World Vision International
(Incorporated in U.S.A.)
Singapore Operations
Registration Number: S81FC3015E

Annual Report
Year ended 30 September 2021

Statement by Agents

We, Devairakkam Christopher Samuel and Chung Yeong Ming, the agents of World Vision International - Singapore Operations ("the Branch"), state that in our opinion:

(a) the financial statements set out on pages FS1 to FS26 are drawn up so as to give a true and fair view of the financial position of the Branch's operations in Singapore as at 30 September 2021 and the results, changes in funds and cash flows of the Branch's operations in Singapore for the year ended on that date in accordance with the provisions of the Singapore Companies Act, Chapter 50, the Charities Act, Chapter 37 and other relevant regulations, and Singapore Financial Reporting Standards; and

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

The agents have, on the date of this statement, authorised these financial statements for issue.

Devairakkam Christopher Samuel
Local Agent

Chung Yeong Ming
Local Agent

Singapore
15 March 2022

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Independent auditors' report

World Vision International, Singapore Operations
(Incorporated in U.S.A.)

Report on the audit of the financial statements

Opinion

We have audited the financial statements of the Singapore Operations of World Vision International ('the Branch'), pursuant to Section 373 of the Companies Act, Chapter 50 ('the Act'). These financial statements comprise the statement of financial position as at 30 September 2021, the statement of comprehensive income, statement of changes in funds and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages FS1 to FS26.

The Branch is a segment of World Vision International and is not a separately incorporated legal entity. The accompanying financial statements have been prepared from the records of the Branch and reflect only transactions recorded therein.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Act, the Charities Act, Chapter 37 and other relevant regulations ('the Charities Act and Regulations') and Financial Reporting Standards in Singapore ('FRSs') so as to give a true and fair view of the assets used in, and liabilities arising out of, the Branch's operations in Singapore as at 30 September 2021 and the results, changes in head office account and cash flows of the Branch's operations in Singapore for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing ('SSAs'). Our responsibilities under those standards are further described in the '*Auditors' responsibilities for the audit of the financial statements'* section of our report. We are independent of the Branch in accordance with the Accounting and Corporate Regulatory Authority *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

The Branch's management is responsible for the other information contained in the annual report. Other information is defined as all information in the annual report other than the financial statements and our auditors' report thereon.

We have obtained all other information prior to the date of this auditors' report.

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

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

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

The responsibilities of those charged with governance include overseeing the Branch's financial reporting process.

Auditors' 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 auditors' 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 controls.

- Obtain an understanding of internal controls 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 Branch's internal controls.

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

- Conclude on the appropriateness of the management of the Branch'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 Branch's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Branch 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 the Branch's management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

Report on other legal and regulatory requirements

In our opinion, the accounting and other records examined by us relating to the Branch's operations in Singapore have been properly kept in accordance with the provisions of the Act and the Charities Act and Regulations.

During the course of our audit, nothing has come to our attention that causes us to believe that during the year the Branch has not complied with the requirements of Regulation 7 of the Charities (Fund-Raising Appeals for Local and Foreign Charitable Purposes) Regulations 2012.

KPMG LLP

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
15 March 2022

Statement of financial position
As at 30 September 2021

	Note	2021 SAPO $	2021 Support office $	2021 Total $	2020 SAPO $	2020 Support office $	2020 Total $
Non-current asset							
Property, plant and equipment	4	324,250	1,238,373	1,562,623	120,860	536,078	656,938
Current assets							
Receivables	5	67,305	109,018	176,323	58,340	866,082	924,422
Cash and cash equivalents	6	71,587	6,027,388	6,098,975	175,202	5,505,370	5,680,572
		138,892	6,136,406	6,275,298	233,542	6,371,452	6,604,994
Total assets		463,142	7,374,779	7,837,921	354,402	6,907,530	7,261,932
Funds and liabilities							
Funds							
Head office account		(212,645)	5,669,070	5,456,425	(220,153)	5,243,008	5,022,855
Woods Square Office Space Fund	7	–	937,237	937,237	–	987,500	987,500
Total funds		(212,645)	6,606,307	6,393,662	(220,153)	6,230,508	6,010,355
Non-current liabilities							
Other payables and accruals	8	19,818	–	19,818	52,481	–	52,481
Current liabilities							
Other payables and accruals	8	655,969	768,472	1,424,441	522,074	677,022	1,199,096
Total liabilities		675,787	768,472	1,444,259	574,555	677,022	1,251,577
Total funds and liabilities		463,142	7,374,779	7,837,921	354,402	6,907,530	7,261,932

