

Tan Mok Koon Charity Fund Limited Annual Report FY-2023

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1. Background

The Tan Mok Koon Charity Fund Limited (TMK Charity Fund) is established by Mr. Tan Mok Koon (Mr. Tan) in 2015. It aims to provide donations to charitable causes for the advancement of education and relief of poverty.

The TMK Charity Fund has been registered as a charity under the Charity Act in Singapore and as an approved Qualifying Grantmaker Philanthropic organization. The Fund does not fundraise from the public. Instead, funding will be wholly undertaken by Mr. Tan (in personal capacity and/or through his business enterprise) and his family members.

Mr. Tan came from humble beginnings. Through the sacrifices of his elder siblings and the education bursaries he received, Mr. Tan eventually graduated from the National University of Singapore. He attributes his success to the support and mentorship he received from many selfless individuals he met while building his career. In this regard, he is filled with gratitude towards his benefactors and our society which gave him opportunities in life. Furthermore the challenges he encountered in his younger years motivated him to reach out to the less fortunate who face similar predicaments. For these reasons, he felt compelled to give back to our society in the same manner.

In 2016, the TMK Charity Fund supported the National University of Singapore Undergraduate Student Aid and established the Tan Mok Koon Bursary (Endowed Fund). The Bursary will cover the selected needy recipients for their undergraduate studies in the Faculty of Chemical Engineering, Computer Science and Psychology.

Through the TMK Charity Fund, Mr. Tan hopes to formalize the process of giving in a structured approach. It is also his wish that such philanthropic values be passed on to his children and descendants and for them to continue the charitable legacy beyond his lifetime.

2. Vision & Mission

Vision

We want to support a society where every individual regardless of age, gender, race, and religion can have access to equal opportunities to fulfil their fullest potential without being constrained by the lack of financial resources.

Mission

We want to provide meaningful and sustainable financial support and assistance for the underprivileged in our society by granting them access to the resources they need to overcome their life obstacles and have a proper education.

By helping the underprivileged to fulfil their potential, the recipients in turn will be inspired to pass on the good values and contribute in a similar manner to the rest of our society.

3. Chairman's Message

The TMK Charity Fund received \$25,000 donation in FY2023. The fund endowed top-up another \$30,000 to the National University of Singapore, Tan Mok Koon Bursary. The current bursary fund balance is at S\$1,020,000.

The Tan Mok Koon Charity Fund Limited's contribution help to provide financial assistance to students who may not otherwise have the means to pursue further education. We are pleased to report that a total of 15 undergraduates have benefited from the Tan Mok Koon Bursary (Endowed Fund) over the period 2023-2024.

Going forward, we will continue our commitment to support charitable causes in the areas of advancement of education and relief of poverty.

Thank You!



Mr. Tan Mok Koon
Chairman

4. Statutory Information

Tan Mok Koon Charity Fund Limited:

UEN:2015534719N

Incorporate as a company limited by Guarantee on 15 September 2015

Registered as Charity since 24 Nov 2015

Registered as Grantmakers since 28 Dec 2015

Registered office:

31 Tomlinson Road

#21-01 Singapore 247855

Operating office:

31 Tomlinson Road

#21-01 Singapore 247855

Banker:

DBS Bank Ltd

Independent Auditor:

C.B. Lim & Co

60 Paya Lebar Road

#07-44 Paya Lebar Square

Singapore 409051

Corporate Secretary:

Goh Boon Kok Services Pte Ltd

60 Paya Lebar Road

#07-44 Paya Lebar Square

Singapore 409051

Founding Members:

Tan Mok Koon

Tan Wei Liang

Tan Wei Ting

Directors:

Tan Mok Koon, Chairman (since 15 September 2015)

Tan Tow Koon (since 15 September 2015)

Tan Poay Koon (since 15 September 2015)

5. Review of Year 2023

5.1 Staffing

The TMK Charity Fund is wholly managed by Mr. Tan and his family members. No external staff was employed during the year.

5.2 Remuneration

The Members and Board of Directors are volunteers of the TMK Charity Fund. They will not be paid any remuneration.

5.3 Donation received

The TMK Charity Fund received \$25,000 donation. The Charity Fund does not fundraise from the public

5.4 Donation disbursement

The TMK charity Fund endowed top up \$30,000 to the National University of Singapore, Tan Mok Koon Bursary.

The TMK Charity Fund only make donations to IPCs, and it must distribute the donations to IPCs within five years of receipt of the donation from the donors. As of 31st December 2023, the TMK Charity Fund has no outstanding balance which need to be disbursed.

