



RAY OF HOPE

ESSENTIAL

ANNUAL REPORT 2020



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**Ray of Hope is a registered charity in
Singapore and a member of National
Council of Social Services**

UEN No. 201229333H

**8 Temasek Boulevard #18-03
Suntec Tower 3, Singapore 038988**

**As of 7 June 2021, we have moved
our registered office address to:
152 Beach Road #24-01/02
Gateway East, Singapore 189721**

www.rayofhope.sg



**WE HELP PEOPLE WHO
HAVE FALLEN
THROUGH THE CRACKS**

RAY
OF
HOPE

**AND WE ARE HERE TO
TELL THE STORY**

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A black and white portrait of Mark Wong, a man with a shaved head, smiling. He is wearing a dark suit jacket over a light-colored collared shirt. The background is a plain, light color.

MESSAGE FROM THE CHAIRMAN

MARK WONG

CHAIRMAN OF RAY OF HOPE

DEAR DONORS AND SUPPORTERS,

Essential. That's what we were in 2020. Essential to those who have fallen through the cracks, and to those who gave back to the community. We cannot talk about 2020 without addressing the pandemic. It dominated our lives and changed the way we work. The pandemic has accelerated our growth as many turned to crowdfunding to give back to society. We made the bold decision to pivot and expand our services to not just help those who fell through the cracks, but also to enable those who want to do good.

COVID-19 AND ITS IMPACT

At the beginning of the pandemic, we noticed that everyday Singaporeans were rallying together to help the community. But many did not know how or where to start. Handling donors funds is no trivial matter, with many legal obligations for fundraisers to follow. We made the decision to engage these ground-up initiatives so that they can fundraise on our platform. We took on the responsibilities of handling the finances, so that they can focus on doing the great work on the ground.

ESSENTIAL PARTNERSHIPS

As the situation in the migrant dorms got worse, ground-up initiatives such as Covid Migrant Support Coalition (CSMC) and It's Raining Raincoats (IRR) were scrambling to find a platform & charity they can trust to handle their donors funds, as they do not have the finance muscle to process the overwhelming support Singaporeans were willingly give to the migrant workers. We are very proud to be the backbone of these ground-up initiatives. Donors can give with

piece of mind, knowing that a registered charity like Ray of Hope is acting as a financial controller – protecting their donations and making sure the funds were only used for the intended purposes of the campaign. With the pandemic dragging on, it became clear that live performances were not going to happen anytime soon. Many of these artists are freelancers and they were facing the grim prospect of not having income for a long time. We worked with Pasar Glamour, a group of artists who wanted to give back to the Arts community by raising funds to give a one time grant to deserving performing artists. We hosted the campaigns and verified to make sure that donors are giving to those truly affected by the crisis.

RAY OF HOPE BRIDGING FUND

Even as we pivoted our work, our frontliners continued to work tirelessly to find beneficiaries who were affected by the pandemic. They met them over Zoom, collected documents via Whatsapp to make sure that we kept to our promise of having 100% of campaigns being fully verified. We started a Ray of Hope Bridging Fund and provided a \$500 grant to 63 families who had their sole breadwinner either lose their job, or had their hours cut.

As we grapple with the aftershocks of the pandemic in 2021, it is imperative we continue to enable those who want to do good give donors a chance to give hope to those who fallen through the cracks. On behalf of our beneficiaries, ground-up initiatives and team, I would like to thank all who supported our campaigns and journeyed with us in the midst of the crisis.

RAY OF HOPE CORPORATE GOVERNANCE

NAME AND DESIGNATION	APPOINTMENT DATE	ATTENDANCE	BACKGROUND
MARK WONG* CHAIRMAN	03 Jun 2013	03 of 03	Chief Operating Officer, Dymon Chairman Asia Capital
ABDUL JABBAR BIN KARAM DIN DIRECTOR	03 Jun 2013	03 of 03	Executive Committee Partner, Rajah & Tann LLP
BRIAN THUNG DIRECTOR, AUDIT CHAIRMAN	03 Sep 2013	03 of 03	ASEAN Financial Services Managing Partner, Ernst & Young
DANNY YONG* DIRECTOR	11 Nov 2016	03 of 03	CIO, Founding Partner, Dymon Asia Capital
KENNETH KAN* DIRECTOR, FINANCE CHAIRMAN	11 Nov 2016	03 of 03	Partner, Dymon Asia Capital
KHER SHENG LEE DIRECTOR	30 Nov 2017	02 of 03	Managing Director, Alternative Investment Management Association
MARTIN TAN* DIRECTOR	18 Jul 2018	03 of 03	Chief Executive Officer, The Majority Trust
QUAK HIANG WHAI DIRECTOR	01 Feb 2019	03 of 03	Senior Advisor at The Ministry of Home Affairs