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

Statement of comprehensive income
Year ended 30 September 2021

	Note	2021 SAPO $	2021 Support office $	2021 Total $	2020 SAPO $	2020 Support office $	2020 Total $
Donations received	9	–	18,139,182	18,139,182	–	18,614,473	18,614,473
Funds received from World Vision International		3,788,683	–	3,788,683	3,603,413	–	3,603,413
Other income	10	55,130	181,288	236,418	187,218	368,470	555,688
Donations remitted to World Vision International for international ministry		–	(14,670,886)	(14,670,886)	–	(15,950,411)	(15,950,411)
Programs' expenditures	11	–	(111,421)	(111,421)	–	(133,638)	(133,638)
		3,843,813	3,538,163	7,381,976	3,790,631	2,898,894	6,689,525
Administrative expenses	12	(3,844,170)	(3,178,093)	(7,022,263)	(3,759,608)	(2,897,024)	(6,656,632)
Finance income	13	10,824	15,729	26,553	29,304	67,356	96,660
Finance costs	13	(2,959)	–	(2,959)	(8,803)	–	(8,803)
Net finance income		7,865	15,729	23,594	20,501	67,356	87,857
Surplus before tax		7,508	375,799	383,307	51,524	69,226	120,750
Income tax expense	14	–	–	–	–	–	–
Net surplus for the year and total comprehensive income for the year		7,508	375,799	383,307	51,524	69,226	120,750

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

Statement of changes in funds
Year ended 30 September 2021

	Head office account		Woods Square Office Space Fund	
	SAPO	Support office	Support office	Total
	$	$	$	$
At 1 October 2019	(273,682)	5,161,282	1,000,000	5,887,600
Adjustment on initial application of FRS 116 (net of tax)	2,005	–	–	2,005
Adjusted balance at 1 October 2019	(271,677)	5,161,282	1,000,000	5,889,605
Net surplus/(deficit) for the year and total comprehensive income for the year	51,524	81,726	(12,500)	120,750
At 30 September 2020	(220,153)	5,243,008	987,500	6,010,355
At 1 October 2020	(220,153)	5,243,008	987,500	6,010,355
Net surplus/(deficit) for the year and total comprehensive income for the year	7,508	426,062	(50,263)	383,307
At 30 September 2021	(212,645)	5,669,070	937,237	6,393,662

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

Statement of cash flows
Year ended 30 September 2021

		2021			2020		
	Note	SAPO $	Support office $	Total $	SAPO $	Support office $	Total $
Cash flows from operating activities							
Surplus before tax		7,508	375,799	383,307	51,524	69,226	120,750
Adjustments for:							
Depreciation of property, plant and equipment		138,740	145,009	283,749	308,018	79,974	387,992
Loss on disposal of property, plant and equipment		–	128	128	–	11,283	11,283
Interest income		–	(12,236)	(12,236)	(379)	(65,004)	(65,383)
Interest expense		2,959	–	2,959	8,803	–	8,803
		149,207	508,700	657,907	367,966	95,479	463,445
Changes in:							
(Increase)/Decrease in receivables		(8,965)	757,064	748,099	16,394	(392,389)	(375,995)
(Decrease)/Increase in payables		(92,109)	91,450	(659)	(62,259)	128,491	66,232
Cash generated from/(used in) operations		48,133	1,357,214	1,405,347	322,101	(168,419)	153,682
Interest received		–	12,236	12,236	379	65,004	65,383
Net cash from/(used in) operating activities		48,133	1,369,450	1,417,583	322,480	(103,415)	219,065
Cash flows from investing activity							
Acquisition of property, plant and equipment		(21,015)	(847,432)	(868,447)	–	(474,290)	(474,290)
Net cash used in investing activity		(21,015)	(847,432)	(868,447)	–	(474,290)	(474,290)
Cash flows from financing activities							
Lease payments		(127,774)	–	(127,774)	(287,726)	–	(287,726)
Interest paid		(2,959)	–	(2,959)	(8,803)	–	(8,803)
Net cash used in financing activities		(130,733)	–	(130,733)	(296,529)	–	(296,529)
Net (decrease)/increase in cash and cash equivalents		(103,615)	522,018	418,403	25,951	(577,705)	(551,754)
Cash and cash equivalents at beginning of the year		175,202	5,505,370	5,680,572	149,251	6,083,075	6,232,326
Cash and cash equivalents at end of the year	6	71,587	6,027,388	6,098,975	175,202	5,505,370	5,680,572

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

Notes to the financial statements

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Branch's management on 15 March 2022.

1 Domicile and activities

World Vision International, Singapore Operations (the "Branch") is registered and domiciled in the Republic of Singapore. Its registered office and place of operation is located at 6 Woodlands Square, #03-01, Singapore 737737

The Branch is a segment of World Vision International, a company incorporated in U.S.A. and is not a separately incorporated legal entity. The financial statements have been prepared from the records of the Branch and reflect only transactions recorded locally.

The principal activities of the Branch are as follows:

(a) Support Office

The support office provides administrative support for World Vision projects, promotion and publicity of its work to the public in Singapore, maintaining its relationship with the Christian church and servicing supporters of its work around the world;

(b) Regional Office

The principal activities of SAPO are to:

(i) implement regional strategy and management control of World Vision operations across 10 countries in South Asia and the Pacific region;

(ii) support national offices in delivering quality development projects across the region; and

(iii) develop appropriate capacity for large-scale responses to major humanitarian emergencies within the Asia Pacific area.

