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KEPPEL CARE FOUNDATION LIMITED
(Registration No. 201120171W)

**DIRECTORS' REPORT AND
FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED
31 DECEMBER 2014**

KEPPEL CARE FOUNDATION LIMITED
(Incorporated in Singapore)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

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KEPPEL CARE FOUNDATION LIMITED
(Incorporated in Singapore)

DIRECTORS' REPORT

The directors submit their report to the member together with the audited financial statements of the Company for the financial year ended 31 December 2014.

1. DIRECTORS

The directors of the Company in office at the date of this report are:

Lee Boon Yang
Choo Chiau Beng
Loh Chin Hua (appointed on 24 February 2014)

2. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Section 201(6)(f) and 201(6A)(g) of the Singapore Companies Act, Cap. 50 (the "Act") do not apply to the Company as it is a company limited by guarantee and without share capital and debentures.

3. DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

Section 201(6)(g) and 201 (6A)(h) of the Act do not apply to the Company as it is a company limited by guarantee and without share capital and debentures.

4. DIRECTORS' RECEIPT AND ENTITLEMENT TO CONTRACTUAL BENEFITS

Since the end of previous financial period, no director has received or become entitled to receive a benefit (other than as disclosed in the financial statements) by reason of a contract made by the Company or a related corporation with the director, or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

5. SHARE OPTIONS

Section 201 (11) and (12) of the Act do not apply to the Company as it is a company limited by guarantee.

6. AUDITORS

The auditors, Deloitte & Touche LLP, have expressed their willingness to accept re-appointment.

On behalf of the directors



Lee Boon Yang
Director



Loh Chin Hua
Director

Singapore, 15 January 2015

KEPPEL CARE FOUNDATION LIMITED
(Incorporated in Singapore)

STATEMENT BY DIRECTORS

In the opinion of the directors, the financial statements as set out on pages 6 to 11 are drawn up so as to give a true and fair view of the state of affairs of the Company as at 31 December 2014, and of the results and cash flows for the financial year ended 31 December 2014, and at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts when they fall due.

On behalf of the directors



Lee Boon Yang
Director



Loh Chin Hua
Director

Singapore, 15 January 2015

INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF KEPPEL CARE FOUNDATION LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of Keppel Care Foundation Limited (the "Company") which comprise the balance sheet as at 31 December 2014, and the statement of financial activities and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 6 to 11.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the "Act"), the Singapore Charities Act, Chapter 37 (the "Charities Act") and Charities Accounting 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 statement of financial activities and balance sheet and to maintain accountability of assets.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain a reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements are properly drawn up in accordance with the provisions of the Act, the Charities Act and Charities Accounting Standards so as to give a true and fair view of the state of affairs of the Company as at 31 December 2014 and of the results and cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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



Public Accountants and
Chartered Accountants
Singapore

15 January 2015

KEPPEL CARE FOUNDATION LIMITED
(Incorporated in Singapore)

BALANCE SHEET AS AT 31 DECEMBER 2014

	Note	2014 \$	2013 \$
FUNDS OF CHARITY			
Unrestricted funds	2h	2,865,596	4,939,902
Total Charity Funds		<u>2,865,596</u>	<u>4,939,902</u>
CURRENT ASSETS			
Interest receivable from a related company		5,375	120,866
Cash and cash equivalents	3	<u>13,160,677</u>	<u>16,819,036</u>
		<u>13,166,052</u>	<u>16,939,902</u>
CURRENT LIABILITY			
Other payables and accruals	4	2,300,456	2,000,000
NET CURRENT ASSETS		10,865,596	14,939,902
NON-CURRENT LIABILITY			
Other payables and accruals	4	8,000,000	10,000,000
NET ASSETS		<u>2,865,596</u>	<u>4,939,902</u>

See accompanying notes to financial statements.

KEPPEL CARE FOUNDATION LIMITED
(Incorporated in Singapore)

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2014

	Note	<u>Unrestricted Funds</u>			2013 Total \$
		2014 IPC \$	2014 Non-IPC \$	Total \$	
INCOME					
Income from generated funds					
Voluntary income	2c	-	-	-	15,000,000
Investment income	2d	108,664	603	109,267	128,724
Total income		<u>108,664</u>	<u>603</u>	<u>109,267</u>	<u>15,128,724</u>
EXPENDITURES					
Charitable activities		(2,182,788)	-	(2,182,788)	(18,083,288)
Other expenditures					
Auditors' remuneration		-	-	-	2,500
Other expenses		(53)	(732)	(785)	(1,886)
Total expenditures		<u>(2,182,841)</u>	<u>(732)</u>	<u>(2,183,573)</u>	<u>(18,082,674)</u>
Expenditure before tax expense		<u>(2,074,177)</u>	<u>(129)</u>	<u>(2,074,306)</u>	<u>(2,953,950)</u>
Tax expense	2c	-	-	-	-
Net expenditure		<u>(2,074,177)</u>	<u>(129)</u>	<u>(2,074,306)</u>	<u>(2,953,950)</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		4,841,238	98,664	4,939,902	7,893,852
Total funds carried forward		<u>2,767,061</u>	<u>98,535</u>	<u>2,865,596</u>	<u>4,939,902</u>

See accompanying notes to financial statements.