	\$
Balance of cash donation not disbursed as at 1 st January 2023	5,000
Add cash donation received during the year 2023	25,000
Less cash donation disbursed during the year 2023	30,000
Balance of cash donation not disbursed as at 31 December 2023	0.0

5.5 Financial status

See enclosed audited financial statement FY 2023.

Mr. Tan has undertaken to fund the operating expenses (such as the accounting, auditing, corporate secretary fees etc.) of the charity fund. All donations will be distributed to the IPCs within five years of receipt from the donors according to the IRAS guideline.

6. Future plans and commitments

we will continue our commitment to support charitable causes in the areas of advancement of education and relief of poverty.

7. Charity Council – Governance Evaluation Checklist

This requirement does not apply to a self-funded Grantmaker which is not an IPC

TAN MOK KOON CHARITY FUND LIMITED
(Incorporated in the Republic of Singapore,
limited by guarantee and not having share capital)
Company Registration No: 201534719N

ANNUAL FINANCIAL STATEMENTS – 31 DECEMBER 2023

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TAN MOK KOON CHARITY FUND LIMITED

DIRECTORS' STATEMENT

The directors are pleased to present their statement to the members of the Tan Mok Koon Charity Fund Limited (the "Fund") together with the audited financial statements of the Fund for the financial year ended 31 December 2023.

1. OPINION OF THE DIRECTORS

- (a) the financial statements of the Fund are drawn up so as to give a true and fair view of the financial position of the Fund as at 31 December 2023 and the financial performance, changes in funds and cash flows of the Fund for the year then ended; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Fund will be able to pay its debts as and when they fall due.

2. DIRECTORS

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

Tan Mok Koon
Tan Tow Koon
Johnny Tan Poay Koon

3. DIRECTORS' INTEREST

Director who is also member of the Fund is Mr Tan Mok Koon. The member does not have a personal interest in the Fund.

The Fund is a Company limited by guarantee and has no share capital, the statutory information required to be disclosed by the directors under Section 201 (6) (g) and Section 201 (12) of the Companies Act, Chapter 50 does not apply.

4. SHARE OPTIONS

The Fund is a Company limited by guarantee and has no share capital. As such, there are no share options or unissued shares under option.

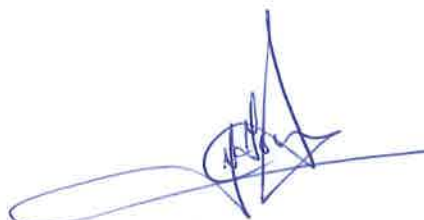
6. AUDITOR

C.B. LIM & CO. have expressed their willingness to accept reappointment.

On behalf of
the Board of Directors



.....
Tan Mok Koon
Director



.....
Tan Tow Koon
Director

Dated: **21 JUN 2024**
Singapore

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TAN MOK KOON CHARITY FUND LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Tan Mok Koon Charity Fund Limited (the "Fund"), which comprise the statement of financial position of the Fund as at 31 December 2023, the statement of financial activities, statement of changes in funds and statement of cash flows of the Fund for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the Act), the Charities Act 1994 and other relevant regulations (the Charities Act and Regulations), the Income Tax (Grant-Making Philanthropic Organisations) Regulations 2009 and Financial Reporting Standards in Singapore (FRSs) so as to give a true and fair view of the financial position of the Fund as at 31 December 2023 and of the financial performance, changes in funds and cash flows of the Fund 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund 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 audit opinion.

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement.

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Companies Act, the Charities Act and Regulations, the Grant-Making Philanthropic Organisations 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 Fund'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 Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance comprise the directors. Their responsibilities include overseeing the Fund's financial reporting process.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF TAN MOK KOON CHARITY FUND LIMITED - CONT'D

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 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 Fund'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 Fund'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 Fund 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

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required to be kept by the Fund have been properly kept in accordance with the provisions of the Companies Act, the Charities Act and Regulations and the Grant-Making Philanthropic Organisations Regulations 2009.



