Financial
REPORT 2020

SINGAPORE CANCER SOCIETY

SINGAPORE CANCER SOCIETY
(Unique Entity No.: S65SS0033F)

Statement by the Council and Financial Statements

Reporting Year ended 31 December 2020

Statement by the Council and Financial Statements

Contents **Page**

Statement by the Council

In the opinion of the Council,

(a) the accompanying financial statements are drawn up so as to present fairly, in all material respects, the state of affairs of the Society as at 31 December 2020 and the results, changes in funds and cash flows of the Society for the reporting year ended on that date; and

(b) at the date of this statement there are reasonable grounds to believe that the Society will be able to pay its debts as and when they fall due.

The Council approved and authorised these financial statements for issue on the date of this statement.

On behalf of the Council

....
Wee Leong How
Chairman

....
Kelvyn Oo
Honorary Secretary

....
Choo Swee Cher
Honorary Treasurer

Singapore

31 March 2021

Independent auditor's report to the members of the Singapore Cancer Society

Report on the financial statements

Opinion

We have audited the financial statements of Singapore Cancer Society (the "Society") which comprise the statement of financial position as at 31 December 2020, and the statement of financial activities, statement of changes in funds and statement of cash flows for the reporting year then ended, and notes to the financial statements, including a summary of the significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Societies Act, Chapter 311 (the "Societies Act"), the Charities Act, Chapter 37 and other relevant regulations (the "Charities Act and Regulations") and the Singapore Financial Reporting Standards ("SFRSs") so as to present fairly, in all material respects, the state of affairs of the Society as at 31 December 2020 and the results, changes in funds and cash flows of the Society for the reporting year ended on that date.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Society in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Management is responsible for the other information. The other information comprises the information included in the statement by the Council and annual report, but does not include the financial statements and our auditor's report thereon.

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

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

Those charged with governance are responsible for overseeing the Society's financial reporting process.

Auditor's responsibility for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society's internal control.

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

Auditor's responsibility for the audit of the financial statements (cont'd)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Society to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on other legal and regulatory requirements

In our opinion:

(a) The accounting and other records required to be kept by the Society have been properly kept in accordance with the provisions of the Societies Regulations enacted under the Societies Act, the Charities Act and Regulations; and

(b) The fund-raising appeals held during the reporting year has been carried out in accordance with Regulation 6 of the Societies Regulations issued under the Societies Act and proper accounts and other records have been kept of the fund-raising appeal.

Report on other legal and regulatory requirements (con'd)

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

(a) the Society has not used the donation moneys in accordance with its objectives as required under Regulation 11 of the Charities (Institutions of a Public Character) Regulations; and

(b) the Society has not complied with the requirements of Regulation 15 of the Charities (Institutions of a Public Character) Regulations.

RSM CHIO LIM LLP

RSM Chio Lim LLP
Public Accountants and
Chartered Accountants
Singapore

31 March 2021

Partner-in-charge of audit: Tan Wei Ling
Effective from reporting year ended 31 December 2020

Statement of Financial Activities
For the reporting year ended 31 December 2020

		2020			2019
	Note	Unrestricted funds *	Restricted funds *	Total funds	Total funds
		$	$	$	$
INCOME					
Voluntary income	4	10,617,660	–	**10,617,660**	**13,343,920**
Fund generating activities	5	3,694,371	393,873	**4,088,244**	**4,572,282**
Interest and investment income	6	1,847,234	–	**1,847,234**	**1,849,241**
Charitable income	7	320	–	**320**	**105**
Sundry income	8	3,304,746	–	**3,304,746**	**1,881,072**
Total income		**19,464,331**	**393,873**	**19,858,204**	**21,646,620**
EXPENSES					
Cost of generating voluntary income:					
- Fundraising	9	168,852	–	**168,852**	**265,518**
Cost of charitable activities:	10				
- Cancer screening and public education		3,687,432	–	**3,687,432**	**5,009,231**
- Welfare services		5,709,566	23,874	**5,733,440**	**5,663,097**
- Hospice homecare services		2,194,496	–	**2,194,496**	**2,008,044**
- Cancer rehabilitation services		2,214,516	–	**2,214,516**	**2,334,547**
- Research and data analytics		444,198	400,000	**844,198**	**514,822**
Cost of funds generating activities	11	2,139,148	78,649	**2,217,797**	**2,821,961**
Administrative costs	12	589,665	–	**589,665**	**582,146**
Total expenses		**17,147,873**	**502,523**	**17,650,396**	**19,199,366**
Surplus/(loss) for the reporting year		**2,316,458**	**(108,650)**	**2,207,808**	**2,447,254**
OTHER COMPREHENSIVE INCOME					
Items that may be reclassified subsequently to profit or loss:					
Fair value changes on debt instruments at fair value through other comprehensive income ("FVTOCI")		1,438,856	–	**1,438,856**	**711,618**
Reclassification adjustments for gains included in statement of financial activities – realised on disposal		(97,133)	–	**(97,133)**	**(55,596)**
Other comprehensive income/(loss)		**1,341,723**	–	**1,341,723**	**656,022**
Total comprehensive income		**3,658,181**	**(108,650)**	**3,549,531**	**3,103,276**
As at 1 January		**71,300,078**	**3,627,899**	**74,927,977**	**71,824,701**
Transfer to/(from) funds		115,064	(115,064)	–	**–**
As at 31 December	26	**75,073,323**	**3,404,185**	**78,477,508**	**74,927,977**

* Further analysis of funds are presented in note 26 to the financial statements.

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

Statement of Financial Position
As at 31 December 2020

	Note	2020 $	2019 $
ASSETS			
Non-current assets			
Property, plant and equipment	16	320,800	522,488
Other financial assets, non-current	17	43,014,166	40,884,622
Right-of-use assets	18	550,398	407,675
Total non-current assets		43,885,364	41,814,785
Current assets			
Assets held for sale	19	1,401,721	1,401,721
Other receivables	20	2,859,460	1,697,827
Other financial assets, current	17	4,517,942	4,282,604
Other assets	21	639,080	895,750
Cash and cash equivalents	22	30,869,302	31,068,729
Total current assets		40,287,505	39,346,631
Non-current liabilities			
Lease liabilities	25	137,696	13,432
Total non-current liabilities		137,696	13,432
Current liabilities			
Trade payables	23	2,621,410	2,910,997
Other liabilities	24	2,517,064	2,904,263
Lease liabilities	25	419,191	404,747
Total current liabilities		5,557,665	6,220,007
Net current assets		34,729,840	33,126,624
Net assets		78,477,508	74,927,977
THE FUNDS OF THE SOCIETY			
Unrestricted funds			
General Fund		48,456,644	47,057,758
Revaluation reserve	27	1,622,139	280,416
Cancer Treatment Fund		5,913,410	6,458,917
SCS-CST Matching Fund		19,081,130	17,502,987
Total unrestricted funds		75,073,323	71,300,078
Restricted funds			
Run for Hope Fund		–	113,226
Movember Fund		2,129,870	1,884,047
Terry Fox Run Fund		274,315	630,626
Endowment fund		1,000,000	1,000,000
Total restricted funds		3,404,185	3,627,899
Total funds	26	78,477,508	74,927,977

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

Statement of Changes in Funds
For the reporting year ended 31 December 2020

	Unrestricted funds	Restricted funds	Total funds
	$	$	$
Balance as at 1 January 2020	71,300,078	3,627,899	**74,927,977**
Changes in funds:			
Total comprehensive income/(loss)	3,658,181	(108,650)	**3,549,531**
Transfer to / (from) funds	115,064	(115,064)	–
Balance as at 31 December 2020	75,073,323	3,404,185	**78,477,508**
Balance as at 1 January 2019	68,545,349	3,279,352	**71,824,701**
Changes in funds:			
Total comprehensive income	2,754,729	348,547	**3,103,276**
Balance as at 31 December 2019	71,300,078	3,627,899	**74,927,977**