The Branch is a registered Charity under the Charity Act, Chapter 37 since 27 September 1986.

2 Basis of preparation

2.1 Statement of compliance

The financial statements have been prepared in accordance with the Singapore Financial Reporting Standards ("FRSs"). The changes to significant accounting policies are described in note 2.5.

2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis, except for the revaluation of certain financial instruments.

2.3 Functional and presentation currency

The Branch presents its financial statements in Singapore dollars, which is also its functional currency.

2.4 Use of estimates and judgements

The preparation of the financial statements in conformity with FRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

There were no significant assumptions or estimation uncertainties that have a significant risk of resulting in a material adjustment to the financial statements within the next financial year.

2.5 Changes in accounting policies

New standards and amendments

The Branch has applied the following FRSs, amendments to and interpretations of FRS for the first time for the annual period beginning on 1 October 2020:

- *Amendments to References to Conceptual Framework in FRS Standards*
- *Definition of a Business* (Amendments to FRS 103)
- *Definition of Material* (Amendments to FRS 1 and FRS 8)
- *Interest Rate Benchmark Reform* (Amendments to FRS 109, FRS 39 and FRS 107)

The application of these amendments to standards and interpretations does not have a material effect on the financial statements.

3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by the Branch, except as explained in note 2.5, which addresses changes in accounting policies.

3.1 Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency of the Branch at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on retranslation are recognised in profit or loss.

3.2 Financial instruments

(i) Recognition and initial measurement

Non-derivative financial assets and financial liabilities

Receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Branch becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a loan receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent measurement

Non-derivative financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Branch changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Financial assets 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 FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Non-derivative financial assets: Business model assessment

The Branch makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Branch's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Branch's continuing recognition of the assets.

Financial assets that are held-for-trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Non-derivative financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Branch considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Branch considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features;
- prepayment and extension features; and
- terms that limit the Branch's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Non-derivative financial assets: Subsequent measurement and gains and losses

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Non-derivative financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Directly attributable transaction costs are recognised in profit or loss as incurred.

Other financial liabilities are initially measured at fair value less directly attributable transaction costs. They are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. These financial liabilities comprised of operating expenses and amount payable to grantees.

(iii) Derecognition

Financial assets

The Branch derecognises a financial asset 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 either
  - substantially all of the risks and rewards of ownership of the financial asset are transferred; or
  - the Branch neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Transferred assets are not derecognised when the Branch enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets.

Financial liabilities

The Branch derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Branch also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Branch currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(v) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and fixed deposits which are readily convertible to a known amount of cash and subject to an insignificant risk of changes in their fair value, and are used by the Branch in the management of its short-term commitments.

(vi) Impairment

The Branch recognises loss allowances for ECLs on financial assets measured at amortised cost.

Loss allowances of the Branch are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from default events that are possible within the 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months); or
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument or contract asset.

The Branch applies the general approach to provide for ECLs on all financial instruments. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition.

At each reporting date, the Branch assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Branch considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Branch's historical experience and informed credit assessment that includes forward-looking information.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs.

The Branch considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Branch in full, without recourse by the Branch to actions such as realising security (if any is held); or
- the financial asset remains outstanding for more than a reasonable range of past due days, taking into consideration historical payment track records, current macroeconomics situation as well as general industry trends.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Branch is exposed to credit risk.

Measurement of ECLs

ECLs are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Branch expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Branch assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default;
- the restructuring of a loan or advance by the Branch on terms that the Branch would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECLs in the statement of financial position

Loss allowances for financial assets measured at amortised cost and contract assets are deducted from the gross carrying amount of these assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Branch determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Branch's procedures for recovery of amounts due.

3.3 Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

Subsequent costs

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Branch, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Depreciation

Depreciation is based on the cost of an asset less its residual value.

Depreciation is recognised as an expense in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of plant and equipment unless it is included in the carrying amount of another asset.

Depreciation is recognised from the date that the property, plant and equipment are installed and are ready for use, or in respect of internally constructed assets, from the date that the asset is completed and ready for use.

The estimated useful lives for the current and comparative years are as follows:

Computer	3 – 12 years
Office equipment	3 – 5 years
Furniture and fittings	10 years
Office improvements	2 – 3 years
Right-of-use assets	2 – 21 years

Depreciation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

3.4 Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees.

Short-term compensated absences

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

3.5 Provisions

Provisions are recognised when the Branch has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made.

3.6 Revenue recognition

Donations received

Donations are recognised upon receipt.

Government grants

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Branch will comply with all the attached conditions.

Government grants are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately as part of other income.

