

**KEPPEL CARE FOUNDATION LIMITED**  
(Registration No. 201120171W)

**DIRECTORS' STATEMENT AND  
FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED  
31 DECEMBER 2016**

**KEPPEL CARE FOUNDATION LIMITED**  
(Incorporated in Singapore)

**DIRECTORS' STATEMENT AND FINANCIAL STATEMENTS**

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**KEPPEL CARE FOUNDATION LIMITED**  
(Incorporated in Singapore)

**DIRECTORS' STATEMENT**

The directors present their statement together with the audited financial statements of the Company for the financial year ended 31 December 2016.

In the opinion of the directors, the financial statements as set out on pages 6 to 12 are drawn up so as to give a true and fair view of the financial position of the Company as at 31 December 2016, and the financial performance and cash flows of the Company for the financial year then ended, 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.

**DIRECTORS**

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

Lee Boon Yang  
Loh Chin Hua  
Wang Look Fung

**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.

**DIRECTORS' INTERESTS IN SHARES AND 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.


## SHARE OPTIONS


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

## INDEPENDENT AUDITOR

The independent auditor, PricewaterhouseCoopers LLP, has expressed its willingness to accept reappointment.

On behalf of the directors

  
\_\_\_\_\_  
Lee Boon Yang  
Director

  
\_\_\_\_\_  
Loh Chin Hua  
Director

Singapore, 15 March 2017

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF  
KEPPEL CARE FOUNDATION LIMITED**

**Report on the Audit of the Financial Statements**

**Our opinion**

In our opinion, the accompanying financial statements of Keppel Care Foundation Limited (the "Company") are properly drawn up in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the "Companies Act"), the Singapore Charities Act, Chapter 37 (the "Charities Act") and Charities Accounting Standards so as to give a true and fair view of the financial position of the Company as at 31 December 2016 and of the financial activities and cash flows of the Company for the year ended on that date.

*What we have audited*

The financial statements of the Company comprise:

- the balance sheet as at 31 December 2016;
- the statement of financial activities for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, including a summary of significant accounting policies.

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

*Independence*

We are independent of the Company 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF  
KEPPEL CARE FOUNDATION LIMITED (continued)**

**Other Information**

Management is responsible for the other information. The other information comprises the Directors' Statement included in pages 1 to 2 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 and will 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 identified above 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 on the other information that we obtained prior to the date of this auditor's report, 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 Directors 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 Companies Act, 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 financial statements and to maintain accountability of assets.

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

The directors' responsibilities include overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Financial Statements**

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF  
KEPPEL CARE FOUNDATION LIMITED (continued)**

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

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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company'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 Company 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 directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Report on Other Legal and Regulatory Requirements**

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



PricewaterhouseCoopers LLP  
Public Accountants and Chartered Accountants  
Singapore, 15 March 2017

**KEPPEL CARE FOUNDATION LIMITED**  
(Incorporated in Singapore)

**BALANCE SHEET AS AT 31 DECEMBER 2016**

	Note	2016 \$	2015 \$
<b>FUNDS OF CHARITY</b>			
Unrestricted funds	2(i)	5,801,097	8,783,566
<b>Total Charity Funds</b>		<u>5,801,097</u>	<u>8,783,566</u>
<b>CURRENT ASSETS</b>			
Interest receivable from a related company of Keppel Corporation Limited		9,476	5,811
Cash and cash equivalents	3	<u>13,091,621</u>	<u>17,085,755</u>
		<u>13,101,097</u>	<u>17,091,566</u>
<b>CURRENT LIABILITY</b>			
Other payables and accruals	4	3,300,000	2,308,000
<b>NET CURRENT ASSETS</b>		<b>9,801,097</b>	<b>14,783,566</b>
<b>NON-CURRENT LIABILITY</b>			
Other payables and accruals	4	4,000,000	6,000,000
<b>NET ASSETS</b>		<u>5,801,097</u>	<u>8,783,566</u>

