



SIM PEOPLE DEVELOPMENT FUND

SIM PEOPLE DEVELOPMENT FUND

ANNUAL
REPORT
2023

Cover Design

Rationale

This cover features a simple and modern design with dynamic geometric shapes in an array of SIM People Development Fund brand colours that symbolise diversity and connectivity. The overlapping ribbons create a sense of layers and depth, representing the multifaceted nature of society and the interconnectedness of individuals. The bold typography stands out, conveying a message of strength and certainty, which aligns with the idea of hope and the foundational support provided by the community.



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Chairman's Message



In November 2023, I was given the privilege and pleasure of taking over the chairmanship of the SIMPDF Board from former Chair, Mrs Lim Hwee Hua. Under her wise guidance, SIMPDF expanded our efforts in reaching more of those who needed a leg up in their social mobility. I would like to thank Hwee Hua for her stellar leadership in pioneering the work at SIMPDF especially during the global pandemic.

Although the world has come out of the pandemic, SIMPDF's commitment remains unchanged. Our purpose is to enable Singaporeans to participate in the ever-changing marketplace by realising the potential of their life skills through access to different learning pathways.

The Board came together at the end of 2023 to review and recalibrate the strategic direction of SIMPDF for the next few years. I am heartened that there is consensus among us of the need to focus on deep impact for our targeted stakeholders and beneficiaries – firstly by impacting the right segments, collaborating with like-minded partners, and understanding needs and gaps.

With this in mind, my fellow board members and I step into the next season with much hope and anticipation of what we can accomplish together in uplifting those who fall through the cracks.

Yours faithfully,

Mr Patrick Tay Teck Guan

Chairman

SIM People Development Fund

About SIM People Development Fund

The SIM People Development Fund (SIMPDF) was incorporated in 2020 with seed funding from the Singapore Institute of Management (SIM), as an extension of the latter's mission to do social good. Its mission is to support Singaporeans—from young adults who are just starting out to veterans in the workforce, including the self-employed and entrepreneurs—from all walks of life in upskilling through access to different learning pathways and experiences.

Since March 2021, SIMPDF has been registered as a charity with the Institution of Public Character (IPC) status. Donations made to SIMPDF are tax deductible. SIMPDF is governed by an independent board of directors.

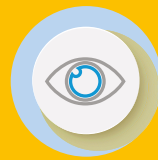
SIMPDF has a lean organisation structure—eight Board of Directors and one Executive Director with services in Finance, Governance & Compliance, Marketing & Communications, Legal, Events Management under a Service Agreement outsourced to SIM.

Purpose, Vision, Tagline



PURPOSE

Enabling Singaporeans to participate in the ever-changing market place by realising the potential of their life-skills through access to learning pathways



VISION

Successful bridging of opportunities for Singaporeans to fully participate in the economy

TAGLINE

*Keeping it **SIMPLE** –
Singaporeans **in the Marketplace, Pathways and Learning Experiences***

Logo

Focus on People Development - symbol of a person created from the overlapping letters **P** & **D**



SIM PEOPLE DEVELOPMENT FUND

'Minding the gaps' and successful bridging of opportunities
- overlapping letters **P, D & F**

Dignity of people and work
- use of **purple**

Life skills that enable one to thrive through the seasons
- use of **orange** and **yellow**

Operating Structure



Corporate Information



Unique Entity Number

202034234Z



Registered Address

41 Namly Avenue, Singapore 267616



Auditor

Ernst & Young LLP
Level 18, North Tower, One Raffles Quay, Singapore 048583



Principal Banker

DBS Bank Ltd
12 Marina Boulevard, DBS Asia Central,
Marina Bay Financial Centre Tower 3,
Singapore 018982

Corporate Governance

Governance

Assuming the overall governance of SIMPDF is the Board of Directors. With their diverse backgrounds, the board members bring to SIMPDF a wealth of perspectives and experience. Comprising a majority of independent elected members, the Board is responsible for the strategic direction and policies of SIMPDF to fulfil its mission. It provides governance and oversight on leadership, financial, risk and audit matters with the support of its committees, namely the Nomination Committee, Finance Committee, and Audit and Risk Committee.

The board is guided by a Code of Conduct and the Charities regulations which require the full disclosure of all potential conflicts and that members recuse themselves in situations of potential conflict, whether direct or indirect.

