

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

Annual Report  
Year ended 30 September 2024

## **Statement by Agents**

We, Fong Foong Chao and Benjamin Tan Keng Sing, the agents of World Vision International - Singapore Operations (“the Branch”), state that in our opinion:

- (a) the financial statements set out on pages FS1 to FS30 are drawn up so as to give a true and fair view of the financial position of the Branch’s operations in Singapore as at 30 September 2024 and the results, changes in funds and cash flows of the Branch’s operations in Singapore for the year ended on that date in accordance with the provisions of the Companies Act 1967, the Charities Act 1994 and other relevant regulations, and Financial Reporting Standards in Singapore; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Branch will be able to pay its debts as and when they fall due.

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



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**Fong Foong Chao**  
*Local Agent*



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**Benjamin Tan Keng Sing**  
*Local Agent*

**Singapore**  
17 March 2025



KPMG LLP  
12 Marina View #15-01  
Asia Square Tower 2  
Singapore 018961

Telephone +65 6213 3388  
Fax +65 6225 0984  
Internet www.kpmg.com.sg

## Independent auditors' report

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

### Report on the audit of the financial statements

#### *Opinion*

We have audited the financial statements of the Singapore Operations of World Vision International ("the Branch"), pursuant to Section 373 of the Companies Act 1967 ("the Act"). These financial statements comprise the statement of financial position as at 30 September 2024, the statement of comprehensive income, statement of changes in funds and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages FS1 to FS30.

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

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Act, the Charities Act 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 assets used in, and liabilities arising out of, the Branch's operations in Singapore as at 30 September 2024 and of the results, changes in head office account and cash flows of the Branch's operations in Singapore for the year ended on that date.

#### *Basis for opinion*

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the 'Auditors' responsibilities for the audit of the financial statements' section of our report. We are independent of the Branch in accordance with the Accounting and Corporate Regulatory Authority ("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 all other information contained in the annual report but does not include the financial statements and our auditors' report thereon.



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

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

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

*Responsibilities of management and those charged with governance for the financial statements*

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 Branch's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Branch or to cease operations, or has no realistic alternative but to do so.

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

*Auditors' responsibilities for the audit of the financial statements*

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

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.



- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Branch's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the 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 Branch's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Branch to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

### **Report on other legal and regulatory requirements**

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

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

*KPMG LLP*  
**KPMG LLP**  
*Public Accountants and*  
*Chartered Accountants*

**Singapore**  
17 March 2025

**Statement of financial position**  
**As at 30 September 2024**

	Note	2024		2023	
		SAPO \$	Support office \$	SAPO \$	Support office \$
<b>Non-current asset</b>					
Property, plant and equipment	4	139,332	912,768	203,008	961,732
<b>Current assets</b>					
Receivables	5	83,612	396,920	56,854	414,640
Cash and cash equivalents	6	126,788	6,405,187	131,842	5,913,790
		210,400	6,802,107	188,696	6,328,430
<b>Total assets</b>		<b>349,732</b>	<b>7,714,875</b>	<b>391,704</b>	<b>7,290,162</b>
<b>Funds and liabilities</b>					
<b>Funds</b>					
Head office account		(142,162)	6,431,364	(249,123)	6,038,362
Woods Square Office Space Fund	7	—	781,756	—	834,506
Public Response Funds	8	—	—	—	—
<b>Total funds</b>		<b>(142,162)</b>	<b>7,213,120</b>	<b>(249,123)</b>	<b>6,872,868</b>
<b>Non-current liabilities</b>					
Lease liabilities	9	81,981	—	145,013	—
<b>Current liabilities</b>					
Lease liabilities	9	63,032	—	57,980	—
Other payables and accruals	10	346,881	501,755	437,834	417,294
		409,913	501,755	495,814	417,294
<b>Total liabilities</b>		<b>491,894</b>	<b>501,755</b>	<b>640,827</b>	<b>417,294</b>
<b>Total funds and liabilities</b>		<b>349,732</b>	<b>7,714,875</b>	<b>391,704</b>	<b>7,290,162</b>
					<b>7,681,866</b>

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

**Statement of comprehensive income  
 Year ended 30 September 2024**

	Note	SAPO Head office account \$	Head office account \$	Woods Square Office Space Fund \$	Support office Global Hunger Response \$	Total \$
2024						
Donations received	11	–	20,761,891	–	139,115	20,901,006
Funds received from World Vision International		4,809,421	–	–	–	4,809,421
Other income	12	57,735	16,018	–	–	73,753
Donations remitted to World Vision International for international ministry		–	(16,555,500)	–	(97,489)	(16,652,989)
Programs' expenditures	13	–	(352,398)	–	(41,626)	(394,024)
		4,867,156	3,870,011	–	–	8,737,167
Administrative expenses	14	(4,747,558)	(3,664,111)	(52,750)	–	(8,464,419)
Finance income	15	–	200,293	–	–	200,293
Finance costs	15	(12,637)	(13,191)	–	–	(25,828)
<b>Net finance (costs)/income</b>		(12,637)	187,102	–	–	174,465
<b>Surplus/(deficit) before tax</b>		106,961	393,002	(52,750)	–	447,213
Income tax expense	16	–	–	–	–	–
<b>Net surplus/(deficit) for the year and total comprehensive income for the year</b>		106,961	393,002	(52,750)	–	447,213