RAY OF HOPE BOARD COMMITTEES

FINANCE

Kenneth Kan
Committee Chair

Appointed on:
28 Sept 2018

AUDIT & RISK

Brian Thung
Committee Chair

Appointed on:
28 Sept 2018

PROGRAMMES & SERVICES

Lee Kher Sheng
Committee Chair

Appointed on:
28 Aug 2020

Shalini Khatwani
Committee Member

Wong Bi Ying
Committee Member

Darryl Loh
Committee Member

Krishna Rajendram
Committee Member

FUNDRAISING

Abdul Jabbar Bin Karim Din
Committee Chair

Appointed on:
26 Aug 2020

Kenneth Kan
Committee Member

Quak Hiang Whai
Committee Member

NOTES

*Mr Danny Yong, Mr Kenneth Kan and Mr Mark Wong are also Board Members of The Majority Trust Limited, a related entity of Ray of Hope (ROH). Mr Martin Tan is the Chief Executive Officer at The Majority Trust Limited.

None of the Board Members receive remuneration for their Board services. The ROH team is led by Mr Tan En, General Manager. Mr Tan En was appointed as General Manager on 1 January 2019. None of ROH's employees receives more than \$100,000 in annual remuneration each.

Corporate Bank: DBS Bank Ltd
Auditor: RSM Chio Lim LLP

CONFLICT OF INTEREST POLICY

The policy aims to protect ROH and its members from any appearance of impropriety. It mandates that all Board Members and Staff must exercise the highest duty of care and judgment when dealing with matters relating ROH, and to disclose all interests (commitment, investment, relationship, obligation, involvement, financial, or otherwise), which may be a potential conflict of interest. The policy provides procedures and guidelines on how conflict of interest situations are to be handled.

All Board Members and Staff are to complete a declaration at the beginning of their service, as well as make a new declaration on an annual basis or when there are any changes.

GOVERNANCE EVALUATION CHECKLIST

ROH has complied with the Code of Governance for Charities and IPCs. ROH's Governance Evaluation Checklist for the period 1 January 2020 to 31 December 2020 can be viewed at the Charity Portal www.charities.gov.sg.

RESERVE POLICY

ROH's operating costs have been funded by TMT, the Board and other generous philanthropists for the past 3 years so that 100% of donations go towards supporting our beneficiaries.

ROH is still enroute to building a reserve policy.

LOAN POLICY

Any loans, donations, grants, or financial assistance made by ROH for purposes outside the scope of its approved programmes shall be approved by the Board. We have not exercised this.

LEGAL ENTITY

As a Company Limited by Guarantee, ROH has put in place a voting membership and appointed a Board of Directors to carry out the oversight and governance of the organisation under the executive purview of the Management Team. ROH adopts Constitution as its governing instrument.

**ABOUT US
AND THE**

ESSENTIAL

WORK WE DO

OUR VISION
OUR MISSION
OUR PROMISES

**RAY OF HOPE IS OFTEN
THEIR LAST PORT OF CALL.**

YOUR GIVING IS

ESSENTIAL

Ray of Hope is a crowdfunding charity that helps people who have fallen through the cracks. You can give hope to people who have exhausted all other means of help.

Ray of Hope is a registered charity (UEN 201229333H) and a member of NCSS.

OUR VISION

To build a trusted platform that goes beyond crowdfunding as a positive giving experience cultivates a greater sense of individual responsibility, leading to stronger social cohesion within our community.

OUR MISSION

To help donors and volunteers in our community help those who have fallen through the cracks.

OUR PROMISES

100% OF DONATIONS GO DIRECTLY TO BENEFICIARIES

Every dollar you give will go to those in need.

