating funds			Total
	Halogen SPARK! (NFTE)	General funds	Care and Share	Total staff cost – operating funds	Staff cost
2019	$	$	$	$	$
Salaries	310,193	576,375	–	576,375	886,568
Bonus	37,096	90,085	–	90,085	127,181
Central provident funds	57,355	117,749	–	117,749	175,104
Allowances	15,640	31,810	–	31,810	47,450
Medical and insurance	5,785	12,342	–	12,342	18,127
Levy	–	239	–	239	239
Staff training & development	3,709	6,882	6,451	13,333	17,042
Staff welfare	1,904	3,706	–	3,706	5,610
	431,682	839,188	6,451	845,639	1,277,321

21. Operating and restricted funds (cont'd)

Staff costs (cont'd)

Staff costs for the year ended 31 December 2017 comprises of the following:-

	Restricted funds	Operating funds			Total
	Halogen SPARK! (NFTE)	General funds	Care and Share	Total staff cost – operating funds	Staff cost
	$	$	$	$	$
2018					
Salaries	275,648	515,033	–	515,033	790,681
Bonus	23,180	80,452	–	80,452	103,632
Central provident funds	51,039	99,208	–	99,208	150,247
Allowances	15,431	32,181	–	32,181	47,612
Medical and insurance	1,738	15,352	–	15,352	17,090
Levy	–	6,976	–	6,976	6,976
Staff training & development	–	–	7,586	7,586	7,586
Staff welfare	2,279	4,477	–	4,477	6,756
	369,315	753,679	7,586	757,225	1,130,580

22. Authorisation of financial statements for issue

The financial statements of the Foundation for the financial year ended 31 December 2019 were authorised for issue in accordance with a resolution of the board of directors on 20 August 2020.