

THE BREADLINE GROUP
Unique Entity No. S75SS0039G

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

The Breadline Group

General Information

Executive Committee

Chairman – Lim Kok Eng
Vice Chairman – Kwek Thiam Buck (Daniel)
Honorary Treasurer – Ng Choon Hiang (Francis)
Honorary Secretary – Richard Lim Teong Seng
Assistant Honorary Secretary – Tan Bee Eng (Alice)
Honorary Membership Secretary – Sim Chee Hwee (Belynda)

Registered Office

Block 303 Shunfu Road
#03-57
Singapore 570303

Auditors

CA.sg PAC

Bankers

DBS Bank Ltd
Hong Leong Finance Limited

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The Breadline Group

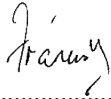
Statement by Executive Committee for the financial year ended 31 December 2021

We, the undersigned, hereby state that in the opinion of the Executive Committee, the financial statements of The Breadline Group (“Society”) set out on pages 5 to 13 are properly drawn up so as to give a true and fair view of the financial position of the Society as at 31 December 2021 and of the financial performance and cash flows of the Society for the year then ended.

For and on behalf of the Executive Committee



.....
Lim Kok Eng
Chairman



.....
Ng Choon Hiang (Francis)
Honorary Treasurer



.....
Richard Lim Teong Seng
Honorary Secretary

22 March 2022

INDEPENDENT AUDITOR’S REPORT
to the members of
THE BREADLINE GROUP

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of The Breadline Group (“Society”), which comprise the statement of financial position as at 31 December 2021, the statement of financial activities and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements are properly drawn up in accordance with the provisions of the Societies Act, Chapter 311 (the “Act”) and Singapore Charities Accounting Standard (“CAS”) so as to give a true and fair view of the financial position of the Society as at 31 December 2021 and of the financial performance and cash flows of the Society 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 Society in accordance with the Accounting and Corporate Regulatory Authority (“ACRA”) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (“ACRA Code”) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Management is responsible for the other information. The other information comprises the Statement by Executive Committee [set out on page 1]. 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.

INDEPENDENT AUDITOR'S REPORT

to the members of

THE BREADLINE GROUP (continued)

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that gives a true and fair view in accordance with the provisions of the Societies Act, Chapter 311 (the "Act") and Charities Accounting Standard ("CAS"), 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 Society'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 Society or to cease operations, or has no realistic alternative but to do so.

Management is responsible for overseeing the Society's financial reporting process.

Auditor's Responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level 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 Society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

INDEPENDENT AUDITOR'S REPORT

to the members of

THE BREADLINE GROUP (continued)

Report on the Audit of the Financial Statements (continued)

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

- 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 Society'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 Society 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 control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

There were no fund-raising appeals carried out by the Society during the year.

In our opinion, the accounting and other records required by the regulations enacted under the Charities Act (Cap. 37) to be kept by the Society have been properly kept in accordance with these regulations.

During the course of our audit, nothing has come to our attention that causes us to believe that during the year:

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



CA.sg PAC
Public Accountants and
Chartered Accountants
Singapore

22 March 2022

The Breadline Group

**Statement of Financial Position
as at 31 December 2021**

	Note	2021 S\$	2020 S\$
ASSETS AND LIABILITIES			
Current Assets			
Other receivables	4	114,436	1,566
Cash and cash equivalents	5	<u>631,882</u>	<u>428,482</u>
Total Assets		<u>746,318</u>	<u>430,048</u>
Current Liabilities			
Other payables	6	<u>43,650</u>	<u>18,850</u>
Total Liabilities		<u>43,650</u>	<u>18,850</u>
Net Current Assets		<u>702,668</u>	<u>411,198</u>
FUNDS			
Unrestricted general funds	7	702,668	402,945
Restricted Care and Share funds	8	<u>-</u>	<u>8,253</u>
Total Funds		<u>702,668</u>	<u>411,198</u>