Funds received from World Vision International

Funds received from World Vision International (WVI) for SAPO are recognised to the extent of expenses incurred for operations.

3.7 Gifts-in-kind (GIK)

Gifts-in-kind consist primarily of private gift donations from companies for distribution to the communities helped by World Vision. Gifts-in-kind are included in revenue of the Branch at estimated fair value based on values certified by the donor. Gifts-in-kind expense is recorded when the goods are distributed to program beneficiaries.

3.8 Leases

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

As a lessee

At commencement or on modification of a contract that contains a lease component, the Branch allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Branch has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Branch recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Branch by the end of the lease term or the cost of the right-of-use asset reflects that the Branch will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Branch's incremental borrowing rate. Generally, the Branch uses its incremental borrowing rate as the discount rate.

The Branch determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date; and
- the exercise price under a purchase option that the Branch is reasonably certain to exercise, lease payments in an optional renewal period if the Branch is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Branch is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Branch's estimate of the amount expected to be payable under a residual value guarantee, if the Branch changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Branch presents right-of-use assets in 'property, plant and equipment' and lease liabilities in 'other payables and accruals' in the statement of financial position.

Short-term leases and leases of low-value assets

The Branch has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Branch recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

3.9 Finance income

Finance income comprises interest income on funds invested that are recognised in profit or loss. Interest income is recognised as it accrues, using the effective interest method.

Foreign currency gains and losses are reported on a net basis as either finance income or finance costs depending on whether foreign currency movements are in a net gain or net loss position.

3.10 New standards and interpretations not yet adopted

A number of new standards, interpretations and amendments to standards are effective for annual periods beginning after 1 October 2020 and earlier application is permitted; however, the Branch has not early adopted the new or amended standards and interpretations in preparing these financial statements.

The following new FRSs, interpretations and amendments to FRSs are not expected to have a significant impact on the Branch's financial statements.

- FRS 117 *Insurance Contracts*
- *Classification of Liabilities as Current or Non-current* (Amendments to FRS 1)
- *Covid-19-Related Rent Concessions* (Amendment to FRS 116)
- *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* (Amendments to FRS 110 and FRS 28)
- *Reference to the Conceptual Framework* (Amendments to FRS 103)
- *Property, Plant and Equipment – Proceeds before Intended Use* (Amendments to FRS 16)
- *Onerous Contracts – Costs of Fulfilling a Contract* (Amendments to FRS 37)
- *Annual Improvements to FRS(I)s 2018 – 2020*

4 Property, plant and equipment

	Computer $	Office equipment $	Furniture and fittings $	Office improve-ments $	Right-of-use assets (Note 15) $	Total $
(a) SAPO						
Cost						
At 1 October 2019	53,354	37,696	–	292,653	429,557	813,260
Additions	–	–	–	–	154,994	154,994
Disposals	–	(18,000)	–	–	(23,175)	(41,175)
At 30 September 2020	53,354	19,696	–	292,653	561,376	927,079
Additions	–	–	–	21,015	321,115	342,130
Disposals	(3,641)	–	–	–	(432,504)	(436,145)
At 30 September 2021	49,713	19,696	–	313,668	449,987	833,064
Accumulated depreciation						
At 1 October 2019	53,354	24,565	–	282,701	178,756	539,376
Charge for the year	–	6,565	–	9,952	291,501	308,018
Disposals	–	(18,000)	–	–	(23,175)	(41,175)
At 30 September 2020	53,354	13,130	–	292,653	447,082	806,219
Charge for the year	–	6,566	–	6,004	126,170	138,740
Disposals	(3,641)	–	–	–	(432,504)	(436,145)
At 30 September 2021	49,713	19,696	–	298,657	140,748	508,814
Carrying amounts						
At 1 October 2019	–	13,131	–	9,952	250,801	273,884
At 30 September 2020	–	6,566	–	–	114,294	120,860
At 30 September 2021	–	–	–	15,011	309,239	324,250
(b) Support office						
Cost						
At 1 October 2019	641,445	32,810	58,223	162,432	–	894,910
Additions	197,891	13,899	–	–	262,500	474,290
Disposals	(3,093)	–	(50,643)	(156,576)	–	(210,312)
At 30 September 2020	836,243	46,709	7,580	5,856	262,500	1,158,888
Additions	86,580	10,926	79,405	410,721	259,800	847,432
Disposals	(35,206)	(1,000)	(1,879)	–	–	(38,085)
At 30 September 2021	887,617	56,635	85,106	416,577	522,300	1,968,235
Accumulated depreciation						
At 1 October 2019	502,167	32,327	44,939	162,432	–	741,865
Charge for the year	64,220	2,187	1,067	–	12,500	79,974
Disposals	(3,093)	–	(39,360)	(156,576)	–	(199,029)
At 30 September 2020	563,294	34,514	6,646	5,856	12,500	622,810
Charge for the year	91,126	4,261	7,854	17,928	23,840	145,009
Disposals	(35,206)	(1,000)	(1,751)	–	–	(37,957)
At 30 September 2021	619,214	37,775	12,749	23,784	36,340	729,862
Carrying amounts						
At 1 October 2019	139,278	483	13,284	–	–	153,045
At 30 September 2020	272,949	12,195	934	–	250,000	536,078
At 30 September 2021	268,403	18,860	72,357	392,793	485,960	1,238,373