100% VERIFIED CAMPAIGNS

Our case managers will visit every beneficiary to ensure that their needs are genuine. We work with social service agencies, NGOs and charities to complement the existing assistance provided.

100% ACCOUNTABILITY

We are so confident of our verification process that Ray of Hope will refund your donations should there be a fraudulent campaign. You will get updates on how your donations are used.

2020 IN NUMBERS



23,055

NEW DONORS



\$4,886,758

TOTAL RAISED



48

PARTNERSHIPS FORGED



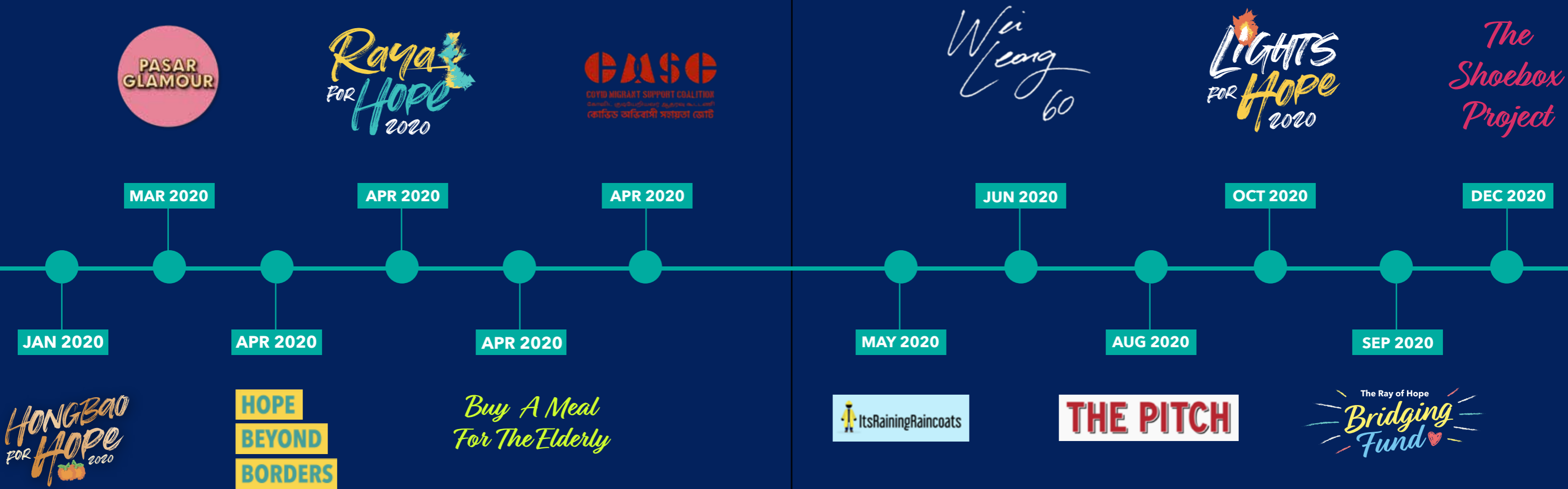
152

FAMILIES HELPED

SEASONAL CAMPAIGNS IN 2020



OUR YEAR BY CAMPAIGNS



ESSENTIAL

SEASONAL CAMPAIGNS

HONGBAO FOR HOPE

RAYA FOR HOPE

LIGHTS FOR HOPE

HOPE BEYOND BORDERS



RAISED
\$8,380
FOR 31
FAMILIES

While many families had the privilege to celebrate the Lunar New Year, many of our beneficiaries did not have the luxury to do so due to their families' financial constraints.

Ray of Hope raised \$8,380 for 31 families that they were able to celebrate the Lunar New Year with dignity, pride and joy just like us. Most of these beneficiaries were elderly living alone with little or no family support or single parents working hard to provide for their children.

As we celebrated and indulged in the festive season, our donors did not forget that a little goes a long way in giving the families some hope!

SOME OF THE BENEFICIARIES



MADAM LEE

We raised money for Madam Lee's Home Care Services



SU FEN & FAMILY

We helped Su Fen's family through this very difficult period.



JASMINE & MUM

We helped defray the resilient's family groceries expenses.