C.B. LIM & CO.
Public Accountants and
Chartered Accountants

Singapore

Date: 12 JUN 2024

TAN MOK KOON CHARITY FUND LIMITED

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023

	<u>Note</u>	<u>2023</u> S\$	<u>2022</u> S\$
<u>Assets</u>			
Cash and cash equivalents	4	5,797	11,538
Other receivables	5	351	-
Total current assets		<u>6,148</u>	<u>11,538</u>
Total assets		<u><u>6,148</u></u>	<u><u>11,538</u></u>
 <u>Funds</u>			
General fund	6	980	1,245
Restricted fund		-	5,000
Total funds		<u>980</u>	<u>6,245</u>
 <u>Liabilities</u>			
Other payables	7	5,168	5,293
Total current liabilities		<u>5,168</u>	<u>5,293</u>
Total funds and liabilities		<u><u>6,148</u></u>	<u><u>11,538</u></u>

The accompanying notes form an integral part of these financial statements

TAN MOK KOON CHARITY FUND LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	<u>Note</u>	<u>2023</u> S\$	<u>2022</u> S\$
Donation received		25,000	30,000
Donation expenses		(30,000)	(60,000)
Contribution		4,000	40,000
Other operating expenses	7	(4,265)	(3,865)
(Deficit) / Profit for the year		<u>(5,265)</u>	<u>6,135</u>
Income tax expense	8	-	-
(Deficit) / Profit for the year representing total comprehensive (loss) / income for the year		<u><u>(5,265)</u></u>	<u><u>6,135</u></u>
Represented by:			
- General fund		(265)	36,135
- Restricted fund		(5,000)	(30,000)
		<u><u>(5,265)</u></u>	<u><u>6,135</u></u>

The accompanying notes form an integral part of these financial statements

TAN MOK KOON CHARITY FUND LIMITED

**STATEMENT OF CHANGES IN FUNDS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

	<u>General Fund</u> S\$	<u>Restricted Fund</u> S\$	<u>Total Fund</u> S\$
At 1 January 2022	(34,890)	35,000	110
Total comprehensive income for the year	36,135	(30,000)	6,135
At 31 December 2022	<u>1,245</u>	<u>5,000</u>	<u>6,245</u>
Total comprehensive loss for the year	(265)	(5,000)	(5,265)
At 31 December 2023	<u><u>980</u></u>	<u><u>-</u></u>	<u><u>980</u></u>

The accompanying notes form an integral part of these financial statements

TAN MOK KOON CHARITY FUND LIMITED

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	<u>2023</u> S\$	<u>2022</u> S\$
<u>Cash flow from / (used in) operating activities</u>		
(Deficit) / Profit for the year	(5,265)	6,135
Changes in working capital:		
Changes in other receivables	(351)	-
Net cash (used in) / from operating activities	<u>(5,616)</u>	<u>6,135</u>
<u>Cash flow used in financing activities</u>		
Repayment to a director	(125)	-
Net cash used in financing activities	<u>(125)</u>	<u>-</u>
Net changes in cash and cash equivalents	(5,741)	6,135
Cash and cash equivalents at 1 January	11,538	5,403
Cash and cash equivalents at 31 December (Note 4)	<u>5,797</u>	<u>11,538</u>

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

TAN MOK KOON CHARITY FUND LIMITED

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2023

These notes form an integral part of the financial statements.

The financial statements of the Fund for the financial year ended 31 December 2023 were authorised for issue by the Board of Directors on 21 June 2024.

1. GENERAL

Tan Mok Koon Charity Fund Limited is incorporated in Singapore as a company limited by guarantee under the Singapore Companies Act (Cap.50) and registered as a charity under the Charities Act 1994. The Fund's registered office and place of business is located at 31 Tomlinson Road #21-01 Tomlinson Heights Singapore 247855.

The Fund is a non-profit philanthropic organisation whose principal activities are to carry out charitable activities and to provide grants and bursaries to students at local universities.

2. MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Basis of preparation

The financial statements have been prepared in accordance with the provisions of the Singapore Companies Act, Cap 50, the Charities Act 1994, the Grant-Making Regulations and Singapore Financial Reporting Standards (FRS).

The financial statements are presented in Singapore Dollars (S\$), which is the Fund's functional currency. The financial statements of the Fund 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 Fund has adopted all the new and amended standards which are relevant to the Fund and are effective for annual financial period beginning on 1 January 2023. The adoption of these standards did not have any material effect on the financial statements of the Fund.

2.3 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 Fund 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. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Subsequent measurement

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 profit or loss when the assets are derecognised or impaired, and through the amortisation process.

2. MATERIAL ACCOUNTING POLICY INFORMATION - CONT'D

2.3 Financial assets - cont'd

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 profit or loss.

2.4 Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Fund becomes a party to the contractual provisions of the financial instrument. The Fund determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at FVPL, net of directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at FVPL are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

2.5 Impairment of financial assets

The Fund recognises an 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 Fund 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).