	Computer $	Office equipment $	Furniture and fittings $	Office improve-ments $	Right-of-use assets (Note 15) $	Total $
Total (a) + (b)						
Cost						
At 1 October 2019	694,799	70,506	58,223	455,085	429,557	1,708,170
Additions	197,891	13,899	–	–	417,494	629,284
Disposals	(3,093)	(18,000)	(50,643)	(156,576)	(23,175)	(251,487)
At 30 September 2020	889,597	66,405	7,580	298,509	823,876	2,085,967
Additions	86,580	10,926	79,405	431,736	580,915	1,189,562
Disposals	(38,847)	(1,000)	(1,879)	–	(432,504)	(474,230)
At 30 September 2021	937,330	76,331	85,106	730,245	972,287	2,801,299
Accumulated depreciation						
At 1 October 2019	555,521	56,892	44,939	445,133	178,756	1,281,241
Charge for the year	64,220	8,752	1,067	9,952	304,001	387,992
Disposals	(3,093)	(18,000)	(39,360)	(156,576)	(23,175)	(240,204)
At 30 September 2020	616,648	47,644	6,646	298,509	459,582	1,429,029
Charge for the year	91,126	10,827	7,854	23,932	150,010	283,749
Disposals	(38,847)	(1,000)	(1,751)	–	(432,504)	(474,102)
At 30 September 2021	668,927	57,471	12,749	322,441	177,088	1,238,676
Carrying amounts						
At 1 October 2019	139,278	13,614	13,284	9,952	250,801	426,929
At 30 September 2020	272,949	18,761	934	–	364,294	656,938
At 30 September 2021	268,403	18,860	72,357	407,804	795,199	1,562,623

During 2021, depreciation charge relating to the Woods Square Office amounted to $50,263 (2020: $12,500). This will be charged as expenditure in the Woods Square Office Space Fund (see note 7).

5 Receivables

	2021			2020		
	SAPO $	Support office $	Total $	SAPO $	Support office $	Total $
Deposits	33,692	1,794	35,486	17,510	8,965	26,475
Staff loans and advances	118	–	118	14,788	–	14,788
Donation receivables	–	19,207	19,207	–	366,240	366,240
Prepayments	33,495	88,017	121,512	26,042	490,877	516,919
	67,305	109,018	176,323	58,340	866,082	924,422

Deposits, staff loans and advances and donation receivables are unsecured, interest-free and are repayable on demand.

Included in Support office's donation receivables are mainly receivables of donation monies held by payment agents.

6 Cash and cash equivalents

	2021			2020		
	SAPO $	Support office $	Total $	SAPO $	Support office $	Total $
Fixed deposits	–	4,515,000	4,515,000	–	4,615,000	4,615,000
Cash and bank balances	71,587	1,512,388	1,583,975	175,202	890,370	1,065,572
	71,587	6,027,388	6,098,975	175,202	5,505,370	5,680,572

Fixed deposits with financial institutions mature at varying periods within 3 months (2020: 3 months) from the financial year-end. Interest rates range from 0.15% to 0.26% (2020: 0.05% to 1.57%) per annum.

7 Woods Square Office Space Fund

On 24 November 2017, the Branch obtained approval to set aside funds of S$1,000,000 from the head office account to cover the cost of renovation and any other costs for the right of abode to the shared space at Woods Square developed by Far East Organisation under the Community Sports Facilities Scheme administered by the Urban Development Authority. Any excess funds not utilised to meet the above commitment will be returned to the head office.

8 Other payables and accruals

	2021			2020		
	SAPO $	Support office $	Total $	SAPO $	Support office $	Total $
Non-current liabilities						
Lease liabilities	19,818	–	19,818	52,481	–	52,481
Current liabilities						
Non-trade payables	4,276	112,640	116,916	669	3,160	3,829
Accruals	362,106	655,832	1,017,938	457,822	673,862	1,131,684
Lease liabilities	289,587	–	289,587	63,583	–	63,583
	655,969	768,472	1,424,441	522,074	677,022	1,199,096

Non-trade payables are unsecured, non-interest bearing and are normally settled within 90 days or on demand.