SOME OF THE BENEFICIARIES



MR AZMIN

Fundraised to purchase a motorized wheelchair for Mr Azmin.



KATIJAH & FAMILY

Fundraised to defray the family's groceries expenses



ANSAR & FAMILY

Fundraised to defray the family's groceries expenses

Hari Raya is a celebration where families gather to mark the end of Ramadan, a time where Muslims worldwide abstain from food from dawn to sunset. One of the main objectives of fasting is to help better empathize with the less fortunate.

While many families had the privilege to celebrate Hari Raya, many of our beneficiaries did not have the luxury to do so.

Ray of Hope raised S\$15,000 so that 43 families (84 adults and 110 children), can celebrate Hari Raya with dignity, pride and joy. Amidst this Covid-19 crisis where livelihoods & jobs are at stake, we gave hope to our beneficiaries during this uncertain times.



RAISED
\$15,000
FOR 43
FAMILIES

**RAISED A TOTAL
OF \$7,789
FOR 22 FAMILIES**



As we looked forward to Deepavali, there were those among us who were unable to join in the festivities – from our fellow Singaporeans who fall through the cracks to the migrant workers who have helped to build this country.

Lights for Hope 2020 provided for 22 families, to let them celebrate and know that they were not alone and forgotten. The fund provided for 62 adults and 22 children helped ease their burdens and give them hope.

We saw many families struggled through really tough circumstances. Festivities feel more sombre as uncertainties loom ahead. But we should try to celebrate our little victories and enjoy the company of our families, no matter how small. Also, let us not forget the ones who need us most – the silent and the helpless.

SOME OF THE BENEFICIARIES



MDM SULTHAMBI

Fundraised to help Mdm Sulthambi's family rebuild their home



JESU & FAMILY

Fundraised to defray Jesu's rent and his family expenses in India



MR NATARAJAN

Fundraised to help Mr Natarajan's family with their food and expenses



They left their homes to help build ours. They came with hopes to earn a better living. But for many of them now, they live in fear from Covid-19.

From the lack of masks, proper sanitation in their dorms adding to their worries of their families back home, it was time to take better care of our migrant friends.

Ray of Hope worked with one of our migrant worker partner, SG Accident Help Centre to fund urgent needs on the ground.

Ray of Hope raised \$10,050 for the needs of migrant workers. Funds were used for distributing food, masks and other necessities that our migrant worker communities needed across the island.

HOPE

BEYOND

BORDERS

**RAISED A TOTAL OF
\$10,050 FOR
MIGRANT WORKERS**

ESSENTIAL

PARTNERSHIPS

CORPORATES & INDIVIDUALS

COVID-19 MIGRANT SUPPORT COALITION

ITSRAININGRAINCOATS

PASAR GLAMOUR ART AID

THE PITCH

BUY A MEAL

SHOEBOX PROJECT



ESSENTIAL

COVID-19 MIGRANT SUPPORT COALITION

RAISED OVER

\$890,000

ONGOING CAMPAIGN



GROUND
ENGAGEMENT
ACTIVITIES



HEALTH AND
WELLNESS
ACTIVITIES



LEGAL AND
CASEWORK



COMMUNITY
AWARENESS

COVID-19 Migrant Support Coalition (CMSC) is a fully volunteer-run group-up initiative that started as a collaborative effort between a few smaller migrant workers supporting groups, together with other like-minded volunteers, to meet the needs of our migrant friends affected by the COVID-19 pandemic.

To this end, we also actively engaged dorm operators and employers, the relevant Ministries as well as the wider public, so that the issues could be dealt with through a multi-sector perspective.

ItsRainingRaincoats (IRR) has been arranging thousands of meals and providing care packs, data card top ups and essentials to thousands of migrant workers the past year since the Covid-19 outbreak began. IRR could not have done all this without help from our donors, partners, supporters and volunteers.

While there was an outpouring of aid during the peak of the crisis, some of their sources of funding are starting to run out. However, the heartfelt and in some cases heartbreaking needs in the migrant worker community remain.

IRR needs your help to be able to continue to help our migrant workers.