As part of good corporate governance, SIMPDF has an independent reporting channel (<https://singapore.deloitte-halo.com/simpdfwhistleblowing>) for individuals to raise concerns of misconduct, irregularities or malpractices on its Board of Directors, staff and vendors. Individuals' identities are kept confidential, and their concerns duly investigated.

Board of Directors



Mrs Lim Hwee Hua
Chairman, SIMPDF
(until 31 October 2023, retired
from 1 November 2023)



Mr Patrick Tay Teck Guan
Chairman, SIMPDF
(from 1 November 2023)
Assistant Secretary-General,
National Trades Union Congress
Member of Parliament,
Pioneer SMC



Mr Seah Chin Siong
Vice-Chairman, SIMPDF
President &
Chief Executive Officer,
Singapore Institute of
Management Group Limited



Dr Chia Tai Tee
Treasurer & Chairman,
Finance Committee,
SIMPDF



Mr Steven Phan
Member & Chairman,
Audit and Risk Committee,
SIMPDF



Mr Lam Yi Young
Member, SIMPDF



Ms Kimsuka Narasimhan
Member, SIMPDF
Vice-President and
Chief Financial Officer,
Kimberly-Clark



Ms Huang Shao-Ning
Member, SIMPDF
Founder and Chief Angel,
AngelCentral Pte Ltd

Meeting Attendance




Board of Directors			Meeting Attendance 2023	
Name	Designation in Board of Directors	Date of Appointment to Board of Directors	Board of Directors Meetings	Board of Directors Committee Meetings
Mrs Lim Hwee Hua	Chairman (until 31 October 2023)	1 January 2021 (Retired 1 November 2023)	3	NA
Mr Patrick Tay Teck Guan	Chairman (from 1 November 2023)	1 March 2021	3	1
Mr Seah Chin Siong	Vice-Chairman	1 January 2021	3	1
Dr Chia Tai Tee	Treasurer & Chairman, Finance Committee	1 January 2021	2	1
Mr Steven Phan	Member & Chairman, Audit and Risk Committee	1 January 2021	3	3
Mr Lam Yi Young	Member	1 March 2021	3	3
Ms Kimsuka Narasimhan	Member	1 February 2022	3	3
Ms Huang Shao-Ning	Member	1 November 2022	2	NA

No member of the Board of Directors was remunerated for his/her board services in FY2023. SIMPDF has no remunerated staff.

Board of Directors Committees

Committee	Chairman and Members	
Nomination Committee	Chairman: Mr Patrick Tay Teck Guan	Members: Mr Seah Chin Siong Dr Chia Tai Tee Mr Steven Phan
Audit and Risk Committee	Chairman: Mr Steven Phan	Members: Mr Lam Yi Young Ms Kimsuka Narasimhan
Finance Committee	Chairman: Dr Chia Tai Tee	Members: Mr Seah Chin Siong Mr Patrick Tay Teck Guan Ms Huang Shao-Ning (from 26 April 2023)

Financial Highlights

Key Financial Highlights ¹	2023	2022
 Income <i>SIMPDF's primary source of funding is from donations</i>	\$463,019	\$2,631,428
 Expenditure	\$1,505,573	\$754,134
 Net (deficit)/surplus for the year	\$(1,042,554)	\$1,877,294

¹ For the year ended 31 December.

SIMPDF targets to maintain a reserve level of two years taking into consideration its future income streams, operating and capital expenditure. The reserve level is reviewed yearly by the Board to ensure that the reserves are adequate to fulfil the charity's continuing obligations. The reserve ratio as of 31 December 2023 is 3.2 years.

Programme Highlights

=DREAMS – Empowering Youths

=DREAMS is a residential model that provides after-school academic and holistic support to children from financially challenged family backgrounds with the aim of helping them reach their potential for a tertiary education.

=DREAMS aspires to create a child-centric holistic system of care - encouraging parental involvement whilst engaging and collaborating with community partners.

SIMPDF supports children from =DREAMS by providing \$225,000 over three years (2023 to 2025) to fund their programmes and help these children reach their fullest potential.



Championing Mental Wellness of SG Youth

Towards the end of 2022, SIMPDF saw a gap in the mental wellbeing support for students that could potentially be filled. We looked at augmenting the efforts of schools by funding online counselling services to ease the burden on school counsellors and shorten the wait-time for students in need of support.