Reconciliation of movements of liabilities to cash flows arising from financing activities

	Lease liabilities SAPO
	$
At 1 October 2019	248,796
Changes from financing cash flows	
Payment of lease liabilities	(287,726)
Interest paid	(8,803)
Total changes from financing cash flows	(296,529)
Other liability-related changes	
Interest expense	8,803
Additions	154,994
Total liability-related other changes	163,797
At 30 September 2020	116,064
At 1 October 2020	116,064
Changes from financing cash flows	
Payment of lease liabilities	(127,774)
Interest paid	(2,959)
Total changes from financing cash flows	(130,733)
Other liability-related changes	
Interest expense	2,959
Additions	321,115
Total liability-related other changes	324,074
At 30 September 2021	309,405

9 Donations received

The breakdown of the donations received are as follows:

	Support office	
	2021	**2020**
	$	**$**
Area Development Program income	1,350,199	2,239,243
Child sponsorship	12,969,380	12,840,810
Children in Crisis	819,716	488,056
General childcare	547,927	384,577
Relief and rehabilitation	1,598,668	1,986,901
Trips and Events	–	26,535
Microfinance	246,296	102,287
Youth Ministry	28,033	17,960
Children in the Cities	412,964	9,000
Fight Climate Change	135,331	15,903
Cash donations received	18,108,514	18,111,272
Gift-in-kind (donated goods value)	30,668	503,201
	18,139,182	18,614,473

10 Other income

	2021			2020		
	SAPO	**Support office**	**Total**	**SAPO**	**Support office**	**Total**
	$	**$**	**$**	**$**	**$**	**$**
Government grant income	52,443	181,288	233,731	187,218	278,371	465,589
Changes in estimates relating to accrued restoration costs	–	–		–	85,000	85,000
Others	2,687	–	2,687	–	5,099	5,099
	55,130	181,288	236,418	187,218	368,470	555,688

11 Programs' expenditures

	2021			2020		
	SAPO	**Support office**	**Total**	**SAPO**	**Support office**	**Total**
	$	**$**	**$**	**$**	**$**	**$**
Local ministry programs' expenditures	–	111,421	111,421	–	133,638	133,638

12 Administrative expenses

Included in administrative expenses are the following items:

	2021			2020		
	SAPO	**Support office**	**Total**	**SAPO**	**Support office**	**Total**
	$	**$**	**$**	**$**	**$**	**$**
Depreciation on property, plant and equipment	134,686	145,009	279,695	308,018	79,974	387,992
Employee benefits expense:						
- wages and salaries	2,596,923	1,713,008	4,309,931	2,159,386	1,536,993	3,696,379
- employer's contributions to central provident fund	71,192	228,890	300,082	68,072	202,703	270,775
- foreign pension funds	72,802	–	72,802	79,632	–	79,632
- staff benefits	507,015	(7,356)	499,659	739,045	29,013	768,058

13 Finance income and finance costs

	2021			2020		
	SAPO $	Support office $	Total $	SAPO $	Support office $	Total $
Interest income	–	12,236	12,236	379	65,004	65,383
Exchange gain, net	10,824	3,493	14,317	28,925	2,352	31,277
Finance income	10,824	15,729	26,553	29,304	67,356	96,660
Interest on lease liabilities	(2,959)	–	(2,959)	(8,803)	–	(8,803)
Finance cost	(2,959)	–	(2,959)	(8,803)	–	(8,803)
Net finance income recognised in profit or loss	7,865	15,729	23,594	20,501	67,356	87,857

14 Income tax expense

The Branch is an approved charity organisation under the Charity Act, Chapter 37 and exempted from income tax under Section 13(1) (zm) of the Income Tax Act, Cap. 134.

15 Leases

Leases as lessee

The Branch leases office and employee accommodation. The leases typically run for a period of 2 years, with an option to renew the lease after that date.

The Branch leases IT equipment with contract terms of one to three years. These leases are short-term and/or leases of low-value items. The Branch has elected not to recognise right-of-use assets and lease liabilities for these leases.

Information about leases for which the Branch is a lessee is presented below.

Right-of-use assets

Right-of-use assets related to leased properties are presented as property, plant and equipment (see note 4).

	SAPO 2021 $	Support office 2021 $	Total 2021 $
Balance at 1 October	114,294	250,000	364,294
Depreciation charge for the year	(126,170)	(23,840)	(150,010)
Additions	321,115	259,800	580,915
Balance at 30 September	309,239	485,960	795,199

	SAPO 2020 $	Support office 2020 $	Total 2020 $
Balance at 1 October	250,801	–	250,801
Depreciation charge for the year	(291,501)	(12,500)	(304,001)
Additions	154,994	262,500	417,494
Balance at 30 September	114,294	250,000	364,294

Amounts recognised in profit or loss

	2021			2020		
	SAPO $	**Support office $**	**Total $**	**SAPO $**	**Support office $**	**Total $**
Interest on lease liabilities	2,959	–	2,959	8,803	–	8,803
Expenses relating to short-term leases	–	–	–	5,316	51,166	56,482
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	–	6,777	6,777	–	3,184	3,184