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

The Breadline Group

Statement of Financial Activities for the year ended 31 December 2021

	Note	Unrestricted General Funds S\$	Restricted Care & Share Funds S\$	2021 Total Funds S\$	2020 Total Funds S\$
Incoming resources					
Income from generated funds					
Voluntary income					
- Non-tax exempt donations	9	13,542	-	13,542	37,349
- Tax exempt donations	9	238,704	-	238,704	238,636
Interest income		1,083	-	1,083	4,213
Bicentennial Community Fund		400,000	-	400,000	-
Membership fees		70	-	70	76
Other income	10	18,250	113,207	131,457	7,681
Total incoming resources		<u>671,649</u>	<u>113,207</u>	<u>784,856</u>	<u>287,955</u>
Resources expended					
Charitable activities					
Cash for families		435,348	-	435,348	353,362
Care and share project					
- Education funding		-	21,516	21,516	64,499
- Festive bonus		-	22,300	22,300	81,600
- Home improvement and emergency fund		-	10,256	10,256	29,715
Meals sponsorship		-	-	-	7,280
		<u>435,348</u>	<u>54,072</u>	<u>489,420</u>	<u>536,456</u>
Governance costs – audit fees		1,519	-	1,519	600
Other resources expended	11	2,244	203	2,447	3,072
Total resources expended		<u>439,111</u>	<u>54,275</u>	<u>493,386</u>	<u>540,128</u>
Net incoming/(outgoing) resources		232,538	58,932	291,470	(252,173)
Total funds brought forward		<u>402,945</u>	<u>8,253</u>	<u>411,198</u>	<u>663,371</u>
Total funds carried forward		<u>635,483</u>	<u>67,185</u>	<u>702,668</u>	<u>411,198</u>

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

The Breadline Group

Statement of Cash Flows for the year ended 31 December 2021

	Note	2021 S\$	2020 S\$
Cash flows from operating activities			
Net income/(expenditure) for the year		291,470	(252,173)
Adjustments for :-			
Interest income		(1,083)	(4,213)
Writeback of accruals		<u>(18,250)</u>	<u>(7,681)</u>
Operating surplus/(deficit) before working capital changes		272,137	(264,067)
(Increase)/Decrease in other receivables		(112,870)	4,169
Increase/(Decrease) in other payables		<u>43,050</u>	<u>(459)</u>
Cash generated from/(used in) operations		202,317	(260,357)
Interest received		<u>1,083</u>	<u>4,213</u>
Net increase/(decrease) in cash and cash equivalents		203,400	(256,144)
Cash and cash equivalents at beginning of the year		<u>428,482</u>	<u>684,626</u>
Cash and cash equivalents at end of the year	5	<u><u>631,882</u></u>	<u><u>428,482</u></u>

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

The Breadline Group

Notes to the financial statements – 31 December 2021

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

1. General information

The Breadline Group (Unique Entity No. S75SS0039G) is registered as a Society under the Societies Act, Chapter 311 and as a Charity under the Charities Act, Chapter 37. The Society has been granted an Institution of Public Character (IPC) status up to 30 June 2022 by its Sector Administrator, the Ministry of Social and Family Development.

The objectives of the Society are:

- (i) to assist and render aid or to provide any form of assistance to the aged and needy in Singapore; and
- (ii) to raise funds for and to develop and maintain welfare and services for the families of the aged and needy in general.

The Society is registered and domiciled in the Republic of Singapore with the registered office at Block 303, Shunfu Road, #03-57, Singapore 570303.

2. Summary of significant accounting policies

2.1 Basis of accounting

The financial statements are prepared in accordance with the historical cost convention, except as disclosed in the accounting policies, and the provisions of Singapore Charities Accounting Standard (“CAS”).

The preparation of financial statements in conformity with CAS requires management to exercise its judgement in the process of applying the Society’s accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

The financial statements are presented in Singapore dollars (“S\$”) and all values are presented to the nearest dollar except where indicated otherwise.

The Breadline Group

Notes to the financial statements – 31 December 2021

2. Summary of significant accounting policies (continued)

2.2 Other receivables

Other receivables, excluding prepayments, are recognised at their transaction price, excluding transaction costs, if any. Transaction costs are recognised as expenditure in the Statement of Financial Activities as incurred. Prepayments are initially recognised at the amount paid in advance for the economic resources expected to be received in the future.

After initial recognition, other receivables excluding prepayments are measured at cost less any accumulated impairment losses. Prepayments are measured at the amount paid less the economic resources received or consumed during the financial period.

2.3 Other payables

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

2.4 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The lease payments under an operating lease shall be recognised on a straight-line basis over the lease term even if the payments are not made on such a basis, unless another systematic and rational basis is more representative of the time pattern of the lessee's benefit.

Incentives to sign an operating lease, in whatever form they may take, are spread by the lessee on a straight-line basis over the lease term.