KEPPEL CARE FOUNDATION LIMITED
(Incorporated in Singapore)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2014

	Note	2014 \$	2013 \$
Cash flows from operating activities			
Expenditure before tax expense		(2,074,306)	(2,953,950)
Adjustments for:			
Investment income		(109,267)	(128,724)
Operating cash flows before changes in working capital		(2,183,573)	(3,082,674)
Change in operating assets and liabilities:			
Other payables and accruals		(1,699,544)	9,847,500
Net cash (used in)/ from operating activities		<u>(3,883,117)</u>	<u>6,764,826</u>
Cash flow from investing activity			
Interest received		224,758	53,282
Net cash from investing activity		<u>224,758</u>	<u>53,282</u>
Net (decrease)/ increase in cash and cash equivalents		(3,658,359)	6,818,108
Cash and cash equivalents at beginning of the year		16,819,036	5,000,928
Transfer of fixed deposit with a related company to cash and cash equivalents		-	5,000,000
Cash and cash equivalents at end of the year	3	<u>13,160,677</u>	<u>16,819,036</u>

See accompanying notes to financial statements.

KEPPEL CARE FOUNDATION LIMITED
(Incorporated in Singapore)

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2014

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

1. GENERAL

The Company is incorporated and domiciled in Singapore. The address of the Company's registered office is 1 HarbourFront Avenue, #18-01 Keppel Bay Tower, Singapore 098632.

The Company is limited by guarantee. It was granted the status as a charity under the Charities Act on 14 September 2011. It was registered as a grantmaker under the double tax deduction scheme on 7 October 2011.

The Company is a non-profit philanthropic organisation established by Keppel Corporation Limited. The Company's vision statement is to make a positive and sustainable impact on people in need and the environment, through promoting education, providing care and encouraging green mindsets and initiatives.

The member of the Company has undertaken to contribute an amount not exceeding \$100 to the assets of the Company in the event the Company is wound up and the monies are required for payment of the liabilities of the Company.

The financial statements for the year ended 31 December 2014 were authorised for issue in accordance with a resolution of the directors on 15 January 2015.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

The financial statements have been prepared in accordance with the Charities Accounting standards ("CAS"), the Singapore Companies Act and the Singapore Charities Act.

The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The financial statements are expressed in Singapore dollars, which is the Company's functional currency and presentation currency.

The preparation of the financial statements in conformity with CAS requires management to exercise its judgement in the process of applying the Company's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. Management is of the opinion that there are no instances of application of judgements which may have a significant effect on the amounts recognised in the financial statements.

(b) Recognition of Income

These are included in the Statement of Financial Activities (“SoFA”) when:

- The Company has unconditional entitlement to the income;
- The governing board members are virtually certain they will receive the income; and
- The amount can be measured with sufficient reliability.

(c) Voluntary Income

Donations are recognised in the SoFA as voluntary income when the Company has unconditional entitlement to the receipts.

(d) Investment Income

This is included in the financial statements when receivable. Investment income relates to interest received from fixed deposits.

(e) Other Payables and Accruals

Other payables excluding accruals are recognised at their transaction price, excluding transaction costs, if any, both at initial recognition and at subsequent measurement. Transaction costs are recognised as expenditure in the Statement of Financial Activities as incurred. Accruals are recognised at the best estimate of the amount payable.

(f) Taxation

The Company is registered as a charity under the Charities Act, Chapter 37 and is exempt from income tax.

(g) Liability Recognition

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to make payment.

(h) Cash and Cash Equivalents

For the purpose of the statement of cash flows, cash and cash equivalents comprise fixed deposits with a related company and cash at bank, and are subject to an insignificant risk of changes in value.

(i) Funds Structure

The unrestricted fund is available for use at the discretion of the governing board members in furtherance of the Company’s objectives.

3. **CASH AND CASH EQUIVALENTS**

	2014 \$	2013 \$
Fixed deposits placed with a related company	13,113,312	16,736,618
Cash at bank	<u>47,365</u>	<u>82,418</u>
	<u>13,160,677</u>	<u>16,819,036</u>

Fixed deposits placed with a related company mature within 1 month (2013: 1 month to 3 months) from the financial year end and bear interest of 0.60%, 0.68% and 1.76% (2013: 0.60% to 1.76%) per annum.

4. **OTHER PAYABLES AND ACCRUALS**

	2014		2013	
	Due within one year	Due after one year	Due within one year	Due after one year
Donations payable	2,300,000	8,000,000	2,000,000	10,000,000
Accruals	<u>456</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>2,300,456</u>	<u>8,000,000</u>	<u>2,000,000</u>	<u>10,000,000</u>

5. **RELATED COMPANY TRANSACTIONS**

Related companies in these financial statements refer to Keppel Corporation Limited and its group of companies.

Income from a related company includes:

	2014 \$	2013 \$
Voluntary income	-	15,000,000
Investment income	<u>109,267</u>	<u>128,724</u>
	<u>109,267</u>	<u>15,128,724</u>