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

Statement of Cash Flows
For the reporting year ended 31 December 2020

	2020 $	2019 $
Cash flows from operating activities		
Net surplus for the reporting year	2,207,808	2,447,254
Depreciation of property, plant and equipment	414,642	583,766
Depreciation of right-of-use assets	570,290	568,322
Covid-19 related rent concessions from lessor	(138,244)	–
Loss on disposal of property, plant and equipment	–	7,429
Gain on sale of bonds	(97,133)	(55,596)
Interest income	(1,750,101)	(1,793,645)
Interest expense arising from lease liabilities	20,114	34,972
Operating cash flow before changes in working capital	1,227,376	1,792,502
Other receivables	(1,225,904)	1,749
Other assets	256,670	(421,528)
Cash restricted under specific funds	736,540	(1,115,351)
Cash restricted in use over 3 months	951,488	(6,099,526)
Trade payables	(289,587)	80,985
Other liabilities	(387,199)	987,818
Net cash flows from/(used in) operating activities	1,269,384	(4,773,351)
Cash flows from investing activities		
Other financial assets	(925,381)	(1,788,731)
Proceed from disposal of property, plant and equipment	–	26,005
Purchase of property, plant and equipment	(212,954)	(196,420)
Interest received	1,814,372	1,704,471
Net cash flows from/(used in) investing activities	675,392	(254,675)
Cash flows from financing activities		
Interest expense paid	(20,114)	(34,972)
Lease liabilities – principal portion paid	(436,061)	(557,818)
Cash flows used in financing activities	(456,175)	(592,790)
Net increase/(decrease) in cash and cash equivalents	1,488,601	(5,620,816)
Cash and cash equivalents, beginning balance	20,682,131	26,302,947
Cash and cash equivalents, ending balance (note 22A)	22,170,732	20,682,131

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

Notes to the Financial Statements
For the reporting year ended 31 December 2020

1. General

The principal objectivities of the Singapore Cancer Society (the "Society") are those of a community-based voluntary health organisation dedicated to minimising the impact of cancer through public education, screening, patient service, financial assistance, research and advocacy.

The Society is established in Singapore under the Societies Act, Chapter 311. It is also subject to the provisions of the Charities Act, Chapter 37. It is an Institution of a Public Character.

The constitution of the Society restricts the use of fund monies to the furtherance of the objects of the Society. It prohibits the payment of dividends to members. The Society has no share capital.

The functional currency of the Society is Singapore Dollar and the financial statements are presented in Singapore Dollar.

The Society is registered and situated in Singapore. The registered office address is: 15 Enggor Street, #04-01 to 04 Realty Centre, Singapore 079716.

The financial statements were approved and authorised for issue by the Council of the Society on the date indicated in the statement by the Council.

Covid−19 pandemic and the aftermath

Management has reviewed the estimated potential impact and plausible downside scenarios, along with its responses as a result of the Covid-19 pandemic. No material uncertainties were identified in connection with the Society's ability to continue in operational existence for the foreseeable future.

Statement of compliance with financial reporting standards

These financial statements have been prepared in accordance with the Singapore Financial Reporting Standards ("SFRSs") and the related interpretations to SFRSs ("INT SFRS") as issued by the Singapore Accounting Standards Council.

Accounting convention

The financial statements are prepared on a going concern basis under the historical cost convention except where a financial reporting standard requires an alternative treatment (such as fair values) as disclosed where appropriate in these financial statements. The accounting policies in the SFRSs may not be applied when the effect of applying them is not material. The disclosures required by financial reporting standards may not be provided if the information resulting from that disclosure is not material.

1. General (cont'd)

Basis of preparation of financial statements

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting year. Actual results could differ from those estimates. The estimates and assumptions are reviewed on an ongoing basis. Apart from those involving estimations, management has made judgements in the process of applying the Society's accounting policies. The areas requiring management's most difficult, subjective or complex judgements, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 2C below, where applicable.

2. Significant accounting policies and other explanatory information

2A. Significant accounting policies

Revenue recognition

The financial reporting standard on revenue from contracts with customers establishes a five-step model to account for revenue arising from contracts with customers. Revenue is recognised at an amount that reflects the consideration to which the Society expects to be entitled in exchange for transferring goods or services to a customer (which excludes estimates of variable consideration that are subject to constraints, such as right of return exists, trade discounts, volume rebates and changes to the transaction price arising from modifications), net of any related sales taxes and excluding any amounts collected on behalf of third parties. An asset (goods or services) is transferred when or as the customer obtains control of that asset. As a practical expedient the effects of any significant financing component is not adjusted if the payment for the good or service will be within one year.

(i) Donations and corporate cash sponsorships

Income from donations and corporate cash sponsorships are accounted for when received, except for committed donations and corporate cash sponsorships that are recorded when the commitments are signed and there is certainty over the amount committed by the donors.

(ii) Fund raising

Income from the holding of a special event is recognised when the event takes place.

(iii) Interest income

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

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Gifts in kind

A gift in kind is recognised based on an estimate of the fair value at the date of the receipt of the gift of the non-monetary asset or the grant of a right to the monetary asset. The gift is recognised if the amount of the gift can be measured reliably and there is no uncertainty that it will be received. No value is ascribed to volunteer services.

Grants

Grants are recognised at fair value when there is reasonable assurance that the conditions attaching to them will be complied with and that the grants will be received. Grants in recognition of specific expenses are recognised in profit or loss on a systematic basis over the periods necessary to match them with the related costs that they are intended to compensate. The grant related to assets is presented in the statement of financial position by recognising the grant as deferred income that is recognised in profit or loss on a systematic basis over the useful life of the asset and in the proportions in which depreciation expense on those assets is recognised.

Employee benefits

Contributions to a defined contribution retirement benefit plan are recorded as an expense as they fall due. The Society's legal or constructive obligation is limited to the amount that it is obligated to contribute to an independently administered fund (such as the Central Provident Fund in Singapore, a government managed defined contribution retirement benefit plan). For employee leave entitlement the expected cost of short-term employee benefits in the form of compensated absences is recognised in the case of accumulating compensated absences, when the employees render service that increases their entitlement to future compensated absences; and in the case of non-accumulating compensated absences, when the absences occur. A liability for bonuses is recognised where the Society is contractually obliged or where there is constructive obligation based on past practice.

Income tax

As an approved charity under the Charities Act, Cap. 37, the Society is exempted from income tax under section 13(1)(zm) of the Income Tax Act, Cap. 134.

Property, plant and equipment

Property, plant and equipment are carried at cost on initial recognition and after initial recognition at cost less any accumulated depreciation and any accumulated impairment losses.

Cost also includes acquisition cost, borrowing cost capitalised and any cost directly attributable to bringing the asset or component to the location and condition necessary for it to be capable of operating in the manner intended by management. Subsequent costs are recognised as an asset only when it is probable that future economic benefits associated with the item will flow to the Society and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss when they are incurred.

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Property, plant and equipment (cont'd)

Depreciation is provided on a straight-line basis to allocate the gross carrying amounts of the assets less their residual values over their estimated useful lives of each part of an item of these assets. The estimated useful lives are as follows:

Computers	3 years
Furniture and fittings	5 years
Motor vehicles	10 years

An asset is depreciated when it is available for use until it is derecognised even if during that period the item is idle. Fully depreciated assets still in use are retained in the financial statements.

The residual value and the useful life of an asset is reviewed at least at each end of the reporting year and, if expectations differ significantly from previous estimates, the changes are accounted for as a change in an accounting estimate, and the depreciation charge for the current and future periods are adjusted.

The gain or loss arising from the derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds, if any, and the carrying amount of the item and is recognised in profit or loss.

Right-of-use assets

The right-of-use assets are accounted and presented as if they were owned such as property plant and equipment. The estimated useful lives are as follows:

Lands and buildings	12 months to 60 months
Machineries and equipment	32 months to 60 months

Leases of lessee

A lease conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration. A right-of-use asset is capitalised in the statement of financial position, measured at the present value of the unavoidable future lease payments to be made over the lease term. A liability corresponding to the capitalised right-of-use asset is also recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs. The right-of-use asset is depreciated over the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. An interest expense is recognised on the lease liability (included in finance costs). For short-term leases of 12 months or less and leases of low-value assets (such as personal computers and small office equipment) where an accounting policy choice exists under the lease standard, the lease payments are expensed to profit or loss as incurred on a straight line basis over the remaining lease term.