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

Statement of comprehensive income (cont'd)  
 Year ended 30 September 2024

2023	Note	SAPO		Head office		Woods Square		Support office		Türkiye-Syria's		Sudan's Crisis		Total
		Head office account \$	Head office account \$	Office Space Fund \$	Emergency Response Funds \$	Earthquake Response Funds \$	Emergency Response Funds \$	Emergency Response Funds \$	Emergency Response Funds \$	Emergency Response Funds \$	Emergency Response Funds \$	Emergency Response Funds \$		
Donations received	11	–	18,738,896	–	264,465	656,401	11,426	19,671,188						
Funds received from World Vision International		4,410,619	–	–	–	–	–	4,410,619						
Other income	12	106,959	18,693	–	–	–	–	125,652						
Donations remitted to World Vision International for international ministry	13	–	(15,020,966)	–	(225,130)	(633,866)	(8,128)	(15,888,090)						
Programs' expenditures		–	(332,509)	–	(39,335)	(22,535)	(3,298)	(397,677)						
		4,517,578	3,404,114	–	–	–	–	7,921,692						
Administrative expenses	14	(4,194,205)	(3,524,354)	(48,596)	–	–	–	(7,767,155)						
Finance income	15	–	199,985	–	–	–	–	199,985						
Finance costs	15	(12,810)	(18,018)	–	–	–	–	(30,828)						
Net finance (costs)/income		(12,810)	181,967	–	–	–	–	169,157						
Surplus/(deficit) before tax	16	310,563	61,727	(48,596)	–	–	–	323,694						
Income tax expense		–	–	–	–	–	–	–						
Net surplus/(deficit) for the year and total comprehensive income for the year		310,563	61,727	(48,596)	–	–	–	323,694						

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



**Statement of changes in funds**  
**Year ended 30 September 2024**

	<u>SAPO</u>	<u>Support office</u>		<b>Total</b>
	<b>Head office account</b>	<b>Head office account</b>	<b>Woods Square Office Space Fund</b>	
	\$	\$	\$	\$
At 1 October 2022	(559,686)	5,976,635	883,102	6,300,051
Net surplus/(deficit) for the year and total comprehensive income for the year	310,563	61,727	(48,596)	323,694
At 30 September 2023	<u>(249,123)</u>	<u>6,038,362</u>	<u>834,506</u>	<u>6,623,745</u>
At 1 October 2023	(249,123)	6,038,362	834,506	6,623,745
Net surplus/(deficit) for the year and total comprehensive income for the year	106,961	393,002	(52,750)	447,213
At 30 September 2024	<u>(142,162)</u>	<u>6,431,364</u>	<u>781,756</u>	<u>7,070,958</u>

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

**Statement of cash flows**  
**Year ended 30 September 2024**

	2024	2023	
Note	SAPO \$	Support office \$	Total \$
	SAPO \$	Support office \$	Total \$
<b>Cash flows from operating activities</b>			
Surplus before tax	106,961	340,252	447,213
	310,563	13,131	323,694
<b>Adjustments for:</b>			
Depreciation of property, plant and equipment	63,676	152,984	216,660
Interest income	--	(200,293)	(200,293)
Interest expense	6,276	--	6,276
	176,913	292,943	469,856
Changes in:			
(Increase)/Decrease in receivables	(26,758)	17,720	(9,038)
(Decrease)/Increase in payables and accruals	(90,953)	84,461	(6,492)
<b>Cash generated from/(used in) operations</b>	59,202	395,124	454,326
Interest received	--	200,293	200,293
<b>Net cash from/(used in) operating activities</b>	59,202	595,417	654,619
	111,727	(342,904)	(231,177)
<b>Cash flows from investing activity</b>			
Acquisition of property, plant and equipment	--	(104,020)	(104,020)
<b>Net cash used in investing activity</b>	--	(104,020)	(104,020)
	(35,074)	(35,074)	(35,074)
<b>Cash flows from financing activities</b>			
Lease payments	(57,980)	--	(57,980)
Interest paid	(6,276)	--	(6,276)
<b>Net cash used in financing activities</b>	(64,256)	--	(64,256)
	(53,836)	--	(53,836)
	(1,765)	--	(1,765)
	(55,601)	--	(55,601)
<b>Net increase/(decrease) in cash and cash equivalents</b>	(5,054)	491,397	486,343
Cash and cash equivalents at beginning of the year	131,842	5,913,790	6,045,632
<b>Cash and cash equivalents at end of the year</b>	126,788	6,405,187	6,531,975
	131,842	5,913,790	6,045,632

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

## **Notes to the financial statements**

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the management on 17 March 2025.