Amounts recognised in statement of cash flows

	2021			2020		
	SAPO $	**Support office $**	**Total $**	**SAPO $**	**Support office $**	**Total $**
Total cash outflow for leases	130,733	–	130,733	296,529	–	296,529

16 Significant related party transactions

Significant transactions with related parties, not otherwise disclosed in the financial statements, are as follows:

	Support office 2021 $	Support office 2020 $
With a business unit of World Vision International		
- IT services	58,016	101,174

Key management personnel compensation

The key management personnel compensation are as follows:

	2021			2020		
	SAPO	**Support office**	**Total**	**SAPO**	**Support office**	**Total**
	$	**$**	**$**	**$**	**$**	**$**
Short-term employee benefits	511,405	249,970	761,375	894,755	244,385	1,139,140
Employer's contributions to central provident fund	–	16,869	16,869	–	19,210	19,210
Foreign pension funds	12,249	–	12,249	28,835	–	28,835
	523,654	266,839	790,493	923,590	263,595	1,187,185

The annual remuneration of the three highest paid staff employed by SAPO and Support Office respectively, classified in bands of $100,000, are as follows:

	2021			2020		
	SAPO	**Support office**	**Total**	**SAPO**	**Support office**	**Total**
Number of staff with annual remuneration						
- exceeding $300,000 but not more than $400,000	–	–	–	2	–	2
- exceeding $200,000 but not more than $300,000	3	1	4	–	1	1
- exceeding $100,000 but not more than $200,000	–	2	2	1	2	3

17 Financial risk management

Overview

The Branch has exposure to the following risks from its operations and use of financial instruments:

- credit risk
- liquidity risk
- market risk

This note presents information about the Branch's exposure to each of the above risks and the Branch's objectives, policies and processes for measuring and managing risk. Further quantitative disclosures are included throughout these financial statements.

Risk management framework

Risk management is integral to the whole business of the Branch. The Branch has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Branch's risk management process to ensure that an appropriate balance between risk and control is achieved. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Branch's activities.

Credit risk

Credit risk is the potential risk of financial loss resulting from the failure of borrowers or other counterparties to settle their financial and contractual obligations to the Branch as and when they fall due.

The Branch's exposure to credit risk arises primarily from donation receivables. For other financial assets (including cash and cash equivalents), the Branch minimises credit risk by dealing with high credit rating counterparties.

At the reporting, there was no significant concentration of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

There are no financial assets that are past due or impaired as at the reporting date.

Liquidity risk

Liquidity risk is the risk that the Branch will encounter difficulty in meeting financial obligations due to shortage of funds.

The Branch monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate to finance the Branch's operations and to mitigate the effects of fluctuations in cash flows.

The following are the expected contractual undiscounted cash flows of financial liabilities:

		Contractual cash flows		
	Carrying amount	**Total**	**Within 1 year**	**Within 1 to 5 years**
	$	**$**	**$**	**$**
2021				
Non-derivative financial liabilities				
Other payables and accruals*				
- SAPO	61,805	(61,805)	(61,805)	–
- Support office	187,163	(187,163)	(187,163)	–
Lease liabilities – SAPO	309,405	(312,156)	(75,851)	(236,305)
	558,373	(561,124)	(324,819)	(236,305)

	Carrying amount $	Contractual cash flows Total $	Within 1 year $	Within 1 to 5 years $
2020				
Non-derivative financial liabilities				
Other payables and accruals*				
- SAPO	120,673	(120,673)	(120,673)	–
- Support office	70,559	(70,559)	(70,559)	–
Lease liabilities – SAPO	116,064	(119,832)	(63,800)	(56,032)
	307,296	(311,064)	(255,032)	(56,032)

* exclude lease liabilities, payroll and tax payables

Market risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates will affect the Branch's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Branch's financial instruments will fluctuate because of changes in market interest rates.

The Branch does not have any interest-bearing financial liabilities. Its only exposure to changes in interest rates relates to interest-earning bank deposits. The Branch monitors movements in interest rates to ensure deposits are placed with financial institutions offering optimal rates of return.

The interest rates and terms of maturity of financial assets of the Branch are disclosed in note 6 to the financial statements.

Foreign exchange risk

The Branch is primarily exposed to fluctuations in United States Dollars (USD) exchange rates arising from cash flows from anticipated transactions. The Branch reviews periodically monetary assets and liabilities held in currencies other than its functional currency to ensure that net exposure is kept at an acceptable level.

The significant foreign currency amounts held by the Branch are as follows:

	2021 SAPO $	2021 Support office $	2021 Total $	2020 SAPO $	2020 Support office $	2020 Total $
Held in USD						
Receivables	–	–	–	14,253	–	14,253
Cash and cash equivalents	21,947	195,705	217,652	27,723	44,350	72,073
Other payables	(164,977)	–	(164,977)	(140,970)	–	(140,970)
	(143,030)	195,705	52,675	(98,994)	44,350	(54,644)

Sensitivity analysis

A 10% strengthening of the Singapore Dollar against the following currency at the balance sheet date would increase/(decrease) the net surplus and head office account balance by the amounts shown below. This analysis assumes that all other variables, in particular, interest rates, remain constant.