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Impairment of non-financial assets

The carrying amount of non-financial assets is reviewed at each end of the reporting year for indications of impairment and where an asset is impaired, it is written down through profit or loss to its estimated recoverable amount. The impairment loss is the excess of the carrying amount over the recoverable amount and is recognised in profit or loss. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs of disposal and its value in use. When the fair value less costs of disposal method is used, any available recent market transactions are taken into consideration. When the value in use method is adopted, in assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). At each end of the reporting year non-financial assets with impairment loss recognised in prior periods are assessed for possible reversal of the impairment. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been measured, net of depreciation, if no impairment loss had been recognised.

Financial instruments

<u>Recognition and derecognition of financial instruments</u>

A financial asset or a financial liability is recognised in the statement of financial position when, and only when, the entity becomes party to the contractual provisions of the instrument. All other financial instruments (including regular-way purchases and sales of financial assets) are recognised and derecognised, as applicable, using trade date accounting or settlement date accounting. At initial recognition the financial asset or financial liability is measured at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. A financial asset is derecognised when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the entity neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. A financial liability is removed from the statement of financial position when, and only when, it is extinguished, that is, when the obligation specified in the contract is discharged or cancelled or expires.

<u>Classification and measurement of financial assets</u>

(i) Financial asset classified as measured at amortised cost: A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss ("FVTPL"), that is (a) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Typically trade and other receivables, bank and cash balances are classified in this category.

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Financial instruments (cont'd)

Classification and measurement of financial assets (cont'd)

(ii) Financial asset that is a debt asset instrument classified as measured at fair value through other comprehensive income ("FVTOCI"): A debt asset instrument is measured at FVTOCI only if it meets both of the following conditions and is not designated as at FVTPL, that is (a): the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets are not reclassified subsequent to their initial recognition, except when, and only when, the entity changes its business model for managing financial assets (expected to be rare and infrequent events). The previously recognised gains, losses, or interest cannot be restated. When these financial assets are derecognised, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss.

(iii) Financial asset that is an equity investment classified as measured at FVTOCI: There were no financial assets classified in this category at reporting year end date.

(iv) Financial asset classified as measured at FVTPL: There were no financial assets classified in this category at reporting year end date.

Classification and measurement of financial liabilities

Financial liabilities are classified as at FVTPL in either of the following circumstances:

(i) the liabilities are managed, evaluated and reported internally on a fair value basis; or

(ii) the designation eliminates or significantly reduces an accounting mismatch that would otherwise arise.

All other financial liabilities are carried at amortised cost using the effective interest method. Reclassification of any financial liability is not permitted.

Cash and cash equivalents

Cash and cash equivalents in the statement of cash flows include bank and cash balances on demand deposits and any highly liquid debt asset instruments purchased with an original maturity of three months or less. For the statement of cash flows the item includes cash and cash equivalents less cash subject to restriction and bank overdrafts payable on demand that form an integral part of cash management.

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Fair value measurement

The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When measuring the fair value of an asset or a liability, market observable data to the extent possible is used. If the fair value of an asset or a liability is not directly observable, an estimate is made using valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs (e.g., by use of the market comparable approach that reflects recent transaction prices for similar items, discounted cash flow analysis, or option pricing models refined to reflect the issuer's specific circumstances). Inputs used are consistent with the characteristics of the asset/liability that market participants would take into account. The Society's intention to hold an asset or to settle or otherwise fulfil a liability is not taken into account as relevant when measuring fair value.

Fair values are categorised into different levels in a fair value hierarchy based on the degree to which the inputs to the measurement are observable and the significance of the inputs to the fair value measurement in its entirety: Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (ie as prices) or indirectly (i.e., derived from prices). Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs). Transfers between levels of the fair value hierarchy are recognised at the end of the reporting period during which the change occurred.

The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value. The fair values of non-current financial instruments may not be disclosed separately unless there are significant differences at the end of the reporting year and in the event the fair values are disclosed in the relevant notes to the financial statements.

2B. Other explanatory information

Funds

All income and expenditures are reflected in the statement of financial activities. Income and expenditures specifically relating to any of the funds separately set up by the Society are allocated subsequently to those funds. Fund balances restricted by outside sources are so indicated and are distinguished from unrestricted funds allocated to specific purposes, if any, by action of the management. Externally restricted funds may only be utilised in accordance with the purposes established by the source of such funds or through the terms of an appeal and are in contrast with unrestricted funds over which management retains full control to use in achieving any of its institutional purposes. An expense resulting from the operating activities of a fund that is directly attributable to the fund is charged to that fund. Common expenses if any are allocated on a reasonable basis to the funds based on a method most suitable to that common expense unless impractical to do so.

2. Significant accounting policies and other explanatory information (cont'd)

2B. Other explanatory information (cont'd)

Provisions

A liability or provision is recognised when there is 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 a reliable estimate can be made of the amount of the obligation. A provision is made using best estimates of the amount required in settlement and where the effect of the time value of money is material, the amount recognised is the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense. Changes in estimates are reflected in profit or loss in the period they occur.

Assets classified as held for sale

Identifiable assets are classified as held for sale if their carrying amount is to be recovered principally through a sale transaction rather than through continuing use. The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, except as permitted by the financial reporting standard on non-current assets held for sale and discontinued operations in certain circumstances. Assets that meet the criteria to be classified as held for sale are measured at the lower of carrying amount and fair value less costs of disposal and are presented separately on the face of the statement of financial position. Once an asset is classified as held for sale or included in a group of assets held for sale no further depreciation or amortisation is recorded. Impairment losses on initial classification of the balances as held for sale are included in profit or loss, even when there is a revaluation. The same applies to gains and losses on subsequent remeasurement.

2C. Critical judgements, assumptions and estimation uncertainties

The critical judgements made in the process of applying the accounting policies that have the most significant effect on the amounts recognised in the financial statements and the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting year, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities currently or within the next reporting year are discussed below. These estimates and assumptions are periodically monitored to ensure they incorporate all relevant information available at the date when financial statements are prepared. However, this does not prevent actual figures differing from estimates.

Assets classified as held for sale:
The classification of freehold office premises as classified as assets held for sale requires significant judgement. Judgement is required in the assessment of the conditions that the assets classified as held for sale whose conditions require the sale to be highly probable and actions required to complete the plan should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn. If the conditions are not met, the accounting treatment would then be as for property, plant and equipment. The amount at the end of the reporting year is disclosed in note 19 to the financial statements.

2. Significant accounting policies and other explanatory information (cont'd)

2C. Critical judgements, assumptions and estimation uncertainties (cont'd)

Debt asset instrument measured at FVTOCI:
The classification of these debt asset instruments as measured at FVTOCI requires significant judgement. They must not be designated as at FVTPL. Judgement is required in the assessment of the conditions that the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. If the conditions are not met, the accounting treatment would then be as for FVTPL or at amortised cost. The amount of debt asset instrument measured at FVTOCI at the end of the reporting year is disclosed in note 17 to the financial statements.

Leases – estimating the incremental borrowing rate:
The Society 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 Society 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 Society 'would have to pay' which requires estimation when no observable rates are available when they need to be adjusted to reflect the terms and conditions of the leases. The Society estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

3. Related party relationships and transactions

The financial reporting standard on related party disclosures requires the Society to disclose: (a) transactions with its related parties; and (b) relationships between parents and subsidiaries irrespective of whether there have been transactions between those related parties. A party is related to a party if the party controls, or is controlled by, or can significantly influence or is significantly influenced by the other party.

For the Society, related parties include the Council members and key management of the Society. Key management personnel include the CEO and the direct reporting senior officers.

In accordance with the Code of Governance, the Council members, or people connected with them, have not received remuneration, or other benefits, from the Society or from institutions connected with the Society.

There is no claim by the Council members for services provided to the Society, either by reimbursement to the Council members or by providing the Council members with an allowance or by direct payment to a third party.

All Council members, chairman of sub-committees and staff members of the Society are required to read and understand the conflict of interest policy in place and make full disclosure of interests, relationships and holding that could potentially result in conflict of interests. When a conflict of interest situation arises, the members or staff shall abstain from participating in the discussion, decision making and voting on the matter.

There are no paid staff who are close members of the family of the Council members and CEO, and whose remuneration each exceeds $50,000 during the year.