### **1 Domicile and activities**

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

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

The principal activities of the Branch are as follows:

(a) Support Office

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

(b) South Asia & Pacific Regional Office (“SAPO”)

The principal activities of SAPO are to:

- (i) implement regional strategy and management control of World Vision operations across 10 countries in South Asia and the Pacific region;
- (ii) support national offices in delivering quality development projects across the region; and
- (iii) develop appropriate capacity for large-scale responses to major humanitarian emergencies within the Asia Pacific area.

The Branch is a registered Charity under the Charities Act 1994 since 27 September 1986.

### **2 Basis of preparation**

#### **2.1 Statement of compliance**

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

#### **2.2 Basis of measurement**

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

### 2.3 Functional and presentation currency

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

### 2.4 Use of estimates and judgements

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

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

### 2.5 Changes in material accounting policies

#### **New accounting standards and amendments**

The Branch has applied the following FRSs, amendments to and interpretations of FRS for the first time for the annual period beginning on 1 October 2023:

- FRS 117: *Insurance Contracts*
- Amendments to FRS 1 and FRS Practice Statement 2: *Disclosure of Accounting Policies*
- Amendments to FRS 8: *Definition of Accounting Estimates*

Other than the below, the application of these amendments to accounting standards and interpretations does not have a material effect on the financial statements.

#### **Material accounting policy information**

The Company adopted the Amendments to FRS 1 and FRS Practice Statement 2: *Disclosure of Accounting Policies* for the first time in 2023. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of ‘material’, rather than ‘significant’, accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

Management reviewed the accounting policies and made updates to the information disclosed in note 3 – Material accounting policies (2023: Significant accounting policies) in certain instances in line with the amendments.

### **3 Material accounting policies**

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

#### **3.1 Foreign currency transactions**

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

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

#### **3.2 Financial instruments**

##### **(i) Recognition and initial measurement**

###### **Non-derivative financial assets and financial liabilities**

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

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

##### **(ii) Classification and subsequent measurement**

###### **Non-derivative financial assets**

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

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

### ***Financial assets at amortised cost***

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

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

### **Non-derivative financial assets: Business model assessment**

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

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

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

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

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

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

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

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

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

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

#### ***Financial assets at amortised cost***

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

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

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

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

### **(iii) Derecognition**

#### **Financial assets**

The Branch derecognises a financial asset when:

- the contractual rights to the cash flows from the financial asset expire; or
- it transfers the rights to receive the contractual cash flows in a transaction in which either
  - substantially all of the risks and rewards of ownership of the financial asset are transferred;
  - or
  - the Branch neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

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

## **Financial liabilities**

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

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

### **(iv) Offsetting**

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

### **(v) Cash and cash equivalents**

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

### **(vi) Impairment**

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

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

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

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

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

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

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



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

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

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

### ***Measurement of ECLs***

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

### ***Credit-impaired financial assets***

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

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

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

### **Presentation of allowance for ECLs in the statement of financial position**

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

### ***Write-off***

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

### 3.3 Property, plant and equipment

#### ***Recognition and measurement***

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

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

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

#### ***Subsequent costs***

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

#### ***Depreciation***

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

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

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

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

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

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

### 3.4 Employee benefits

#### ***Defined contribution plans***

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

#### ***Short-term compensated absences***

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

### 3.5 Provisions

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

### 3.6 Revenue recognition

Revenue is recognized to the extent that the Branch becomes entitled to the revenue, when it is probable the revenue will be received and when the amount of the revenue can be measured with sufficient reliability.

#### ***Donations received***

Donations are recognised upon receipt.

#### ***Government grants***

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

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

#### ***Funds received from World Vision International***

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

### 3.7 Gifts-in-kind (“GIK”)

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

### 3.8 Leases

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

#### **As a lessee**

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

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

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

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

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

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

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

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

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

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

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

*Short-term leases and leases of low-value assets*

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

3.9 Finance income

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

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

3.10 New standards and interpretations not yet adopted

A number of new accounting standards and amendments to standards are effective for annual periods beginning after 1 October 2023 and earlier application is permitted. However, the Company has not early adopted the new or amended accounting standards in preparing these financial statements.

Management anticipates that the adoption of the new standards and interpretations will not have a material impact on the financial statements of the Branch in the period of their initial adoption.