ITSRAINING RAINCOATS

RAISED OVER

\$750,000 TO

SUPPORT OUR

MIGRANT WORKERS

ONGOING CAMPAIGN

PASAR GLAMOUR ART AID



**RAISED A TOTAL OF
\$138,910**

**216 INDIVIDUALS WITH GRANTS OF S\$500 EACH,
AND A TOTAL OF S\$108,000 HAS BEEN DISBURSED
TO FREELANCE PERFORMING ARTS PRACTITIONERS
WHO ARE IN FINANCIAL NEED.**

Singaporean & PR self-employed (SEP) or freelance practitioners who worked in the performing arts sector suffered loss of income due to cancelled or postponed projects arising from Covid-19 measures. These included performers, dancers, musicians, designers, technical and production crew, directors, choreographers, producers and playwrights.

Ray of Hope and Pasar Glamour raised \$138,910 to help those working in the Singapore theatre, dance, and music scene, who were engaged for projects that were unexpectedly cancelled or postponed.

RAY
OF
HOPE



Since March 2020, when live theatre in Singapore was shut down because of the pandemic, theatre companies have had to cancel the rest of our respective 2020 Seasons and beyond, resulting in crippling financial losses and devastating the livelihoods of thousands of theatre freelancers.

Pangdemonium, Singapore Repertory Theatre and WILD RICE formed a bond over this crisis. In spite of their different styles, they shared a mission to make a positive impact through the work they do.

Ray of Hope raised \$127,980 to secure the livelihoods of theatre freelancers in Singapore, including the hundreds of freelance theatre practitioners they hire each year.

**THE PITCH
RAISED A TOTAL OF
\$127,980**

PASAR
GLAMOUR

"We chose to collaborate with Ray of Hope for their knowledge and experience in supporting the less privileged,

and because they are the only crowdfunding platform where 100% of all donations go to their beneficiaries."

PASAR GLAMOUR ART AID

COVID-19 MIGRANT SUPPORT COALITION

"Ray of Hope is our preferred partner due to their transparent processes and proactive communications between parties.

Their financial services provided allows the ease of accountability, which in turns enables us to focus on serving the needs and run operations."



COVID MIGRANT SUPPORT COALITION
கொவிட் குடிபயணிபவர்களுக்கு உதவுகின்ற
கொவிட் அகிவாசி சහாய்தா ஜோட்

Dr Goh Wei Leong is the founder of Healthserve, a charity whose vision is a society where every migrant worker lives a life of dignity. He was also the Singaporean of the year in 2017. Wei Leong celebrated his 50th birthday by fundraising for 7 charities who are close to his heart.

For his 60th, he decided to share his life with 60 special individuals. People who may have fallen through the cracks or are struggling in their journey. Instead of gifts, he encouraged his friends, family and colleagues to donate to these 60 campaigns.

We are proud to host his campaign and raised a total of \$102,635.

These 60 special individuals belong to the following groups:

The Elderly, Single Parents, Ex-offenders, Migrant Workers, Special Needs, Homeless.

**DR. GOH WEI LEONG'S
60TH BIRTHDAY PLEDGE
RAISED \$102,635
FOR 60 BENEFICIARIES**

**“I SERVE ALL I CAN
BUT WALK DEEPLY
WITH A FEW”**



BUY A MEAL FOR NEEDY ELDERLY LIVING IN RENTAL ESTATES

RAISED **\$364,979**
FOR **850 BENEFICIARIES**



Jason started this campaign in hopes of gathering donors in sponsoring meals for a group of elderly living in rental estates. Most of them were living alone with no kin visiting them. Some were unwell but refused to see the doctor because of the financial hardship they faced.

Ray of Hope worked with Jason to raised \$364, 979 to provide both lunch and dinner right to their doorstep so that they minimise the risk of infection by going out.

SHOEBOX PROJECT



RECEIVED MORE THAN
14,000 PRESENTS



Together with Ya Kun Kaya Toast, The Shoebox Project is a shoe-sized collaboration to bring some Christmas cheer to children of families affected by pay cuts and retrenchments. Simply fill a shoebox with toys, stationeries or activities and seal/wrap your shoebox, indicating the gender and age range of the intended recipient.