Since then, SIMPDF has partnered with a few polytechnics and a university on a pilot project that allows students to draw down stipulated credits from an external online service provider for counselling sessions. SIMPDF will review the pilot programme after its run in early 2024.



SIM People Development Fund Study Awards

The SIM People Development Fund Study Awards aim to provide financial support to deserving Singaporean students to encourage them to strive for academic excellence and realise their fullest potential.

In 2023, more than 300 students across five universities, four polytechnics, ITE and NorthLight School received the SIM People Development Fund Study Awards where close to \$1 million was disbursed. At the four award ceremonies held separately in September and October, former chairperson of SIMPDF, Mrs Lim Hwee Hua, affirmed award recipients of their potential and urged them to never give up no matter the challenges they face in life.

Up to two family members of the award recipients were invited to partake in the joy of the occasion. Attending the ceremonies were also staff from the respective institutions that SIMPDF had worked closely with in disbursing the funds.

Board members of SIMPDF also had the chance to interact with the award recipients and their families during a reception held after the ceremonies.



Testimonials



Thanks to the **SIMPDF Study Award**, I did not have to take on a part-time job to support myself. This enabled me to focus on my studies and self-initiated projects in preparation for my career. In 2023, my friends and I participated in the James Dyson Award: International Design Competition, and we emerged the national runner-up! We designed and built an affordable braille embosser out of a 3D printer for the visually impaired. Without the SIMPDF Study Awards, I wouldn't have had the energy and time to hone my craft and participate in the competition.

Sarah Loo

*Singapore University of Technology and Design,
SIMPDF Study Award Recipient*

I am extremely grateful for the **SIMPDF Study Award** which supported me in developing myself in the business development field, moving me closer to my goal of starting my own business. The award allowed me to focus on self-development be it in academia or skills acquisition without having to worry about my financial situation.

Xavier Lim

*Singapore Institute of Management,
SIMPDF Study Award Recipient*



The **SIMPDF Study Award** provided me with valuable financial assistance which alleviated the burden of educational expenses and allowed me to pursue higher educational opportunities. Having received the award, I am motivated to perform well academically, so that I may gain admission to highly competitive university programmes, such as computer science and information security. This will enable me to kickstart my career in my desired industry – cybersecurity.

Soh Kai Meng Leonard

*Singapore Polytechnic,
SIMPDF Study Award Recipient*



My aspiration is to have a stable job and be able to take care of my family. I aim to have a career that I love, in the same industry that I am currently studying. I intend to reach my goal by completing my diploma, and to take hold of every opportunity that will support my professional growth. The **SIMPDF Study Award** eased some of my financial burdens and allowed me to study without worrying about finances.

Nadiah Binte Tuah

*Republic Polytechnic,
SIMPDF Study Award Recipient*

With the **SIMPDF Study Award**, I was able to significantly reduce the number of part-time jobs I had to take up to support myself. This allowed me to concentrate on my studies and internship, through which I gained valuable industry experience. With the support of the award, I was also able to participate in school enrichment activities such as teambuilding events, which enhanced my schooling experience. I aspire to further my studies upon completing my NITEC programme, to broaden my career opportunities and achieve financial stability in the future.

Thank you, SIMPDF, for your support.

Muhammad Hasif Bin Yusof

Nitec, ITE,

SIMPDF Study Award Recipient



I come from a large family of 10 with seven younger brothers. I am the eldest among my siblings, and my youngest sibling is only two years old. My father is the sole breadwinner of the family, and my mother is a homemaker. As the eldest child, I take on household chores after school to help in the family. The **SIMPDF Study Award** has really helped me with my schooling expenses. I do not need to stress over financial expenses, and this has helped me focus on my studies to achieve academic excellence. Thank you so much, SIMPDF.

Emily Natassia Binte Jasferi

Higher Nitec, ITE,

SIMPDF Study Award Recipient



I was pleasantly surprised to be selected as a recipient of the **SIMPDF Study Award**. I had never received an award before, particularly for being a good student. It was such a new experience for me and I was glad I received this award in the presence of my parents. The award supported my family and me financially to purchase daily necessities especially on days when their salaries were delayed. The award also allowed me to make personal purchases such as stationery and a new bag for school. I am grateful to be a recipient of the award. It motivates me to always give my best.