The Fund considers a financial asset in default when contractual payments are 60 days past due. However, in certain cases, the Fund may also consider a financial asset to be in default when internal or external information indicates that the Fund is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Fund. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.6 Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and on hand which are subject to an insignificant risk of changes in value.

2. MATERIAL ACCOUNTING POLICY INFORMATION - CONT'D

2.7 Donations

The Fund is registered on 28 December 2015 as a grant-making philanthropic organisation in accordance with Section 3(3) of the Income Tax (Grant-Making Philanthropic Organisations) Regulations 2009.

The registration was granted by the Comptroller in Income Tax and the Fund is required to meet the conditions stipulated in the Regulations.

As per the Regulations, all donations received must only be disbursed to Institutions of Public Character within 5 years from the date of receipt.

Donations are recognised as income upon receipt.

2.8 Related parties

Related party disclosed in the financial statements refers to a firm in which the directors are partners or companies which are controlled or significantly influenced by the Fund's key management personnel.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENT

The preparation of the Fund'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.

Management is of the opinion that there are no significant judgements made in applying accounting estimates and policies that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4. OTHER RECEIVABLES

	<u>2023</u> S\$	<u>2022</u> S\$
Prepayment	351	-

5. CASH AND CASH EQUIVALENTS

	<u>2023</u> S\$	<u>2022</u> S\$
Cash at bank	5,797	11,538

6. ACCUMULATED FUNDS

According to the Constitution of the Fund, the liability of members is limited and each member of the Fund undertakes to contribute an amount not exceeding S\$1 in the event of it being wound up while he is a member, or within one year after he ceases to be a member, for payment of debts and liabilities of the Fund contracted before he ceases to be a member.

The accumulated funds are unrestricted and available for general use at the discretion of the governing board members in furtherance of the Fund's objectives.

7. OTHER PAYABLES

	<u>2023</u> S\$	<u>2022</u> S\$
Accruals	2,700	2,700
	<u>2,700</u>	<u>2,700</u>
Due to a director	2,468	2,593
	<u>5,168</u>	<u>5,293</u>

Due to a director is unsecured, repayable on demand and interest free.

8. OTHER OPERATING EXPENSES

	<u>2023</u> S\$	<u>2022</u> S\$
Accounting fee	600	600
Audit fee	2,100	2,100
Computer expenses	383	-
Secretarial fee	800	800
Others	382	365
	<u>4,265</u>	<u>3,865</u>

9. INCOME TAX EXPENSE

The Fund is registered as a charity and is exempt from income tax in accordance with Section 13(1)(zm) of the Income Tax Act.

10. FINANCIAL RISK MANAGEMENT

The Fund's activities expose it to a variety of financial risks from its operations. The key financial risks include credit risk, liquidity risk and market risk (including interest rate risk and foreign currency risk).

The management reviews and agree policies and procedures for the management of these risks, which are executed by the management team. It is, and has been throughout the current and previous financial year, the Fund's policy that no trading in derivatives for speculative purposes shall be undertaken.

The following sections provide details regarding the Fund's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the Fund's exposure to these financial risks or the manner in which it manages and measures the risks.

10.1 Credit risk

Credit risk refers to the risk that counterparties may default on their contractual obligations resulting in financial loss to the Fund. The Fund minimises credit risk by dealing with credit worthy counterparties.

The Fund considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting date.

The Fund has assessed the financial position of the related party and concluded that there has been no significant increase in the credit risk since the recognition of the financial assets. Accordingly, the Fund measured the impairment loss allowance using the 12-month ECL and determined that the ECL is insignificant.

10. FINANCIAL RISK MANAGEMENT - CONT'D

10.2 Liquidity risk

Liquidity or funding risk is the risk that an enterprise will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Fund monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the operations of the Fund and mitigate the effects of fluctuation in cash flow.

At the balance sheet date, the Fund's financial assets and financial liabilities mature in less than one year.

10.3 Interest risk

The Fund's financial assets and financial liabilities are non-interest bearing.

10.4 Foreign currency risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

At the balance sheet date, the Fund is not exposed to any foreign exchange risk as all financial assets and financial liabilities are in Singapore dollars.

11. FAIR VALUE OF ASSETS AND LIABILITIES

The fair value of a financial instrument is the amount of which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction, other than in a forced or liquidation sale.

Financial instruments whose carrying amount approximate fair value

Management has determined that the carrying amounts of cash and cash equivalents, other receivables and other payables are based on their notional amounts, reasonably approximate their fair values because they are mostly short term in nature or are repriced frequently.