3. Related party relationships and transactions (cont'd)

3A. Key management compensation

	2020 $	2019 $
Salaries and other short term employee benefits	1,461,768	1,508,214

The above amounts are included under employee benefits expense.

Key management personnel comprise the CEO and the direct reporting senior officers. The Council members did not receive any compensation during the year.

There were no transactions with a corporation in which the above key management personnel have an interest.

4. Voluntary income

	2020 $	2019 $
Outright donations	2,806,096	2,521,146
Direct debit donors programme	6,904,459	7,568,698
Subsidy	–	2,427,072
MOH Subvention	907,105	827,004
	10,617,660	13,343,920

A matching amount of donation of $5,000,000 (2019: $5,000,000) was set aside for the Community Silver Trust reflected in SCS-CST Matching Fund, mainly for MOH subvented programme – Cancer Rehabilitation Services.

5. Fund generating activities

	2020 $	2019 $
Unrestricted funds		
Race against Cancer [a]	1,291,577	1,170,748
Relay for Life [b]	1,144,180	1,619,002
Projects/events	1,042,482	996,095
Direct mail appeals	216,132	102,024
	3,694,371	3,887,869
Restricted funds		
Projects/events	393,873	684,413
	4,088,244	4,572,282

[a] Amount includes donation-in-kind of Nil (2019: $82,390) for Race against Cancer.

[b] Amount includes donation-in-kind of $347,415 (2019: $626,707) for Relay for Life.

5. Fund generating activities (cont'd)

In accordance with the Charities (Institutions of a Public Character) Regulations, the Society is required to disclose fund-raising appeals with gross receipts of more than $1 million. Details are as follows:

	Income for general fund	Fund generating expenses for general fund	Net surplus for general fund
	$	$	$
2020			
Race against Cancer	1,291,577	71,983	1,219,594
Relay for Life	1,144,180	537,111	607,069
2019			
Race against Cancer	1,170,748	336,916	833,832
Relay for Life	1,619,002	796,442	822,560

6. Interest and investment income

	2020	2019
	$	$
Interest income	1,750,101	1,793,645
Gain on sale of bonds	97,133	55,596
	1,847,234	1,849,241

7. Charitable income

	2020	2019
	$	$
Membership subscription	320	105

8. Sundry income

	2020	2019
	$	$
Unrestricted funds		
Sales of merchandise	–	790
Government grant from Jobs Support Scheme	1,326,548	–
Grants – Others	1,851,907	1,817,091
Other income	126,291	63,191
	3,304,746	1,881,072

The purpose of the Jobs Support Scheme is to provide wage support to employers to help them retain their local employees during this period of economic uncertainty amid Covid-19 for 17 months from April 2020 to August 2021.

9. Cost of generating voluntary income - fundraising

	2020 $	2019 $
Unrestricted funds		
Branding and publicity	1,625	21,128
Newsletter	12,473	31,451
Advertisements	3,602	23,147
Corporate premium	–	218
Third party fund raiser costs [#]	3,735	7,653
Support costs (note 13)	147,417	181,921
	168,852	265,518

[#] The engagement of a third party fund raiser for the period from May 2018 to November 2018 was discontinued. The amount of $7,653 represented the commission fees payable up to a 12-months period after discontinuation of service. Another third party fund raiser was appointed in November 2020 and the commission of $3,735 represents amount payable.

10. Cost of charitable activities

10A. Cancer screening and public education

	2020 $	2019 $
Unrestricted funds		
Cancer screening (Mammogram, Papsmear, FIT)	1,310,647	2,273,765
Public education	338,094	330,459
Administrative and general costs	323,091	393,442
Staff costs	1,125,934	1,211,114
Support costs (note 13)	589,666	800,451
	3,687,432	5,009,231

10B. Welfare services

	2020 $	2019 $
Unrestricted funds		
Financial and medical aid [a]	3,519,740	3,256,035
Support group	12,927	21,622
Support group activities	22,038	58,871
Administrative and general costs	120,435	122,978
Staff costs	1,621,660	1,642,682
Support costs (note 13)	412,766	472,994
	5,709,566	5,575,182
Restricted funds		
Support group activities [b]	23,874	87,915
	5,733,440	5,663,097

[a] Included in the cost is utilisation of Cancer Treatment Fund of $1,031,324 (2019: $855,271).

[b] Utilisation of Movember Funds of $23,874 (2019 $87,915).

Refer to note 26 to the financial statements.

10. Cost of charitable activities (cont'd)

10C. Hospice homecare services

	2020 $	2019 $
Unrestricted funds		
Hospice homecare services	512,840	360,632
Administrative and general costs	95,260	95,883
Staff costs	1,262,080	1,151,303
Support costs (note 13)	324,316	400,226
	2,194,496	2,008,044

10D. Cancer rehabilitation services

	2020 $	2019 $
Unrestricted funds		
Cancer rehabilitation services	47,271	193,647
Welfare assistance	112,180	13,870
Administrative and general costs	849,548	915,679
Staff costs	910,684	883,894
Support costs (note 13)	294,833	327,457
	2,214,516	2,334,547

10E. Research and data analytics

	2020 $	2019 $
Unrestricted funds		
Cancer research	170,899	229,764
Administrative and general costs	217	269
Staff costs	243,598	108,883
Support costs (note 13)	29,484	–
	444,198	338,916
Restricted funds		
Cancer research	400,000	175,906
	844,198	514,822

11. Cost of fund generating activities

	2020 $	2019 $
Unrestricted funds		
Events [(a)]	640,289	1,129,347
Direct debit donors programme	73,739	99,609
Volunteers programme	37,657	45,161
Donation expense	27,985	60,485
Other expense	735	1,416
Administrative and general costs	10,443	17,070
Staff costs	788,118	632,761
Support costs (note 13)	560,182	764,067
	2,139,148	2,749,916
Restricted fund		
Events [(b)]	78,649	72,045
	2,217,797	2,821,961

(a) Include costs for Race against Cancer of $71,982 (2019: $336,916) and Relay for Life of $537,111 (2019: $796,442).

(b) Utilisation of Movember Funds of $78,610 (2019: $70,269). Refer to note 26 to the financial statements.

12. Administrative costs

	2020 $	2019 $
Depreciation of property, plant and equipment	27,257	37,082
Upkeep and maintenance expenses	50,584	34,953
Other operating expenses	86,217	79,307
Staff costs	425,607	430,804
Total support costs (note 13)	589,665	582,146

13. Support costs

Support costs have been allocated as follows:

	Cost of generating voluntary income $	Cost of charitable activities $	Cost of funds generating activities $	Administrative costs $	Total $
2020					
Corporate services [(#)]	135,410	1,516,588	514,556	541,638	2,708,192
Corporate affairs	12,007	134,477	45,626	48,027	240,137
	147,417	1,651,065	560,182	589,665	2,948,329
2019					
Corporate services [(#)]	168,377	1,953,172	707,183	538,806	3,367,538
Corporate affairs	13,544	157,108	56,884	43,340	270,876
	181,921	2,110,280	764,067	582,146	3,638,414

(#) Corporate services consist of finance, human resource, information technology, administration, facilities and call management departments.

13. Support costs (cont'd)

The cost of charitable activities are charged to the following:

	2020 $	2019 $
Unrestricted funds		
Cancer screening, public education and research (note 10A)	589,666	800,451
Welfare services (note 10B)	412,766	472,994
Hospice homecare services (note 10C)	324,316	400,226
Cancer rehabilitation services (note 10D)	294,833	327,457
Research and data analytics (note 10E)	29,484	–
	1,651,065	2,110,280

The basis of apportionment of support costs to respective costs of activities is based on the allocation per headcount.

14. Employee benefits expense

	2020 $	2019 $
Short term employee benefits expense	7,098,063	7,077,668
Contributions to defined contribution plan	914,787	945,415
Total employee benefits expense	8,012,850	8,023,083

15. Tax-exempt receipts

The Society enjoys a concessionary tax treatment whereby qualifying donors are granted 2.5 times (2019: 2.5 times) tax deduction for the donations made to the Society. The quantum of the tax deduction for each calendar year may vary as announced in the Singapore Budget. The Institutions of a Public Character status granted to the Society for donations is for the period from 31 March 2020 to 30 March 2022.