**4 Property, plant and equipment**

	Computers and software \$	Office equipment \$	Furniture and fittings \$	Office improve- ments \$	Right-of-use assets (Note 17) \$	Total \$
<b>(a) SAPO</b>						
<b>Cost</b>						
At 1 October 2022	–	19,696	–	313,668	328,493	661,857
Additions	–	–	–	–	22,051	22,051
At 30 September 2024	–	19,696	–	313,668	350,544	683,908

	Computers and software \$	Office equipment \$	Furniture and fittings \$	Office improve- ments \$	Right-of-use assets (Note 17) \$	Total \$
<b>(a) SAPO</b>						
<b>Accumulated depreciation</b>						
At 1 October 2022	–	19,696	–	305,207	93,529	418,432
Charge for the year	–	–	–	6,550	55,918	62,468
At 30 September 2023	–	19,696	–	311,757	149,447	480,900
Charge for the year	–	–	–	1,911	61,765	63,676
At 30 September 2024	–	19,696	–	313,668	211,212	544,576
<b>Carrying amounts</b>						
At 1 October 2022	–	–	–	8,461	234,964	243,425
At 30 September 2023	–	–	–	1,911	201,097	203,008
At 30 September 2024	–	–	–	–	139,332	139,332
<b>(b) Support office</b>						
<b>Cost</b>						
At 1 October 2022	882,987	36,358	82,733	410,721	522,300	1,935,099
Additions	35,074	–	–	–	–	35,074
Disposals	(3,142)	–	–	–	–	(3,142)
Adjustments	–	–	–	–	(29,077)	(29,077)
At 30 September 2023	914,919	36,358	82,733	410,721	493,223	1,937,954
Additions	104,020	–	–	–	–	104,020
At 30 September 2024	1,018,939	36,358	82,733	410,721	493,223	2,041,974
<b>Accumulated depreciation</b>						
At 1 October 2022	685,301	21,689	18,548	37,486	61,211	824,235
Charge for the year	103,023	5,274	7,941	19,558	19,333	155,129
Disposals	(3,142)	–	–	–	–	(3,142)
At 30 September 2023	785,182	26,963	26,489	57,044	80,544	976,222
Charge for the year	96,831	5,169	7,940	19,558	23,486	152,984
At 30 September 2024	882,013	32,132	34,429	76,602	104,030	1,129,206
<b>Carrying amounts</b>						
At 1 October 2022	197,686	14,669	64,185	373,235	461,089	1,110,864
At 30 September 2023	129,737	9,395	56,244	353,677	412,679	961,732
At 30 September 2024	136,926	4,226	48,304	334,119	389,193	912,768
<b>Total (a) + (b)</b>						
<b>Cost</b>						
At 1 October 2022	882,987	56,054	82,733	724,389	850,793	2,596,956
Additions	35,074	–	–	–	22,051	57,125
Disposals	(3,142)	–	–	–	–	(3,142)
Adjustments	–	–	–	–	(29,077)	(29,077)
At 30 September 2023	914,919	56,054	82,733	724,389	843,767	2,621,862
Additions	104,020	–	–	–	–	104,020
At 30 September 2024	1,018,939	56,054	82,733	724,389	843,767	2,725,882

	Computers and software \$	Office equipment \$	Furniture and fittings \$	Office improve- ments \$	Right-of-use assets (Note 17) \$	Total \$
<b><u>Total (a) + (b)</u></b>						
<b>Accumulated depreciation</b>						
At 1 October 2022	685,301	41,385	18,548	342,693	154,740	1,242,667
Charge for the year	103,023	5,274	7,941	26,108	75,251	217,597
Disposals	(3,142)	–	–	–	–	(3,142)
At 30 September 2023	785,182	46,659	26,489	368,801	229,991	1,457,122
Charge for the year	96,831	5,169	7,940	21,469	85,251	216,660
At 30 September 2024	882,013	51,828	34,429	390,270	315,242	1,673,782
<b>Carrying amounts</b>						
At 1 October 2022	197,686	14,669	64,185	381,696	696,053	1,354,289
At 30 September 2023	129,737	9,395	56,244	355,588	613,776	1,164,740
At 30 September 2024	136,926	4,226	48,304	334,119	528,525	1,052,100

For the financial year ended 30 September 2024, depreciation charge relating to the Woods Square Office amounted to \$52,750 (2023: \$48,596), and recorded as expenditure in the Woods Square Office fund (see note 7).

## 5 Receivables

	----- 2024 -----			----- 2023 -----		
	SAPO \$	Support office \$	Total \$	SAPO \$	Support office \$	Total \$
Deposits	22,779	1,794	24,573	16,649	2,794	19,443
Staff loans and advances	6	–	6	5	211	216
Donation receivables	–	269,681	269,681	–	81,595	81,595
Advances to head office	–	–	–	–	200,000	200,000
Prepayments	60,827	125,445	186,272	40,200	130,040	170,240
	83,612	396,920	480,532	56,854	414,640	471,494

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

Included in Support office's donation receivables are mainly donation monies received by payment agents and held on behalf of the Branch.