Outlets include: Ya Kun ARTRA (Redhill), Causeway Point, Compass One, Far East Square, Funan, Fusionopolis, Jurong Point, NEX, Northpoint City, Parkway Parade, SAFRA Toa Payoh and White Sands.

ESSENTIAL

SPECIAL MENTIONS

THE RAY OF HOPE BRIDGING FUND



The Ray of Hope

Bridging Fund



The Ray of Hope Bridging Fund helped to ease the suffering of families affected by the pandemic. At Ray of Hope, we have witnessed a tremendous rise in the number of families in need, due in part of the COVID-19 situation.

We recognized that many individuals were affected by changes in their employment, putting their families in a much tougher situation.

Each applicant qualified received a one-time payment of \$500 per household. Our hope was for these families to use the fund for their immediate needs as they cope being between jobs, reduced pay or waiting for their next paycheque to come in.

THE RAY OF HOPE BRIDGING FUND ENABLED US TO HELP
63 FAMILIES
AFFECTED BY THE PANDEMIC

ONE-TIME PAYMENT OF

\$500

PER HOUSEHOLD



A RAY OF HOPE BENEFICIARY

Pei Yann

"Dearest Eileen, thank you so much for your help for my hospital bills which I haven't been able to afford as I can't work due to my condition.

I really appreciate the donations raised from the donors."

41 year old Pei Yann met with a car accident and she had to go through an MRI scan. Through the MRI scan, doctors detected a cyst in her right ovary. As months went by, Pei Yann was referred to many other doctors and hospitals due to the persisting pain. However, doctors were unable to give her a proper diagnosis.

Due to the multiple medical appointments needed, Pei Yann's savings has been depleting and she needs help in paying for her medical bills.

**RAY OF HOPE RAISED
A TOTAL OF \$14,391
TO ASSIST PEI YANN
TO PAY FOR HER MEDICAL BILLS.**

"Very grateful to Ray of Hope and Eric from SG Cares for helping me after my accident, which left me workless and unable to walk. Thank you for rendering me assistance."

"真的很感谢希望之光和Eric,在我意外后帮助我。意外后不能走又不能工作,所以很感谢你们给予我的帮助"

50-year-old Qian Jian came to Singapore in 2010, in hopes of improving the lives of his family back home in Shanghai. However, things took a turn when Qian Jian met with a motorbike accident on the 3rd of March 2020. He suffered from a broken right thigh and calf bones as well as a cracked pelvis.

Ray of Hope raised \$2,400 (\$600 x 4 months) for Qian Jian's living expenses so that he can continue sending some money back home to his family and pay for his outstanding debt.

**RAY OF HOPE RAISED \$1,890
FOR QIAN JIAN'S LIVING EXPENSES**



A RAY OF HOPE BENEFICIARY

Qian Jian

HELP CONNECT US TO THOSE IN NEED



**TOGETHER,
WE CAN DO
MORE FOR
THOSE IN NEED**

**WE NEED
REFERRING
PARTNERS
LIKE YOU**

**WE ENABLE
THOSE WHO
DO GOOD**

*Ray
of
Hope*

Many social service partners refer beneficiaries to us when they run out of options to provide financial support for those in need. This is where we come in.

We provide a crowdfunding platform that not only gives beneficiaries support, but also dignity while seeking help.

Our referral process is hassle-free.

We are just an email away.

Refer individuals or families who need financial help to us, and let the community come together to support them.

Whether you are an individual who wants to start a campaign to fundraise for the cleaners in your neighbourhood, or a volunteer group looking to start your fundraising journey, Ray of Hope is here to help.

Let us handle the finances and donor reporting so you can focus on doing good work on the ground.



**SCAN TO GET
CONNECTED**

CONTACT US AT :
info@rayofhope.sg



FINANCIAL STATEMENTS

THE FINANCIAL STATEMENTS ARE AUDITED BY RSM CHIO LIM LLP

RAY OF HOPE

(Formerly known as The Ray of Hope Initiative Limited)
(Registration No: 201229333H)

Statement by Directors and Financial Statements

Year Ended 31 December 2020

RSM Chio Lim LLP

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UEN: T09LL0008J

RSM Chio Lim LLP is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

Business Advisors to Growing Businesses



RAY OF HOPE
(Formerly known as The Ray of Hope Initiative Limited)

Statement by Directors and Financial Statements

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RAY OF HOPE

(Formerly known as The Ray of Hope Initiative Limited)

Statement by Directors

The directors of the company are pleased to present the financial statements of the company for the reporting year ended 31 December 2020.