	2020 $	2019 $
Tax-exempt receipts issued by the Society for donations collected	10,900,817	10,958,526

16. Property, plant and equipment

	Computers $	Furniture and fittings $	Motor vehicles $	Total $
Cost				
At 1 January 2019	1,114,045	2,375,168	191,020	3,680,233
Additions	177,094	19,326	–	196,420
Disposals	–	–	(100,000)	(100,000)
At 1 January 2020	1,291,139	2,394,494	91,020	3,776,653
Additions	102,790	2,033	108,131	212,954
Disposals	–	–	(43,832)	(43,832)
At 31 December 2020	1,393,929	2,396,527	155,319	3,945,775
Accumulated depreciation				
At 1 January 2019	936,404	1,673,022	127,539	2,736,965
Depreciation for the year	186,915	376,466	20,385	583,766
Disposals	–	–	(66,566)	(66,566)
At 1 January 2020	1,123,319	2,049,488	81,358	3,254,165
Depreciation for the year	115,795	291,126	7,721	414,642
Disposals	–	–	(43,832)	(43,832)
At 31 December 2020	1,239,114	2,340,614	45,247	3,624,975
Carrying value				
At 1 January 2019	177,641	702,146	63,481	943,268
At 1 January 2020	167,820	345,006	9,662	522,488
At 31 December 2020	154,815	55,913	110,072	320,800

Fully depreciated plant and equipment still in use had a cost of $3,101,105 (2019: $1,626,570).

Depreciation expenses charged to the statement of financial activities are included in:

	2020 $	2019 $
Cost of generating voluntary income	6,814	11,589
Cost of charitable activities – Cancer screening, public education and research	28,792	81,426
Cost of charitable activities – Welfare services	28,426	40,856
Cost of charitable activities – Hospice homecare services	41,799	52,857
Cost of charitable activities – Cancer rehabilitation services	252,455	302,492
Cost of charitable activities – Research and data analytics	1,364	6,953
Cost of fund generating activities	27,735	50,511
Administrative expenses	27,257	37,082
Total	414,642	583,766

17. Other financial assets

	2020 $	2019 $
Current		
Investments in debt assets instruments at FVTOCI (note 17A)	2,517,942	4,282,604
Investments in debt assets instruments at amortised cost (note 17B)	2,000,000	–
	4,517,942	4,282,604
Non-current		
Investments in debt assets instruments at FVTOCI (note 17A)	43,014,166	38,884,622
Investments in debt assets instruments at amortised cost (note 17B)	–	2,000,000
Subtotal	43,014,166	40,884,622
Total	47,532,108	45,167,226

The management has appointed external fund managers since 1 November 2016 to invest and manage the moneys in accordance with the prudent guidelines set out by management. An investment committee has been set up to oversee these investments. The management and investment committee receive periodic reports on the state of the investments and the investment markets.

17A. Investments in debt assets instruments at FVTOCI

	2020 $	2019 $
Movements during the year:		
Fair value at beginning of the year	43,167,226	40,666,877
Additions	9,955,978	16,898,274
Disposals	(8,932,819)	(15,053,947)
(Gains)/losses on fair value changes	1,438,856	711,618
Reclassification adjustments for gains included in statement of financial activities – realised on disposal	(97,133)	(55,596)
Fair value at end of the year	45,532,108	43,167,226

During the reporting year, certain investments in debt asset instrument at FVTOCI cost were derecognised to use the proceeds for other investments. The fair value of the investments at the date of derecognition was $9,029,952 (2019: $15,109,543). The cumulative gain on disposal of $97,133 (2019: cumulative gain of $55,596) is disclosed in note 6 to the financial statements.

The fair values of investments in debt assets instruments at FVTOCI are based on prices in an active market (Level 1) at the end of the reporting year. All investments in debt assets instruments at FVTOCI are denominated in Singapore dollars.

The quoted bonds have fixed coupon rates ranging from 1.75% to 4.60% (2019: 1.75% to 4.60%) per annum. The maturity dates range from March 2021 to September 2034 (2019: March 2020 to September 2034).

17. Other financial assets (cont'd)

17A. Investments in debt assets instruments at FVTOCI (cont'd)

A summary of the maturity dates as at the end of reporting year is as follows:

	2020 $	2019 $
Within 1 year	2,517,942	4,282,604
Within 2 to 5 years	24,414,974	19,456,700
More than 5 years	18,599,192	19,427,922
	45,532,108	43,167,226

Credit rating of the debt instruments at FVTOCI

The debt investments carried at FVTOCI are subject to the expected credit loss model under the standard on financial instruments. The debt investments at FVTOCI are considered to have low credit risk, and the loss allowance recognised during the reporting year is limited to 12 months expected losses. Listed bonds are regarded as of low credit risk if they have an investment grade credit rating with one or more reputable rating agencies. Other bonds are regarded as of low credit risk if they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term. The methodology applied for impairment loss depends on whether there has been a significant increase in credit risk.

A summary of credit ratings of investments in debt assets instruments at FVTOCI is as follows:

	2020 $	2019 $
Balances with investment grade credit rating with one or more reputable rating agencies	21,044,615	20,702,381
Balances not having an investment grade credit rating	24,487,493	22,464,845
Total	45,532,108	43,167,226

Sensitivity analysis for price risk of debt instruments at FVTOCI

There are investments in debt instruments or similar instruments. Such investments are exposed to both currency risk and market price risk arising from uncertainties about future values of the investment securities. Sensitivity analysis: The effect is as follows:

	2020 $	2019 $
A hypothetical 10% increase/(decrease) in the fair value of quoted debt assets instruments would increase/ (decrease) other comprehensive income by the following amount	4,553,211	4,316,723

For similar price decreases in the fair value of the above financial assets, there would be comparable impacts in the opposite direction.

17. Other financial assets (cont'd)

17B. Investments in debt assets instruments at amortised cost

	2020 $	2019 $
Movements during the year		
Amortised cost at beginning and end of the year	2,000,000	2,000,000

The fair values of investments in debt assets instruments at amortised cost are based on prices in an active market (Level 1) at the end of the reporting year. All investments in debt assets instruments at amortised cost are denominated in Singapore dollars.

The quoted bond has fixed coupon rate of 1.95% (2019: 1.95%) per annum. The maturity date is on 22 September 2021 (2019: 22 September 2021). The quoted bond is issued by government statutory boards and corporations listed on the Singapore Stock Exchange and are held primarily to provide an investment return for the Society.

Disclosures relating to fair value of the debt instruments are as follows:

	2020 $	2019 $
Quoted bonds	2,022,020	2,007,200

A summary of the maturity dates as at the end of reporting year is as follows:

	2020 $	2019 $
Within 1 year	2,000,000	–
Within 2 to 5 years	–	2,000,000
	2,000,000	2,000,000

Credit rating of the debt assets instruments at amortised cost

The debt investments carried at amortised cost are subject to the expected credit loss model under the standard on financial instruments. The debt investments carried at amortised cost are considered to have low credit risk. Listed bonds are regarded as of low credit risk if they have an investment grade credit rating with one or more reputable rating agencies. Other bonds are regarded as of low credit risk if they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term. The methodology applied for impairment loss depends on whether there has been a significant increase in credit risk.