Davin Raj S/O Daniel Raj
*NorthLight School,
SIMPDF Study Award Recipient*

Receiving the **SIMPDF Study Award** as I began my journey at ITE meant a lot to me. It provided me with financial support and motivated me to do well in my studies. With the award, I was able to cover some of my expenses on uniforms, textbooks, and other essential school supplies. I am sincerely grateful to the SIMPDF for believing in me and for their generous support. I promise to work hard and complete my course at ITE. After graduation, my goal is to secure a good job to support my family. Being the first in my family to graduate with an ITE certificate fills me with pride, and I am determined to make my family proud. Thank you very much for this amazing opportunity!

Nur Shafina Binte Abdullah Zulkarnain
*NorthLight School,
SIMPDF Study Award Recipient*



Financial Statements



Company Registration No. 202034234Z

SIM People Development Fund Limited
(A Company limited by guarantee)

Annual Financial Statements
31 December 2023



SIM People Development Fund Limited

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SIM People Development Fund Limited

Directors' statement

The directors hereby present their statement to the members together with the audited financial statements of SIM People Development Fund Limited (the "Company") for the financial year ended 31 December 2023.

Opinion of the directors

In the opinion of the directors,

- (i) the financial statements of the Company are drawn up so as to give a true and fair view of the financial position the Company as at 31 December 2023 and of the financial performance, changes in accumulated funds and cash flows of the Company for the year ended on that date in accordance with the provisions of the Singapore Companies Act 1967, the Singapore Charities Act 1994 and other relevant regulations and Financial Reporting Standards in Singapore; and
- (ii) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

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

Mr Tay Teck Guan Patrick

Dr Chia Tai Tee

Mr Seah Chin Siong

Mr Phan Swee Kim

Mr Lam Yi Young

Ms Narasimhan Kimsuka

Ms Huang Shao-Ning

Ms Elizabeth Chau Lai Yin (Appointed on 1 January 2024)

Ms Yong Zen Yun (Appointed on 1 February 2024)

Arrangements to enable directors to acquire shares or debentures

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

The Company is a public company limited by guarantee and does not have a share capital. There are no matters to be disclosed under Section 9, Twelfth Schedule of the Singapore Companies Act 1967.

SIM People Development Fund Limited

Directors' statement

Directors' contractual benefits

At the end of the reporting period, no director of the Company has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the director, or with a firm of which the director is a member, or with a Company in which the director has a substantial financial interest.

On behalf of the Board of Directors



Mr Tay Teck Guan Patrick
Chairman



Dr Chia Tai Tee
Treasurer

Singapore
8 April 2024

SIM People Development Fund Limited

Independent auditor's report For the financial year ended 31 December 2023

Independent auditor's report to the members of SIM People Development Fund Limited

Report on the financial statements

Opinion

We have audited the financial statements of the SIM People Development Fund Limited (the "Company"), which comprise the statement of financial position as at 31 December 2023, the statement of comprehensive income, statement of changes in accumulated funds and statement of cash flows of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Singapore Companies Act 1967 (the "Act"), the Singapore Charities Act 1994 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 financial position of the Company as at 31 December 2023 and of the financial performance, changes in funds and cash flows of the Company for the financial year ended on that date.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Management is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our auditor's report thereon.

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

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

SIM People Development Fund Limited

Independent auditor's report For the financial year ended 31 December 2023

Independent auditor's report to the members of SIM People Development Fund Limited

Responsibilities of management and those charged with governance 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 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, 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.

Those charged with governance comprises the directors. Their 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 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 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 the 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.

SIM People Development Fund Limited

**Independent auditor's report
For the financial year ended 31 December 2023**

Independent auditor's report to the members of SIM People Development Fund Limited

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

- 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 Singapore Companies Act 1967 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 financial period:

- (a) the Company has not used the donation moneys in accordance with its objectives as required under Regulation 11 of the Charities (Institutions of a Public Character) Regulations; and
- (b) the Company has not complied with the requirements of Regulation 15 of the Charities (Institutions of a Public Character) Regulations.