2.5 Grants

A grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs shall be recognised in the statement of financial activities of the period in which it becomes receivable.

Grant is recognised at its fair value where there is a reasonable assurance that the grant will be received and the Society will comply with all the attached conditions. Grants relating to costs are deferred and recognised in the statement of financial activities over the period necessary to match them with the costs they are intended to compensate. Grants relating to assets are recognised as deferred capital grants on the statement of financial position and are amortised to the statement of financial activities on a straight-line basis over the expected useful life of the relevant assets.

The Breadline Group

Notes to the financial statements – 31 December 2021

2. Summary of significant accounting policies (continued)

2.6 Income recognition

Members' subscriptions, donations and other income are recognised to the extent that it is probable that the economic benefits will flow to the Society and the income can be reliably measured. These income are measured at fair value of consideration received or receivable.

Interest income from bank deposits are accrued on a time proportion basis on the principal outstanding and at the applicable interest rate.

2.7 Functional currency

Items included in the financial statements of the Society are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to the Society ("functional currency"). The financial statements are presented in Singapore dollars, which is also the functional currency of the Society.

2.8 Cash and cash equivalents

Cash and cash equivalents comprise bank balances and fixed deposits placed with financial institutions.

2.9 Related parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party when making financial or operational decisions. In considering each possible related party relationship, attention is paid to the substance of the relationship, not merely the legal form.

Related parties include the Society's management personnel, associates and enterprises in which a substantial interest in the voting power is held, directly or indirectly, by the Society's members or key management personnel.

3. Significant accounting estimates, assumptions and judgements

The preparation of financial statements in conformity with CAS requires management to make estimates, assumptions and judgements that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3.1 Significant accounting estimates and assumptions

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision only affects that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

3.2 Critical judgements in applying the entity's accounting policies

The management is of the opinion that there are no significant judgments 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.

The Breadline Group

Notes to the financial statements – 31 December 2021

4. Other receivables

	2021 S\$	2020 S\$
Grant receivable	113,207	-
Interest receivable	-	92
Prepayments	<u>1,229</u>	<u>1,474</u>
	<u>114,436</u>	<u>1,566</u>

Other receivables are denominated in Singapore dollars.

5. Cash and cash equivalents

	2021 S\$	2020 S\$
Bank balances	209,623	207,393
Time deposits	<u>422,259</u>	<u>221,089</u>
	<u>631,882</u>	<u>428,482</u>

Cash and cash equivalents are denominated in Singapore dollars.

The time deposits bear interest at 0.2% to 0.5% (2020 – 0.5%) per annum and mature within 11 months from the end of the financial year.

6. Other payables

	2021 S\$	2020 S\$
Accrued expenses	<u>43,650</u>	<u>18,850</u>

Other payables are denominated in Singapore dollars.

7. Unrestricted General Funds

The unrestricted general funds represent cumulative reserves for fulfilling the principal activities of the Society.

The Breadline Group

Notes to the financial statements – 31 December 2021

8. Restricted Care and Share Funds

This is a matching grant from the Ministry of Social and Family Development (“MSF”) to assist the Society to fund its approved programmes. The Society is granted up to 31 March 2021 to utilise the grant received failing which the grant will have to be returned at MSF’s discretion.

9. Donations

	2021 S\$	2020 S\$
Non-tax exempt donations	13,542	37,349
Tax exempt donations	238,704	238,636
	<u>252,246</u>	<u>275,985</u>

10. Other income

	2021 S\$	2020 S\$
Grant income	113,207	-
Write-back of accruals	18,250	7,681
	<u>131,457</u>	<u>7,681</u>

11. Other resources expended

	2021 S\$	2020 S\$
Bank charges	890	831
General expenses	-	681
Membership fees	245	245
Rental of storage space	1,312	1,315
	<u>2,447</u>	<u>3,072</u>

12. Related party transactions

There were no related party transactions during the financial year.

The Breadline Group

Notes to the financial statements – 31 December 2021

13. Fund management

The Society is not subject to either internally or externally imposed fund requirements.

14. Lease commitments

Rental of storage space for the year amounted to S\$1,312 (2020 – S\$1,315).

At the date of the statement of financial position, the Society does not have commitments for future minimum lease payments under non-cancellable operating leases.

15. Authorisation of financial statements

The management of the Society authorised the issuance of the financial statements on 22 March 2022.