A summary of credit ratings of investments in debt assets instruments at amortised cost:

	2020 $	2019 $
Balances not having an investment grade credit rating	2,000,000	2,000,000

18. Right-of-use assets

The right-of-use assets in the statement of financial position are as follows:

	Lands and buildings $	Machineries and equipment $	Total $
Cost			
At 1 January 2019	947,323	13,561	960,884
Additions	–	15,113	15,113
At 31 December 2019	947,323	28,674	975,997
Additions	704,523	8,490	713,013
Disposal	(947,323)	(4,274)	(951,597)
At 31 December 2020	704,523	32,890	737,413
Accumulated depreciation			
At 1 January 2019	–	–	–
Depreciation for the year	560,996	7,326	568,322
At 31 December 2019	560,996	7,326	568,322
Depreciation for the year	561,559	8,731	570,290
Disposal	(947,323)	(4,274)	(951,597)
At 31 December 2020	175,232	11,783	187,015
Net book value			
At 1 January 2019	947,323	13,561	960,884
At 31 December 2019	386,327	21,348	407,675
At 31 December 2020	529,291	21,107	550,398

Depreciation expenses charged to the statement of financial activities are included in:

	2020 $	2019 $
Cost of generating voluntary income	249	249
Cost of charitable activities – Cancer screening and public education	19,729	20,037
Cost of charitable activities – Welfare services	19,429	19,587
Cost of charitable activities – Hospice homecare services	549	549
Cost of charitable activities – Cancer rehabilitation services	528,336	525,902
Cost of charitable activities – Research and data analytics	50	150
Cost of fund generating activities	949	1,049
Administrative expenses	999	799
Total	570,290	568,322

18. Right-of-use assets (cont'd)

Other information about the leasing activities relating to the right-of-use assets at reporting year end are summarised as follows:

	Lands and buildings	Machineries and equipment
Number of right-of-use assets	2	5
Remaining term - range	9 months to 53 months	8 months to 58 months
Remaining term - average	31 months	31.6 months
Number of leases with extension options	–	–
Number of leases with termination options	–	–

There are restrictions or covenants imposed by the leases to sublet the asset to another party. The right-of-use assets can only be used by the lessee. Unless permitted by the owner, the lease prohibits from selling or pledging the underlying leased assets as security. Typically the leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. For leases over properties the leases require those properties in a good state of repair and return the properties in their original condition at the end of the lease. Insurance, and maintenance fees on right-of-use assets are usually required under the lease contracts.

19. Assets held for sale

Freehold office premises of the Society are presented as held for sale following the decision of management on 16 November 2018 to sell the freehold properties due to enbloc sales arrangement carried out under the 2014's Master Plan of Urban Redevelopment Authority. The sale is expected to be completed within the next twelve months from the date of financial statements.

	2020 $	2019 $
Assets held for sale		
Freehold office premises at net book value	1,401,721	1,401,721

20. Other receivables

	2020 $	2019 $
Interest receivables	552,989	617,260
Ministry of Health	516,390	424,224
Singapore Telecommunications Limited	250,000	250,000
TOTE Board	145,020	–
Health Promotion Board	1,313,210	180,303
Other receivables	81,851	226,040
	2,859,460	1,697,827

Other receivables at amortised cost shown above are subject to the expected credit loss model under the financial reporting standard on financial instruments. The other receivables can be graded as low risk individually are considered to have low credit risk if they have a low risk of default and the debtor has a strong capacity to meet its contractual cash flow obligations in the near term. No loss allowance is necessary.

Other receivables are normally with no fixed terms and therefore there is no maturity.

21. Other assets

	2020 $	2019 $
Deposits to secure services	162,793	158,221
Prepayments [#]	476,287	737,529
	639,080	895,750

[#] Included in the prepayments are advances made to purchase Faecal Immunochemical Test ("FIT") kits amounting to $189,795 (2019: $388,670).

22. Cash and cash equivalents

	2020 $	2019 $
Not restricted in use	22,170,732	20,682,131
Cash restricted under Community Silver Trust Grant (note 24A)	1,500,000	2,236,540
Cash restricted under Endowment Fund (note 26)	1,000,000	1,000,000
Restricted in use	6,198,570	7,150,058
	30,869,302	31,068,729
Interest earning balances	25,256,774	22,983,053

The interest rates for the cash on interest earning accounts ranged from 0.14% to 1.68% (2019: ranged from 0.25% to 1.90%) per annum.

22A. Cash and cash equivalents in the statement of cash flows

	2020 $	2019 $
Amount as shown above	30,869,302	31,068,729
Less: Cash restricted under specific funds	(2,500,000)	(3,236,540)
Less: Cash restricted in use	(6,198,570)	(7,150,058)
Cash and cash equivalents for statement of cash flows purposes at end of the year	22,170,732	20,682,131

22B. Reconciliation of liabilities arising from financing activities

	2019 $	Cash flows $	Non-cash changes $		2020 $
Lease liabilities	418,179	(436,061)	574,769	(a)	556,887

	2018 $	Cash flows $	Non-cash changes $		2019 $
Lease liabilities	960,884	(557,818)	15,113	(a)	418,179

(a) Acquisition of leases

23. Trade payables

	2020 $	2019 $
Outside parties and accrued liabilities	2,621,410	2,910,997

24. Other liabilities

	2020 $	2019 $
Deferred grants:		
Community Silver Trust Grant (note 24A)	1,500,000	2,236,540
Care and Share Grant (note 24B)	813,383	628,903
Other grants (note 24C)	157,392	38,820
Government grant unamortised	46,289	–
	2,517,064	2,904,263

24A. Community Silver Trust Grant

	2020 $	2019 $
Movements in above deferred grants:		
Incoming resources		
Balance at beginning of the year	2,236,540	1,121,189
Grant received during the year	–	3,500,000
Utilised during the year	(736,540)	(2,384,649)
Balance at end of year	1,500,000	2,236,540
Breakdown of expenditure utilised during the year:		
Hospice homecare and support group expenses	–	2,000,000
Cancer Rehabilitation Centre expenses	–	384,649
Refund of unutilised grant	736,540	–
	736,540	2,384,649

The SCS-CST Matching Fund (“CST”) is a dollar-to-dollar donation matching grant provided by the government to enhance the services of voluntary welfare organisations in the intermediate and long-term care sector. One key objective of the CST is to encourage public donations from individuals, foundations and corporate establishments. With additional CST funds matched by the government, the societies will be able to enhance capabilities and expand their capacities to improve quality of care and provide affordable step down care.

24. Other liabilities (cont'd)

24B. Care and Share Grant

	2020 $	2019 $
Movements in above deferred grants:		
Incoming resources		
Balance at beginning of the year	628,903	730,757
Grants received during the year	342,014	–
Utilised during the year	(157,534)	(101,854)
Balance at end of year	813,383	628,903
Breakdown of expenditure utilised during the year:		
Administrative and support group expenses	157,534	1,854
Purchase of property, plant and equipment	–	100,000
	157,534	101,854

The Care and Share Grant is a dollar-to-dollar donation matching grant provided by the government to show care and concern for the needy and recognise the contributions made by social service organisations. One key objective of the Care and Share Grant is to build capabilities and capacities of the social service sector and supporting social services to meet rising needs.

24C. Other grants

	2020 $	2019 $
Movements in above deferred grants:		
Incoming resources		
Balance at beginning of the year	38,820	64,499
Grant received during the year	157,392	26,000
Utilised during the year	(38,820)	(51,679)
Balance at end of year	157,392	38,820
Breakdown of expenditure utilised during the year:		
Cancer screening and welfare group expenses	–	2,000
Administrative and support group expenses	38,820	49,679
	38,820	51,679

Other grants consist of Cancer Prevention Grant, Organisation Development Transformation Fund ("ODT") and other deferred corporate sponsorship incomes. Cancer Prevention Grant is offered by MSD, an American multinational pharmaceutical company who support organisations that address global health challenges, through raising awareness and screening programmes. ODT Fund is provided by National Council of Social Service in aim to improve the organisational health of social purpose entities, increasing their capacity and capabilities to deliver quality and innovative solutions. Other deferred corporate sponsorship incomes are recognised in profit or loss on a systematic basis over the periods necessary to match them with the related costs that they are intended to compensate.

25. Lease liabilities

Lease liabilities are presented in the statement of financial position as follows:

	2020 $	2019 $
Lease liabilities, current	419,191	404,747
Lease liabilities, non-current	137,696	13,432
	556,887	418,179

Movements of lease liabilities for the reporting year are as follows:

	2020 $	2019 $
At 1 January	418,179	960,884
New leases during the year	713,013	15,113
Accretion of interest	20,114	34,972
Covid-19 related rent concessions from lessor	(138,244)	–
Lease payments – principle portion	(436,061)	(557,818)
Interest paid	(20,114)	(34,972)
At 31 December	556,887	418,179

The lease liabilities above do not include the short-term leases of less than 12 months and leases of low-value underlying assets. Variable lease payments which do not depend on an index or a rate or based on a percentage of revenue are not included from the initial measurement of the lease liability and the right-of-use assets. The right-of-use assets are disclosed in Note 18.