## 6 Cash and cash equivalents

	2024			2023		
	SAPO \$	Support office \$	Total \$	SAPO \$	Support office \$	Total \$
Fixed deposits	–	5,515,000	5,515,000	–	4,865,000	4,865,000
Cash and bank balances	126,788	890,187	1,016,975	131,842	1,048,790	1,180,632
	126,788	6,405,187	6,531,975	131,842	5,913,790	6,045,632

Fixed deposits with financial institutions mature at varying periods within 3 months (2024: 3 months) from the financial year-end. Interest rates range from 2.80%-3.57% (2023: 3.07% to 3.59%) per annum.

## 7 Woods Square Office Space Fund

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

## 8 Public Response Funds

### i) Global Hunger Response Funds

Under the permit granted by the Commissioner of Charities, in pursuance of the provisions of the Charities (Fund-Raising Appeals for Local and Foreign Charitable Purposes) Regulations 2012, for the period of 04 March 2024 to 04 June 2024, funds were raised, including from the public, in support of World Vision in Democratic Republic of the Congo, Ethiopia and Myanmar to carry out emergency response to the Global Hunger Crisis. The amount collected, net of program expenditures, was remitted to the respective World Vision countries after the close of the appeal.

### ii) Sudan's Crisis Response Funds

Under the permit granted by the Commissioner of Charities, in pursuance of the provisions of the Charities (Fund-Raising Appeals for Local and Foreign Charitable Purposes) Regulations 2012, for the period of 1 June 2023 to 31 August 2023, funds were raised, including from the public, in support of World Vision South Sudan to carry out emergency relief efforts for Sudan Crisis and Migration refugees. The amount collected, net of program expenditures, was remitted to World Vision South Sudan after the close of the appeal.



iii) Türkiye-Syria's Earthquake Response Funds

Under the permit granted by the Commissioner of Charities, in pursuance of the provisions of the Charities (Fund-Raising Appeals for Local and Foreign Charitable Purposes) Regulations 2012, for the period of 9 February 2023 to 14 May 2023, funds were raised, including from the public, in support of World Vision Jordan to carry out emergency disaster relief efforts. The amount collected, net of program expenditures, was remitted to World Vision Jordan after the close of the appeal.

iv) East Africa's Hunger Emergency Response Funds

Under the permit granted by the Commissioner of Charities, in pursuance of the provisions of the Charities (Fund-Raising Appeals for Local and Foreign Charitable Purposes) Regulations 2012, for the period of 3 October 2022 to 4 January 2023, funds were raised, including from the public, in support of World Vision East Africa countries (in particular, Ethiopia, Kenya, Somalia, Sudan & South Sudan) to carry out emergency hunger relief efforts. The amount collected, net of program expenditures, was remitted to the respective World Vision East Africa countries after the close of the appeal.

## 9 Lease liabilities

<b>Lease liabilities included in the statement of financial position</b>	<b>2024 SAPO \$</b>	<b>2023 SAPO \$</b>
Non-current	81,981	145,013
Current	63,032	57,980
	145,013	202,993

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

	<b>Lease liabilities</b>	
	<b>2024 SAPO \$</b>	<b>2023 SAPO \$</b>
<b>At 1 October</b>	202,993	234,778
<b>Changes from financing cash flows</b>		
Payment of lease liabilities	(57,980)	(53,836)
Interest paid	(6,276)	(1,765)
<b>Total changes from financing cash flows</b>	(64,256)	(55,601)
<b>Other liability-related changes</b>		
Interest expense	6,276	1,765
Additions	–	22,051
<b>Total liability-related other changes</b>	6,276	23,816
<b>At 30 September</b>	145,013	202,993

## 10 Other payables and accruals

	----- 2024 -----			----- 2023 -----		
	SAPO \$	Support office \$	Total \$	SAPO \$	Support office \$	Total \$
<b>Current liabilities</b>						
Non-trade						
payables	124,257	28,560	152,817	75,302	13,015	88,317
Accruals	222,624	473,195	695,819	362,532	404,279	766,811
	<u>346,881</u>	<u>501,755</u>	<u>848,636</u>	<u>437,834</u>	<u>417,294</u>	<u>855,128</u>

Non-trade payables are unsecured, non-interest bearing and are normally settled within 30 days or on demand.