	2021			2020		
	SAPO	**Support office**	**Total**	**SAPO**	**Support office**	**Total**
	$	**$**	**$**	**$**	**$**	**$**
United States dollars	14,303	(19,571)	(5,268)	9,899	(4,435)	5,464

A 10% weakening of the Singapore Dollar against the above currency would have had the equal but opposite effects on the above currency to the amounts shown above, on the basis that all other variables remain constant.

Classification and determination of fair values of financial instruments

	2021			2020		
	SAPO	**Support office**	**Total**	**SAPO**	**Support office**	**Total**
	$	**$**	**$**	**$**	**$**	**$**
Financial assets at amortised cost						
- Receivables	33,810	21,001	54,811	32,298	375,205	407,503
- Cash and cash equivalents	71,587	6,027,388	6,098,975	175,202	5,505,370	5,680,572
	105,397	6,048,389	6,153,786	207,500	5,880,575	6,088,075
Financial liabilities at amortised cost:						
- Other payables and accruals	675,787	768,472	1,444,259	574,555	677,022	1,251,577

The notional financial assets and liabilities with a maturity of less than one year (including receivables, cash and cash equivalents, and other payables) are assumed to approximate their fair values because of the short period to maturity.

No fair value hierarchy information is disclosed for financial assets and liabilities whose carrying amounts are measured on amortised cost basis which approximate their fair value due to their short-term nature and where the effect of discounting is immaterial.

THE FOLLOWING STATEMENTS DO NOT FORM PART OF THE AUDITED STATUTORY FINANCIAL STATEMENTS OF THE BRANCH

Detailed breakdown of administrative expenses
Year ended 30 September 2021

	2021			2020		
	SAPO $	Support office $	Total $	SAPO $	Support office $	Total $
Audit fee	28,997	26,410	55,407	27,488	27,499	54,987
Bank charges	12,356	243,962	256,318	11,671	217,692	229,363
Central provident fund contributions	71,192	228,890	300,082	68,072	202,703	270,775
Consultancy	214,480	–	214,480	38,648	–	38,648
Depreciation on property, plant and equipment	134,686	145,009	279,695	308,018	79,974	387,992
Education/training	17,323	3,104	20,427	20,395	13,773	34,168
Foreign pension funds	72,802	–	72,802	79,632	–	79,632
Hospitality and refreshments	11,326	3,175	14,501	6,351	4,314	10,665
Hosting	(49,543)	–	(49,543)	(54,379)	–	(54,379)
Internet	8,166	14,473	22,639	16,202	14,473	30,675
IT hardware	–	2,175	2,175	–	3,700	3,700
IT services	–	214,757	214,757	–	238,723	238,723
IT software	–	20,504	20,504	–	47,058	47,058
Legal and professional fees	5,738	7,130	12,868	2,990	11,892	14,882
Mail handling cost	–	16,421	16,421	–	20,994	20,994
Medical expenses and insurance	2,247	30,928	33,175	2,401	26,848	29,249
Ministry supplies	31,496	–	31,496	7,747	–	7,747
Postages	810	73,344	74,154	2,507	73,843	76,350
Printing	1,543	68,101	69,644	6,132	32,415	38,547
Loss on disposal of property, plant and equipment	–	128	128	–	11,283	11,283
Lease expenses	–	6,777	6,777	5,316	54,350	59,666
Publicity/advertising	72	203,733	203,805	1	103,966	103,967
Recruitment expenses	–	18,109	18,109	–	15,910	15,910
Rent – miscellaneous	(6,382)	1,160	(5,222)	–	665	665
Repatriation allowance	49,387	–	49,387	40,566	–	40,566
Salaries	2,596,923	1,713,108	4,310,031	2,159,386	1,536,993	3,696,379
Staff benefits	507,015	(7,356)	499,659	739,045	29,013	768,058
Staff relations	–	644	644	–	1,038	1,038
Stationery	15,413	918	16,331	9,759	1,152	10,911
Telephone and telex	14,038	4,352	18,390	16,668	4,456	21,124
Temporary help	–	4,586	4,586	–	10,117	10,117
Transport	–	663	663	–	1,148	1,148

	2021			2020		
	SAPO	**Support office**	**Total**	**SAPO**	**Support office**	**Total**
	$	**$**	**$**	**$**	**$**	**$**
Travelling expenses	5,112	(2,727)	2,385	164,655	11,600	176,255
Upkeep of office	25,466	125,717	151,183	7,142	85,965	93,107
Upkeep of office equipment	68,222	3,455	71,677	62,249	3,695	65,944
Utilities	5,285	6,443	11,728	10,946	9,772	20,718
	3,844,170	3,178,093	7,022,263	3,759,608	2,897,024	6,656,632