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



**KEPPEL CARE FOUNDATION LIMITED**  
(Incorporated in Singapore)

**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016**

	Note	<u>Unrestricted Funds</u>			2015 Total \$
		2016 IPC \$	2016 Non-IPC \$	Total \$	
<b>INCOME</b>					
<b>Income from generated funds</b>					
Voluntary income	2(c)	-	-	-	7,661,000
Investment income	2(d), 5	<u>126,761</u>	<u>671</u>	<u>127,432</u>	<u>74,314</u>
<b>Total income</b>		<u>126,761</u>	<u>671</u>	<u>127,432</u>	<u>7,735,314</u>
<b>EXPENDITURES</b>					
<b>Charitable activities</b>	5	<b>(3,097,884)</b>	-	<b>(3,097,884)</b>	<b>(1,812,438)</b>
<b>Other expenditures</b>					
Other expenses		<u>(50)</u>	<u>(11,966)</u>	<u>(12,016)</u>	<u>(4,906)</u>
<b>Total expenditures</b>		<u>(3,097,934)</u>	<u>(11,966)</u>	<u>(3,109,900)</u>	<u>(1,817,344)</u>
<b>(Expenditure)/income before tax expense</b>		<b>(2,971,173)</b>	<b>(11,295)</b>	<b>(2,982,468)</b>	<b>5,917,970</b>
<b>Tax expense</b>	2(f)	-	-	-	-
<b>Net (expenditure)/income</b>		<u>(2,971,173)</u>	<u>(11,295)</u>	<u>(2,982,468)</u>	<u>5,917,970</u>
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		<u>8,689,283</u>	<u>94,283</u>	<u>8,783,566</u>	<u>2,865,596</u>
<b>Total funds carried forward</b>		<u>5,718,110</u>	<u>82,988</u>	<u>5,801,098</u>	<u>8,783,566</u>

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

**KEPPEL CARE FOUNDATION LIMITED**  
(Incorporated in Singapore)

**STATEMENT OF CASH FLOWS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016**

	Note	2016 \$	2015 \$
<b>Cash flows from operating activities</b>			
Net (expenditure)/income before tax expense		(2,982,468)	5,917,970
Adjustments for:			
Investment income		<u>(127,432)</u>	<u>(74,314)</u>
Operating cash flows before changes in working capital		(3,109,900)	5,843,656
Change in operating liabilities:			
Other payables and accruals		<u>(1,008,000)</u>	<u>(1,992,456)</u>
<b>Net cash (used in)/from operating activities</b>		<u>(4,117,900)</u>	<u>3,851,200</u>
<b>Cash flow from investing activity</b>			
Interest received		<u>123,766</u>	<u>73,878</u>
<b>Net cash from investing activity</b>		<u>123,766</u>	<u>73,878</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>		(3,994,134)	3,925,078
Cash and cash equivalents at beginning of the year		17,085,755	13,160,677
<b>Cash and cash equivalents at end of the year</b>	3	<u>13,091,621</u>	<u>17,085,755</u>

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

**KEPPEL CARE FOUNDATION LIMITED**  
(Incorporated in Singapore)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR 31 DECEMBER 2016**

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 2016 were authorised for issue in accordance with a resolution of the directors on 15 March 2017.

**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 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 SoFA 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 and short-term placements with a related company of Keppel Corporation Limited, which functions as the central treasury of the Keppel group of companies.

The Company assessed that the fixed deposits and short-term placements placed with the central treasury, which has sound financial strength, is subject to an insignificant risk of changes in value. The nature of the fixed deposits and short-term placements are disclosed in note 3.

(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

	2016 \$	2015 \$
Fixed deposits with a related company of Keppel Corporation Limited	13,042,582	13,163,610
Short-term placements with a related company of Keppel Corporation Limited	<u>49,039</u>	<u>3,922,145</u>
	<u>13,091,621</u>	<u>17,085,755</u>

Fixed deposits placed with a related company of Keppel Corporation Limited mature within 1 month (2015: 1 month) from the financial year end and bear interest of 0.78% (2015: 0.68%) per annum.

Short-term placements with a related company of Keppel Corporation Limited bears interest of 0.13% (2015: 0.13%) per annum and are repayable on demand.

Deposits with the related company of Keppel Corporation Limited, which functions as the central treasury of the Keppel group of companies, are subject to an arrangement with a bank where bank balances above or below a preset amount are transferred to/from a bank account of that company on a daily basis.

### 4. OTHER PAYABLES AND ACCRUALS

	2016		2015	
	Due within one year	Due after one year	Due within one year	Due after one year
Donations payable	3,300,000	4,000,000	2,300,000	6,000,000
Other payables	-	-	8,000	-
	<u>3,300,000</u>	<u>4,000,000</u>	<u>2,308,000</u>	<u>6,000,000</u>

Donations pledged but unpaid to Institutions of a Public Character (“IPC”) at the balance sheet date are presented as donation payable.

### 5. INVESTMENT INCOME / CHARITABLE ACTIVITIES

The Company’s charitable activities comprise donations to IPCs. Investment income on funds earmarked for charitable activities are attributed to IPC activities in the Statement of Financial Activities.

6. **TRANSACTIONS WITH KEPPEL CORPORATION LIMITED AND ITS SUBSIDIARIES**

Income from Keppel Corporation Limited and its subsidiaries include:

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
Voluntary income	-	7,661,000
Investment income – interest income	<u>127,432</u>	<u>74,314</u>
	<u>127,432</u>	<u>7,735,314</u>