Ernst & Young LLP

Ernst & Young LLP
Public Accountants and
Chartered Accountants
Singapore

8 April 2024

SIM People Development Fund Limited

**Statement of comprehensive income
For the financial year ended 31 December 2023**

	Note	2023 \$	2022 \$
Income			
Donations	4	350,800	2,589,083
Interest income		112,219	42,345
Total income		463,019	2,631,428
Expenditure			
Grants and awards	5	(1,060,010)	(331,600)
Operating expenses		(391,115)	(382,096)
Administrative expenses		(54,448)	(40,438)
Total expenditure		(1,505,573)	(754,134)
Net (loss)/surplus for the year, representing total comprehensive income for the year		(1,042,554)	1,877,294

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

SIM People Development Fund Limited**Statement of financial position
As at 31 December 2023**

	Note	2023 \$	2022 \$
Current assets			
Other receivables	7	2,360,680	2,368,771
Prepayments		11,597	33,536
Singapore government treasury bill	8	2,451,850	1,470,825
Cash and bank balances	9	185,831	2,257,075
Total assets		5,009,958	6,130,207
Current liabilities			
Other payables	10	253,044	330,739
Total current liabilities		253,044	330,739
Net current assets		4,756,914	5,799,468
Net assets		4,756,914	5,799,468
Funds			
General fund		4,756,914	5,799,468
Total funds		4,756,914	5,799,468
Total liabilities and funds		5,009,958	6,130,207

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

SIM People Development Fund Limited

**Statement of changes in accumulated funds
For the financial year ended 31 December 2023**

	General fund \$
At 1 January 2022	3,922,174
Net surplus for the year, representing total comprehensive income for the year	1,877,294
At 31 December 2022 and 1 January 2023	<hr/> 5,799,468
Net loss for the year, representing total comprehensive income for the year	(1,042,554)
At 31 December 2023	<hr/> <hr/> 4,756,914

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

SIM People Development Fund Limited**Statement of cash flows
For the financial year ended 31 December 2023**

	Note	2023 \$	2022 \$
Operating activities			
Net (loss)/surplus for the year		(1,042,554)	1,877,294
Adjustments for:			
Interest income		(112,219)	(42,345)
Donation income		(350,800)	(2,589,083)
Operating cash flows before changes in working capital		(1,505,573)	(754,134)
Donation received		350,800	239,083
Prepayments		21,939	(33,536)
Other payables		(77,695)	17,976
Net cash used in operating activities		(1,210,529)	(530,611)
Investing activities			
Withdrawal/(placement) of fixed deposits		1,508,116	(1,508,116)
Interest received		120,310	23,574
Purchase of Singapore government treasury bill		(981,025)	(1,470,825)
Net cash flows generated from/(used in) investing activities		647,401	(2,955,367)
Net decrease in cash and cash equivalents		(563,128)	(3,485,978)
Cash and cash equivalents at the beginning of the year		748,959	4,234,937
Cash and cash equivalents at the end of the year	9	185,831	748,959

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

SIM People Development Fund Limited

Notes to the financial statements For the financial year ended 31 December 2023

1. Corporate information

SIM People Development Fund Limited (the “Company”) is incorporated as a company limited by guarantee and domiciled in Singapore to promote philanthropic trusts, foundations and activities in the domains of education, training and lifelong learning, and related research, that are exclusively charitable and for the benefit of the Singapore community.

The registered office of the Company is located at 41 Namly Avenue Singapore 267616.

The Company is an approved Institution of a Public Character (“IPC”) in accordance with Section 37(9) of the Singapore Income Tax Act 1947 from 10 March 2021 to 09 March 2026.

2. Material accounting policy information

2.1 *Basis of preparation*

The financial statements have been prepared in accordance with the Financial Reporting Standards in Singapore (“FRSs”).

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

The financial statements are presented in Singapore dollars (“SGD” or “\$”).

The financial statements of the Company have been prepared on the basis that it will continue to operate as a going concern.

2.2 *Adoption of new and amended standards and interpretations*

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Company has adopted all the new and amended standards which are relevant to the Company and are effective for annual financial period beginning on or after 1 January 2023.

The adoption of these standards did not have any material effect on the financial performance or position of the Company.

2.3 *New standards and interpretations issued but not yet effective*

The Company has not adopted the following standards applicable to the Company that have been issued but not yet effective:

<i>Description</i>	<i>Effective for annual periods beginning on or after</i>
Amendments to FRS 1: Classification of Liabilities as Current or Non-current	1 January 2024

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

2. Material accounting policy information (cont'd)

2.4 Financial instruments

(a) *Financial assets*

Initial recognition and measurement

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

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("FVPL"), transaction costs that are directly attributable to the acquisition of the financial asset.