## 11 Donations received

The breakdown of the donations received are as follows:

	Note	Support office	
		2024 \$	2023 \$
East Africa's Hunger Emergency Response Funds	8	–	264,465
Türkiye-Syria's Earthquake Response Funds	8	–	656,401
Sudan's Crisis Response Funds	8	–	11,426
Global Hunger Response	8	139,115	–
Area Development Program income		892,174	671,883
Child sponsorship		13,012,196	13,120,529
Children in Crisis		727,668	695,724
General childcare		484,976	519,667
Relief and rehabilitation		903,112	434,739
Trips and Events		33,455	11,699
Microfinance		107,822	106,554
Youth Ministry		5,480	6,096
Children in the Cities		387,091	738,899
Fight Climate Change		150,793	129,316
One Life Fund		190,514	–
Legacy Donation		702,270	–
Cash donations received		<u>17,736,666</u>	<u>17,367,398</u>
Gift-in-kind (donated goods/services value)		<u>3,164,340</u>	<u>2,303,790</u>
		<u>20,901,006</u>	<u>19,671,188</u>

## 12 Other income

	----- 2024 -----			----- 2023 -----		
	SAPO \$	Support office \$	Total \$	SAPO \$	Support office \$	Total \$
Government grant income	10,875	16,018	26,893	34,484	18,693	53,177
Others	46,860	–	46,860	72,475	–	72,475
	<u>57,735</u>	<u>16,018</u>	<u>73,753</u>	<u>106,959</u>	<u>18,693</u>	<u>125,652</u>

## 13 Programs' expenditures

	----- 2024 -----			----- 2023 -----		
	SAPO \$	Support office \$	Total \$	SAPO \$	Support office \$	Total \$
<b><u>Head office account</u></b>						
Local ministry programs' expenditures	–	352,398	352,398	–	332,509	332,509
<b><u>Global Hunger Response</u></b>						
<b><u>Funds (GHR)</u></b>						
Digital advertisements	–	8,971	8,971	–	–	–
Manpower costs	–	6,850	6,850	–	–	–
Others	–	25,805	25,805	–	–	–
	–	<u>41,626</u>	<u>41,626</u>	–	–	–
<b><u>East Africa's Hunger</u></b>						
<b><u>Emergency Response</u></b>						
<b><u>Funds</u></b>						
Digital advertisements	–	–	–	–	735	735
Exhibition	–	–	–	–	17,311	17,311
Manpower costs	–	–	–	–	3,726	3,726
Others	–	–	–	–	17,563	17,563
	–	–	–	–	<u>39,335</u>	<u>39,335</u>
<b><u>Türkiye-Syria's</u></b>						
<b><u>Earthquake Response</u></b>						
<b><u>Funds</u></b>						
Digital advertisements	–	–	–	–	5,338	5,338
Manpower costs	–	–	–	–	1,685	1,685
Others	–	–	–	–	15,462	15,462
	–	–	–	–	<u>22,535</u>	<u>22,535</u>

	2024			2023		
	SAPO \$	Support office \$	Total \$	SAPO \$	Support office \$	Total \$
<b><u>Sudan's Crisis Response</u></b>						
<b><u>Funds</u></b>						
Digital advertisements	–	–	–	–	2,450	2,450
Manpower costs	–	–	–	–	670	670
Others	–	–	–	–	178	178
	–	–	–	–	3,298	3,298
	–	394,024	394,024	–	397,677	397,677

## 14 Administrative expenses

Included in administrative expenses are the following items:

	2024			2023		
	SAPO \$	Support office \$	Total \$	SAPO \$	Support office \$	Total \$
Depreciation on property, plant and equipment	63,675	152,985	216,660	62,468	155,129	217,597
Employee benefits expense:						
- wages and salaries	3,060,988	2,064,070	5,125,058	2,406,879	1,908,268	4,315,147
- employer's contributions to central provident fund	64,445	271,166	335,611	81,240	258,616	339,856
- foreign pension funds	32,684	–	32,684	66,662	–	66,662
- staff benefits	219,625	10,934	230,559	209,888	(11,857)	198,031

## 15 Finance income and finance costs

	----- 2024 -----			----- 2023 -----		
	SAPO \$	Support office \$	Total \$	SAPO \$	Support office \$	Total \$
Interest income	–	200,293	200,293	–	199,985	199,985
<b>Finance income</b>	<b>–</b>	<b>200,293</b>	<b>200,293</b>	<b>–</b>	<b>199,985</b>	<b>199,985</b>
Interest on lease liabilities	(6,276)	–	(6,276)	(1,765)	–	(1,765)
Exchange loss, net	(6,361)	(13,191)	(19,552)	(11,045)	(18,018)	(29,063)
<b>Finance cost</b>	<b>(12,637)</b>	<b>(13,191)</b>	<b>(25,828)</b>	<b>(12,810)</b>	<b>(18,018)</b>	<b>(30,828)</b>
<b>Net finance (cost)/ income recognised in profit or loss</b>	<b>(12,637)</b>	<b>187,102</b>	<b>174,465</b>	<b>(12,810)</b>	<b>181,967</b>	<b>169,157</b>

## 16 Income tax expense

The Branch is an approved charity organisation under the Charities Act 1994 and exempted from income tax under Section 13(1) (zm) of the Income Tax Act 1947.