The weighted average incremental borrowing rate applied to lease liabilities recognised was 5.25% (2019: 5.25%) per annum.

Lease liabilities under operating leases are secured by the right-of-use assets because these will revert to the lessor in the event of default.

A summary of the maturity analysis of lease liabilities that shows the remaining contractual maturities is as follows:

	Minimum payments $	Finance charges $	Present value $
2020			
Minimum lease payments payable			
Not later than one year	433,587	(14,396)	419,191
Between 1 and 2 years	44,567	(6,118)	38,449
Between 2 and 3 years	44,567	(4,049)	40,518
Between 3 and 4 years	42,854	(1,897)	40,957
Between 4 and 5 years	17,945	(173)	17,772
Total	583,520	(26,633)	556,887

25. Lease liabilities (cont'd)

	Minimum payments $	Finance charges $	Present value $
2019			
Minimum lease payments payable			
Not later than one year	412,061	(7,314)	404,747
Between 1 and 2 years	5,911	(529)	5,382
Between 2 and 3 years	3,428	(334)	3,094
Between 3 and 4 years	3,429	(168)	3,261
Between 4 and 5 years	1,714	(19)	1,695
Total	426,543	(8,364)	418,179

Total cash outflow for leases are shown in the statement of cash flows.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

At reporting year date there were no commitments on leases which had not yet commenced.

Apart from the disclosures made in other notes to the financial statements, amounts relating to leases include the following:

	2020 $	2019 $
Rent concession from lessor re-Covid-19 – income	138,244	–

For the Covid-19 related rent concessions, the practical expedient was applied for reflecting the adjustment in profit or loss rather than as a lease modification as permitted by the amendment to the financial reporting standard on leases. It allows lessees to account for such rent concessions as variable lease payments. The practical expedient applies only to rent concessions occurring as a direct consequence of the Covid-19 pandemic and only if all of the following conditions are met: (i) the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change; (ii) any reduction in lease payments affects only payments originally due on or before 30 June 2021; (iii) there is no substantive change to other terms and conditions of the lease.

26. Fund account balances

	Unrestricted funds					Restricted Funds					
	General fund	Revaluation reserve (note 27)	Cancer Treatment fund (i)	SCS-CST Matching fund (ii)	Sub-total	Run For Hope fund (iii)	Movember fund (iv)	Terry Fox Run (v)	Endowment fund (vi)	Sub-total	Total funds
	$	$	$	$	$	$	$	$	$	$	**$**
Balance as at 1 January 2020	**47,057,758**	**280,416**	**6,458,917**	**17,502,987**	**71,300,078**	**113,226**	**1,884,047**	**630,626**	**1,000,000**	**3,627,899**	**74,927,977**
Voluntary income	10,617,660	–	–	–	10,617,660	–	–	–	–	–	**10,617,660**
Fund generating activities	3,694,371	–	–	–	3,694,371	–	350,146	43,727	–	393,873	**4,088,244**
Investment income	1,847.234	–	–	–	1,847,234	–	–	–	–	–	**1,847,234**
Charitable income	320	–	–	–	320	–	–	–	–	–	**320**
Sundry income	3,304,746	–	–	–	3,304,746	–	–	–	–	–	**3,304,746**
Income generated	19,464,331	–	–	–	19,464,331	–	350,146	43,727	–	393,873	**19,858,204**
Cost of generating voluntary income – fundraising	168,852	–	–	–	168,852	–	–	–	–	–	**168,852**
Cost of charitable activities	10,282,844	–	545,507	3,421,857	14,250,208	–	23,874	400,000	–	423,874	**14,674,082**
Cost of fund generating activities	2,139,148	–	–	–	2,139,148	–	78,611	38	–	78,649	**2,217,797**
Administrative costs	589,665	–	–	–	589,665	–	–	–	–	–	**589,665**
Utilisation of funds	13,180,509	–	545,507	3,421,857	17,147,873	–	102,485	400,038	–	502,523	**17,650,396**
Fair value changes on debt instruments at FVTOCI	–	1,438,856	–	–	1,438,856	–	–	–	–	–	**1,438,856**
Reclassification adjustments for gains included in statement of financial activities – realised on disposal	–	(97,133)	–	–	(97,133)	–	–	–	–	–	**(97,133)**
Transfer (from)/to funds	(4,884,936)	–	–	5,000,000	115,064	(113,226)	(1,838)	–	–	(115,064)	–
Balance as at 31 December 2020	**48,456,644**	**1,622,139**	**5,913,410**	**19,081,130**	**75,073,323**	–	**2,129,870**	**274,315**	**1,000,000**	**3,404,185**	**78,477,508**

26. Fund account balances (cont'd)

	Unrestricted funds					Restricted Funds					
	General fund	Revaluation reserve (note 27)	Cancer Treatment fund (i)	SCS-CST Matching fund (ii)	Sub-total	Run For Hope fund (iii)	Movember fund (iv)	Terry Fox Run (v)	Endowment fund (vi)	Sub-total	Total funds
	$	$	$	$	$	$	$	$	$	$	**$**
Balance as at 1 January 2019	**47,650,492**	**(375,606)**	**6,816,601**	**14,453,862**	**68,545,349**	**113,226**	**1,690,198**	**475,928**	**1,000,000**	**3,279,352**	**71,824,701**
Voluntary income	13,343,920	–	–	–	13,343,920	–	–	–	–	–	**13,343,920**
Fund generating activities	3,887,869	–	–	–	3,887,869	–	352,033	332,380	–	684,413	**4,572,282**
Investment income	1,849,241	–	–	–	1,849,241	–	–	–	–	–	**1,849,241**
Charitable income	105	–	–	–	105	–	–	–	–	–	**105**
Sundry income	1,881,072	–	–	–	1,881,072	–	–	–	–	–	**1,881,072**
Income generated	20,962,207	–	–	–	20,962,207	–	352,033	332,380	–	684,413	**21,646,620**
Cost of generating voluntary income – fundraising	(265,518)	–	–	–	(265,518)	–	–	–	–	–	**(265,518)**
Cost of charitable activities	(12,957,361)	–	(357,684)	(1,950,875)	(15,265,920)	–	(87,915)	(175,906)	–	(263,821)	**(15,529,741)**
Cost of fund generating activities	(2,749,916)	–	–	–	(2,749,916)	–	(70,269)	(1,776)	–	(72,045)	**(2,821,961)**
Administrative costs	(582,146)	–	–	–	(582,146)	–	–	–	–	–	**(582,146)**
Utilisation of funds	(16,554,941)	–	(357,684)	(1,950,875)	(18,863,500)	–	(158,184)	(177,682)	–	(335,866)	**(19,199,366)**
Fair value changes on debt instruments at FVTOCI	–	711,618	–	–	711,618	–	–	–	–	–	**711,618**
Reclassification adjustments for gains included in statement of financial activities – realised on disposal	–	(55,596)	–	–	(55,596)	–	–	–	–	–	**(55,596)**
Transfer (from)/to funds	(5,000,000)	–	–	5,000,000	–	–	–	–	–	–	**–**
Balance as at 31 December 2019	**47,057,758**	**280,416**	**6,458,917**	**17,502,987**	**71,300,078**	**113,226**	**1,884,047**	**630,626**	**1,000,000**	**3,627,899**	**74,927,977**

26. Fund account balances (cont'd)

(i) The Cancer Treatment Fund was established in 2005, with the objective to assist cancer patients that have financial difficulties.

(ii) The SCS-CST Matching Fund is for monies set aside by the Society for additional resources to enhance capabilities and provide value-added services to achieve affordable and higher quality care. These resources are further supplemented by the grant from the government (see note 24 to the financial statements).

(iii) Run for Hope Fund was established in 2006 to fund institutions in cancer research. The fund has been fully drawn down in 2020 for research purposes.

(iv) The Movember Fund consists of grants received from Movember Group Pty Ltd. These are granted to the Society for the purpose of raising awareness on male health issues. This fund will be utilised for projects agreed upon with Movember Group Pty Ltd.

(v) The Terry Fox Run Fund consists of donations received from the Canadian Association of Singapore. These are granted to the Society for cancer research projects. This fund will be utilised for projects agreed upon with Canadian Association of Singapore.