Subsequent measurement

Amortised cost

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in income and expenditure when the assets are derecognised or impaired, and through amortisation process.

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in income and expenditure.

(b) *Financial liabilities*

Initial recognition

The Company initially recognises all financial liabilities on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument.

Such non-derivative financial liabilities are initially measured at fair value less directly attributable transaction costs.

Subsequent measurement

After initial recognition, such financial liabilities are subsequently measured at amortised cost using the effective interest method. These financial liabilities comprised trade and other payables and accrued expenses.

Derecognition

The Company derecognises a financial liability when its contractual obligations are discharged, cancelled, or expired.

2. Material accounting policy information (cont'd)

2.5 Impairment of financial assets

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

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

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

The Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.6 Cash and bank balances

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

2.7 Income

Donations

Donations are recognised in statement of comprehensive income in the period of receipt or when there is reasonable assurance that the donation income will be received and is measurable.

Interest income

Interest income is recognised on an accrual basis, by reference to the principal outstanding and at the effective interest rate applicable.

2.8 Expenditure

Expenditures comprises charitable activities expenses, administrative and operating expenses and governance costs. Expenditures are recognised as and when they are incurred in the accounting period in which approval is obtained from the management appointed to exercise stewardship over the Company.

SIM People Development Fund Limited

Notes to the financial statements For the financial year ended 31 December 2023

3. Significant accounting judgements and estimates

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3.1 Judgements made in applying accounting policies

In the process of applying the Company's accounting policies, management is of the opinion that there is no instance of application of judgement which is expected to have a significant effect on the amounts recognised in the financial statements.

3.2 Key sources of estimation uncertainty

In the process of key assumptions concerning the future and other uncertainty at the end of the reporting period, management is of the opinion that there is no instance of application of estimation uncertainty which is expected to have a significant effect on the amounts recognised in the financial statements.

4. Donations

	2023	2022
	\$	\$
Donation received	800	239,083 [#]
Donation receivable	350,000	2,350,000*
	<u>350,800</u>	<u>2,589,083</u>

* \$350,000 tax deductible donation was received during the financial year ended 31 December 2023.

[#] \$221,500 tax deductible donation was received during the financial year ended 31 December 2022.

Donation income is primarily from a corporate donor.

SIM People Development Fund Limited

Notes to the financial statements For the financial year ended 31 December 2023

5. Grants and awards

Grants and awards comprise:

- (a) Individual grants - Facilitate education and skills development to enhance employability and social mobility of learners;
- (b) Enterprise grants - Aid organisation transformation through innovative workforce strategies; and
- (c) Study awards – Provides financial assistance to needy and deserving Singaporean students to complete their studies.

As at the end of the reporting year, the Board has approved \$1,219,400 (2022: \$1,290,674) of grants and awards to be disbursed in subsequent financial years.

6. Income tax expense

The Company is an approved charity organisation under the Singapore Charities Act 1994 and an institution of a public character under the Singapore Income Tax Act 1947. No provision for taxation has been made in the financial statements as the Company is a registered charity with income tax exemption.

7. Other receivables

	2023	2022
	\$	\$
Donation receivable	2,350,000	2,350,000
Interest receivable	10,680	18,771
	<hr/>	<hr/>
	2,360,680	2,368,771
	<hr/>	<hr/>

8. Singapore government treasury bill

	2023	2022
	\$	\$
At amortised cost:		
Singapore government treasury bill	2,451,850	1,470,825
	<hr/>	<hr/>

Singapore government treasury bills are interest bearing at 3.73% to 3.95% (2022: 3.9%) per annum and are for a tenure of approximately 182 days.

SIM People Development Fund Limited

Notes to the financial statements For the financial year ended 31 December 2023

9. Cash and bank balances

	2023	2022
	\$	\$
Cash at bank	185,831	245,674
Fixed deposits		
-with maturity period of up to 3 months	–	503,285
-with maturity period between 3 to 12 months	–	1,508,116
	<u>185,831</u>	<u>2,257,075</u>

Cash at bank earns interest at floating rates based on the daily bank deposit rates and are denominated in Singapore Dollars.