## 17 Leases

### Leases as lessee

The Branch leases office and employee accommodation. The leases typically run for a period of 3 years, with an option to renew the lease after that date.

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

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

**Right-of-use assets**

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

	<b>SAPO 2023 \$</b>	<b>Support office 2023 \$</b>	<b>Total 2023 \$</b>
Balance at 1 October	234,964	461,089	696,053
Depreciation charge for the year	(55,918)	(19,333)	(75,251)
Additions	22,051	–	22,051
Adjustments	–	(29,077)	(29,077)
<b>Balance at 30 September</b>	<b>201,097</b>	<b>412,679</b>	<b>613,776</b>

	<b>SAPO 2024 \$</b>	<b>Support office 2024 \$</b>	<b>Total 2024 \$</b>
Balance at 1 October	201,097	412,679	613,776
Depreciation charge for the year	(61,765)	(23,486)	(85,251)
<b>Balance at 30 September</b>	<b>139,332</b>	<b>389,193</b>	<b>528,525</b>

**Amounts recognised in profit or loss**

	2024			2023		
	SAPO \$	Support office \$	Total \$	SAPO \$	Support office \$	Total \$
Interest on lease liabilities	6,276	–	6,276	1,765	–	1,765
Expenses relating to leases of low-value assets	–	2,675	2,675	–	2,651	2,651
	–	2,675	2,675	–	2,651	2,651

**Amounts recognised in statement of cash flows**

	2024			2023		
	SAPO \$	Support office \$	Total \$	SAPO \$	Support office \$	Total \$
<b>Total cash outflow for leases</b>	<b>64,256</b>	<b>–</b>	<b>64,256</b>	<b>55,601</b>	<b>–</b>	<b>55,601</b>

## 18 Significant related party transactions

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

	<b>Support office</b>	
	<b>2024</b>	<b>2023</b>
	\$	\$
With a business unit of World Vision International		
- IT services and others	197,976	131,921

### *Key management personnel compensation*

The key management personnel compensation are as follows:

	----- 2024 -----			----- 2023 -----		
	SAPO	Support office	Total	SAPO	Support office	Total
	\$	\$	\$	\$	\$	\$
Short-term employee benefits	222,130	245,545	467,675	205,566	234,000	439,566
Employer's contributions to central provident fund	-	13,617	13,617	-	13,004	13,004
	222,130	259,162	481,292	205,566	247,004	452,570

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

	----- 2024 -----			----- 2023 -----		
	SAPO	Support office	Total	SAPO	Support office	Total
Number of staff with annual remuneration						
Number of staff with annual remuneration (cont'd)						
- exceeding \$200,000 but not more than \$300,000	1	1	2	1	1	2
- exceeding \$100,000 but not more than \$200,000	3	1	4	-	1	1

## **19 Financial risk management**

### ***Overview***

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

- credit risk
- liquidity risk
- market risk

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

### ***Risk management framework***

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

### ***Credit risk***

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

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

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

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

### ***Liquidity risk***

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

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



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

	Carrying amount \$	Contractual cash flows		
		Total \$	Within 1 year \$	Within 1 to 5 years \$
<b>2024</b>				
<b>Non-derivative financial liabilities</b>				
Other payables and accruals*				
- SAPO	164,145	(164,145)	(164,145)	-
- Support office	110,514	(110,514)	(110,514)	-
Lease liabilities – SAPO	145,013	(151,065)	(67,140)	(83,925)
	<u>419,672</u>	<u>(425,724)</u>	<u>(341,799)</u>	<u>(83,925)</u>
<b>2023</b>				
<b>Non-derivative financial liabilities</b>				
Other payables and accruals*				
- SAPO	140,367	(140,367)	(140,367)	-
- Support office	129,371	(129,371)	(129,371)	-
Lease liabilities – SAPO	202,993	(215,321)	(64,255)	(151,066)
	<u>472,731</u>	<u>(485,059)</u>	<u>(333,993)</u>	<u>(151,066)</u>

\* Exclude payroll and tax payables

### **Market risk**

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

### **Interest rate risk**

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

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

The interest rates and terms of maturity of financial assets of the Branch are disclosed in note 7 to the financial statements.