(vi) The Endowment Fund was established in 2017 and will be held for 10 years. These are granted to the Society for the purpose of assisting with the mission of the Society to minimise the impact of cancer through public education, screening, patient services, financial assistance, research and advocacy.

Interest income has not been allocated to the respective funds as it is impracticable to do so.

27. Revaluation reserve

	2020 $	2019 $
Investment in debt assets instruments at FVTOCI reserve	(1,622,139)	(280,416)
At beginning of the year	(280,416)	375,606
Gains on fair value changes on debt assets instruments at FVTOCI	(1,438,856)	(711,618)
Reclassification adjustments for gains included in statement of financial activities – realised on disposal	97,133	55,596
At end of the year	(1,622,139)	(280,416)

The debt asset instruments at FVTOCI reserve arises from the remeasurement of the debt asset instruments at FVTOCI.

28. Reserve policy

The primary objective of the Society's reserves management policy is to ensure that it maintains strong and healthy capital ratios in order to support its operations and potential initiatives.

The Society targets to maintain an optimum level of accumulated fund which is equivalent to 2 times of its budgeted operating expenditures. This excludes building or project funds, endowment funds and sinking funds. The Society regularly reviews and manages its reserves to ensure optimal capital structure, taking into consideration the future capital requirements of the Society and capital efficiency, projected income and operating cash flows.

28. Reserve policy (cont'd)

The Investment Committee closely monitors the investment of surplus funds and reserves of the Society. The Investment Committee provides strategic direction on the long term financial and assets development of the Society.

The Society is not subject to externally imposed capital requirements. There were no changes to the Society's approach to reserves management during the year.

29. Columnar presentation of statement of financial position

A large majority of the assets and liabilities are attributable to the General Fund. All the assets of the other funds are represented by cash balances. Accordingly, the Society did not adopt a columnar presentation of its assets, liabilities and funds in the Statement of Financial Position as it was not meaningful.

30. Capital commitments

Estimated amounts committed at the end of the reporting year for future capital expenditure but not recognised in the financial statements are as follows:

	2020 $	2019 $
Commitments to purchase of property, plant and equipment	152,646	–

31. Financial instruments: information on financial risks

31A. Categories of financial assets and liabilities

The following table categorises the carrying amount of financial assets and liabilities recorded at the end of the reporting year:

	2020 $	2019 $
Financial assets		
At amortised cost	35,728,762	34,766,556
At FVTOCI	45,532,108	43,167,226
	81,260,870	77,933,782
Financial liabilities		
At amortised cost	2,621,410	2,910,997

Further quantitative disclosures are included throughout these financial statements.

31. Financial instruments: information on financial risks (cont'd)

31B. Financial risk management

The main purpose for holding or issuing financial instruments is to raise and manage the finances for the Society's operating, investing and financing activities. There are exposures to the financial risks on the financial instruments such as credit risk, liquidity risk and market risk comprising interest rate, currency risk and price risk exposures. Management has certain practices for the management of financial risks. The guidelines set up the short and long term objectives and action to be taken in order to manage the financial risks. The guidelines include the following:

1. All financial risk management activities are carried out and monitored by senior management staff.
2. All financial risk management activities are carried out following good market practices.
3. When appropriate may consider investing in shares or similar instruments.
4. When appropriate enter into derivatives or any other similar instruments solely for hedging purposes.

There have been no changes to the exposures to risk; the objectives, policies and processes for managing the risk and the methods used to measure the risk.

31C. Fair value of financial instruments

The analyses of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 are disclosed in the relevant notes to the financial statements. These include the significant financial instruments stated at amortised cost and at fair value in the statement of financial position. The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value.

31D. Credit risk on financial assets

Financial assets that are potentially subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner. These arise principally from cash balances with banks, cash equivalents, receivables and other financial assets. The maximum exposure to credit risk is the total of the fair value of the financial assets at the end of the reporting year. Credit risk on cash balances with banks and any other financial instruments is limited because the counter-parties are entities with acceptable credit ratings. For expected credit losses ("ECL") on financial assets, the three-stage approach in the financial reporting standard on financial instruments is used to measure the impairment allowance. Under this approach the financial assets move through the three stages as their credit quality changes. However, a simplified approach is permitted by the financial reporting standards on financial instruments for financial assets that do not have a significant financing component, such as trade receivables. On initial recognition, a day-1 loss is recorded equal to the 12 month ECL (or lifetime ECL for trade receivables), unless the assets are considered credit impaired. For credit risk on trade receivables an ongoing credit evaluation is performed on the financial condition of the debtors and an impairment loss is recognised in profit or loss. Reviews and assessments of credit exposures in excess of designated limits are made. Renewals and reviews of credits limits are subject to the same review process.

Cash and cash equivalents are also subject to the impairment requirements of the standard on financial instruments. There was no identified impairment loss.

31. Financial instruments: information on financial risks (cont'd)

31E. Liquidity risk

The liquidity risk refers to the difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. It is expected that all the liabilities will be settled at their contractual maturity. The average credit period taken to settle trade payables is about 30 days (2019: 30 days). The other payables are with short-term durations. The classification of the financial assets is shown in the statement of financial position as they may be available to meet liquidity needs and no further analysis is deemed necessary. In order to meet such cash commitments the operating activities are expected to generate sufficient cash inflows.

The following table analyses non-derivative financial liabilities by remaining contractual maturity (contractual and undiscounted cash flows):

	Less than 1 year	2 – 5 years	Total
	$	$	$
2020			
Gross lease liabilities	433,587	149,933	583,520
Trade and other payables	2,621,410	–	2,621,410
	3,054,997	149,933	3,204,930
2019			
Gross lease liabilities	412,061	14,482	426,543
Trade and other payables	2,910,997	–	2,910,997
	3,323,058	14,482	3,337,540

The above amounts disclosed in the maturity analysis are the contractual undiscounted cash flows and such undiscounted cash flows differ from the amount included in the statement of financial position. When the counterparty has a choice of when an amount is paid, the liability is included on the basis of the earliest date on which it can be required to pay.

31F. Interest rate risk

The interest rate risk exposure is mainly on financial assets. These financial instruments are at fixed rates. The following table analyses the breakdown by type of interest rate:

	2020	2019
	$	$
Financial assets with interest		
Fixed rate	72,788,882	68,150,279
Financial liabilities with interest		
Fixed rate	556,887	418,179

The above mainly consists of cash balances in interest bearing fixed deposits (note 22), quoted debt securities (note 17) and lease liabilities (note 25).

Sensitivity analysis: The effect on statement of financial activities is not significant.

32. Changes and adoption of financial reporting standards

For the current reporting year new or revised financial reporting standards were issued by the Singapore Accounting Standards Council. Those applicable to the Society are listed below. Those applicable new or revised standards did not require any significant modification of the measurement methods or the presentation in the financial statements.

SFRS No.	Title
	The Conceptual Framework for Financial Reporting
SFRS 1 and 8	Definition of Material – Amendments to SFRS 1 and SFRS 8
SFRS PS 2	SFRS Practice Statement 2 Making Materiality Judgements
SFRS 116	Covid-19 Related Rent Concessions - Amendment to FRS 116 (effective from 1 June 2020)

33. New or amended standards in issue but not yet effective

For the future reporting years certain new or revised financial reporting standards were issued by the Singapore Accounting Standards Council and these will only be effective for future reporting years. Those applicable to the Society for future reporting years are listed below. The transfer to the applicable new or revised standards from the effective dates is not expected to result in any significant modification of the measurement methods or the presentation in the financial statements for the following year from the known or reasonably estimable information relevant to assessing the possible impact that application of the new or revised standards may have on the Society's financial statements in the period of initial application.

SFRS No.	Title	Effective date for periods beginning on or after
SFRS 16	Property, Plant and Equipment: Proceeds before Intended Use	1 Jan 2022
SFRS 109	Financial Instruments – Fees in the “10 per cent” test for derecognition of financial liabilities (Annual Improvement Project)	1 Jan 2022
Various	Annual Improvements to SFRSs 2018-2020	1 Jan 2022
SFRS 1	Classification of Liabilities as Current or Non-current	1 Jan 2023

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