In 2022, fixed deposits are interest bearing at average rates ranging from 3.4% to 3.6% per annum and are for a tenure of approximately 61 days to 182 days.

Cash and cash equivalents comprise of cash at bank and short-term fixed deposits with maturity period of up to 3 months.

For the purpose of presenting the statement of cash flows, cash and cash equivalents comprise the following:

	2023	2022
	\$	\$
Cash at bank	185,831	245,674
Fixed deposits with maturity period of up to 3 months	–	503,285
	<u>185,831</u>	<u>748,959</u>

10. Other payables

	2023	2022
	\$	\$
Accruals	253,044	330,739

The Company's exposures to liquidity risk related to other payables are disclosed in Note 12 to the financial statements.

11. Related parties

Key management personnel compensation

Key management personnel of the Company are those persons who have the authority and responsibility for planning, directing and controlling the activities of the entity. The Board of Directors is considered as key management personnel of the Company.

The Board of Directors did not receive any form of remuneration from the Company during the financial year (2022: \$Nil).

12. Financial risk management objectives and policies

Overview

The Company is exposed to financial risks, namely credit risk, liquidity risk and market risk, arising from its operations.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

Risk management framework

Risk management is integral to the operations of the Company. The Company has a system of controls in place to create an acceptable balance between cost of risks occurring and the cost of managing the risks. The Board of Directors continually monitor the Company'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 the changes in market conditions and the Company's activities.

Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's cash and bank balances.

The carrying amount of financial assets in the statement of financial position represents the Company's maximum exposure to credit risk, before taking into account any collateral held. The Company does not hold any collateral in respect of its financial assets.

The Company only records donations when the receipt is certain or when there is a reasonable assurance that the donation income will be received and is measurable. The Board of Directors regularly monitor the recoverability of its financial assets and believe that it has adequately provided for any exposure to potential losses.

Cash and bank balances

Cash is placed with banks and financial institutions which are regulated.

The Company held cash and bank balances of \$185,831 at 31 December 2023.

Allowance for expected credit losses on cash and bank balances has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Company considers that its cash and bank balances have low credit risk based on the external credit ratings of the counterparties. The amount of the allowance on for expected credit losses cash and bank balances is determined to be immaterial.

12. Financial risk management objectives and policies (cont'd)***Liquidity risk***

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due under normal and stressed conditions without incurring unacceptable losses or risking damage to the Company's reputation.

The Company monitors its liquidity risk and maintains an adequate level of cash and bank balances to finance the Company's operations and to mitigate the effects of fluctuations in cash flows.

The following are the expected contractual undiscounted cash outflows of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

	Carrying amount \$	Contractual cash flows within 1 year \$
2023		
Other payables	253,044	253,044
	253,044	253,044
2022		
Other payables	330,739	330,739
	330,739	330,739

SIM People Development Fund Limited

Notes to the financial statements For the financial year ended 31 December 2023

12. Financial risk management objectives and policies (cont'd)

Accounting classifications and estimation of fair values

The table below shows the classifications of financial assets and liabilities together with their carrying amounts recorded in the statement of financial position. For financial assets and financial liabilities not measured at fair value, the carrying amount is a reasonable approximation of their fair value due to their short-term nature.

	Note	Amortised cost \$	Total carrying amount \$
2023			
<i>Financial assets not measured at fair value</i>			
Singapore government treasury bill	8	2,451,850	2,451,850
Cash and bank balances	9	185,831	185,831
		<u>2,637,681</u>	<u>2,637,681</u>
<i>Financial liabilities not measured at fair value</i>			
Other payables	10	253,044	253,044
		<u>253,044</u>	<u>253,044</u>
2022			
<i>Financial assets not measured at fair value</i>			
Singapore government treasury bill	8	1,470,825	1,470,825
Cash and bank balances	9	2,257,075	2,257,075
		<u>3,727,900</u>	<u>3,727,900</u>
<i>Financial liabilities not measured at fair value</i>			
Other payables	10	330,739	330,739
		<u>330,739</u>	<u>330,739</u>

13. Authorisation of financial statements for issue

The financial statements for the financial year ended 31 December 2023 were authorised for issue in accordance with a resolution of the directors on 8 April 2024.



SIM PEOPLE DEVELOPMENT FUND