### **Foreign exchange risk**

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

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

	----- 2024 -----			----- 2023 -----		
	SAPO \$	Support office \$	Total \$	SAPO \$	Support office \$	Total \$
<u>Held in USD</u>						
Cash and cash equivalents	61,796	163,552	225,348	81,045	262,900	343,945
Other payables	(168,740)	–	(168,740)	(96,603)	–	(96,603)
	<u>(106,944)</u>	<u>163,552</u>	<u>56,608</u>	<u>(15,558)</u>	<u>262,900</u>	<u>247,342</u>

***Sensitivity analysis***

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

	----- 2024 -----			----- 2023 -----		
	SAPO \$	Support office \$	Total \$	SAPO \$	Support office \$	Total \$
United States dollars	10,694	(16,355)	(5,661)	1,556	(26,290)	(24,734)

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

***Classification and determination of fair values of financial instruments***

	----- 2024 -----			----- 2023 -----		
	SAPO \$	Support office \$	Total \$	SAPO \$	Support office \$	Total \$
<b>Financial assets at amortised cost</b>						
- Receivables*	22,784	271,475	294,259	16,654	84,600	101,254
- Cash and cash equivalents	126,788	6,405,187	6,531,975	131,842	5,913,790	6,045,632
	<u>149,572</u>	<u>6,676,662</u>	<u>6,826,234</u>	<u>148,496</u>	<u>5,998,390</u>	<u>6,146,886</u>
<b>Financial liabilities at amortised cost:</b>						
- Other payables and accruals	346,881	501,755	848,636	437,834	417,294	855,128

\* Exclude prepayment

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

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

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

**World Vision International, Singapore Operations**  
*For management purpose only*  
*Detailed breakdown of administrative expenses*  
*Year ended 30 September 2024*

**Detailed breakdown of administrative expenses**  
**Year ended 30 September 2024**

	----- 2024 -----			----- 2023 -----		
	SAPO	Support office	Total	SAPO	Support office	Total
	\$	\$	\$	\$	\$	\$
Audit fee	33,749	34,957	68,706	32,767	32,848	65,615
Bank charges	14,460	250,322	264,782	14,525	252,162	266,687
Central provident fund contributions	97,129	271,166	368,295	81,240	258,616	339,856
Consultancy	428,746	-	428,746	410,698	-	410,698
Depreciation on property, plant and equipment	63,675	152,985	216,660	62,468	155,128	217,596
Design & Creatives	-	4,514	4,514	-	13,898	13,898
Education/training	10,416	8,123	18,539	23,659	16,960	40,619
Partnership charge backs	-	88,404	88,404	-	60,238	60,238
Goods in kind expenses	-	23,204	23,204	-	10,209	10,209
Foreign pension funds	-	-	-	66,662	-	66,662
Business conferences/hospitality/refreshments	76,253	4,691	80,944	14,588	6,204	20,792
Hosting	46,052	-	46,052	35,735	-	35,735
Internet	-	14,721	14,721	-	14,575	14,575
IT hardware	-	1,748	1,748	-	656	656
IT services	-	176,382	176,382	-	189,024	189,024
IT software	-	99,091	99,091	-	33,836	33,836
Legal and professional fees	703	6,376	7,079	12,142	11,558	23,700
Mail handling cost	-	14,976	14,976	-	23,916	23,916
Medical expenses and insurance	674	37,861	38,535	890	35,917	36,807
Postages	1,408	21,397	22,805	2,781	73,794	76,575
Printing	11,774	22,294	34,068	1,987	51,099	53,086
Lease expenses	-	2,675	2,675	-	2,651	2,651
Leads Management	-	9,600	9,600	-	3,236	3,236
Publicity/advertising	136	232,139	232,275	684	231,547	232,231
Recruitment expenses	-	1,526	1,526	-	57,317	57,317
Rent – miscellaneous	2,004	1,333	3,337	3,780	1,186	4,966
Salaries	3,060,988	2,064,070	5,125,058	2,406,879	1,908,268	4,315,147
Staff benefits	219,625	10,934	230,559	209,888	(11,857)	198,031
Staff relations	-	662	662	-	882	882
Stationery	28,023	572	28,595	22,035	1,340	23,375
Telephone and telex	6,459	4,803	11,262	11,211	4,885	16,096
Temporary help	-	4,123	4,123	-	2,000	2,000
Transport	-	444	444	-	516	516
Travelling expenses	545,340	34,277	579,617	555,697	25,177	580,874
Trip cancellation expenses	-	10,155	10,155	-	-	-
Upkeep of office	5,416	90,773	96,189	12,880	86,042	98,922
Upkeep of office equipment	85,970	2,068	88,038	197,573	2,412	199,985
Utilities	8,559	13,497	22,056	13,436	16,710	30,146
	<u>4,747,559</u>	<u>3,716,863</u>	<u>8,464,422</u>	<u>4,194,205</u>	<u>3,572,950</u>	<u>7,767,155</u>