Before 25 March 2021, the company was known as The Ray of Hope Initiative Limited.

1. Opinion of the directors

In the opinion of the directors,

- (a) the accompanying financial statements are drawn up so as to give a true and fair view of the financial position and performance covered by the financial statements; and
- (b) at the date of the statement, there are reasonable grounds to believe that the company will be able to pay its debts as and when they fall due.

The board of directors approved and authorised these financial statements for issue.

2. Directors

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

Abdul Jabbar Bin Karam Din
Kenneth Kan Shung Kei
Lee Kher Sheng (Li Kesheng)
Martin Tan Beng Chong (Chen Mingzong)
Quak Hiang Whai
Thung Hock Lai, Brian Tumengan (Tang Fulai, Brian Tumengan)
Wong Mun Hoong, Mark (Huang Minxiong, Mark)
Yong Ming Chong (Yang Mingzhang)

3. Arrangements to enable directors to acquire benefits by means of the acquisition of shares and debentures

The company is a company limited by guarantee and has no share capital.

4. Options

The company is a company limited by guarantee. As such, there are no share options or unissued shares under option.

RAY OF HOPE
(Formerly known as The Ray of Hope Initiative Limited)

5. Independent auditor

RSM Chio Lim LLP has expressed their willingness to accept re-appointment.

On behalf of the directors



.....
Thung Hock Lai, Brian Tumengan
(Tang Fulai, Brian Tumengan)
Director

22 JUN 2021



.....
Kenneth Kan Shung Kei
Director

RSM Chio Lim LLP

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**Independent Auditor's Report to the Members of
RAY OF HOPE**
(Formerly known as The Ray of Hope Initiative Limited)

Report on the audit of the financial statements

Opinion

We have audited the accompanying financial statements of Ray of Hope (formerly known as The Ray of Hope Initiative Limited), which comprise the statement of financial position as at 31 December 2020, and the statement of financial activities, and statement of cash flows for the reporting year then ended, and notes to the financial statements, including the significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Act"), the Charities Act, Chapter 37 and other relevant regulations (the "Charities Act and Regulations") and the Financial Reporting Standards in Singapore ("FRS") so as to give a true and fair view of the financial position of the company as at 31 December 2020 and of the financial performance, changes in funds and cash flows of the company 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 company in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors and take appropriate actions in accordance with SSAs.

**Independent Auditor's Report to the Members of
RAY OF HOPE**
(Formerly known as The Ray of Hope Initiative Limited)

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Responsibilities of management and directors for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act, Charities Act and Regulations and the financial reporting standards and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's responsibilities for the audit of the financial statements

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

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

- a) 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.
- b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

**Independent Auditor's Report to the Members of
RAY OF HOPE**
(Formerly known as The Ray of Hope Initiative Limited)

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

- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

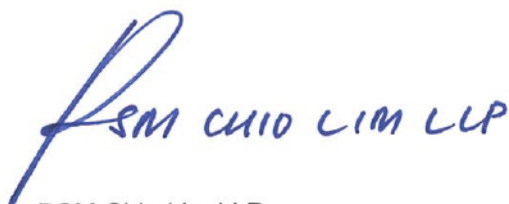
We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

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

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

The engagement partner on the audit resulting in this independent auditor's report is Uthaya Chandrikaa D/O Ponnusamy.



RSM Chio Lim LLP
Public Accountants and
Chartered Accountants
Singapore

22 June 2021

RAY OF HOPE

(Formerly known as The Ray of Hope Initiative Limited)

**Statement of Financial Activities
Year Ended 31 December 2020**

	<u>Notes</u>	<u>2020</u> \$	<u>2019</u> \$
<u>Income</u>			
Donation income	4	4,886,758	820,776
Other income	5	106,659	12,097
Total Income		<u>4,993,417</u>	<u>832,873</u>
<u>Expenditure</u>			
Cost of charitable activities (grant disbursements)	6	(3,520,795)	(295,718)
Employee benefits expenses	7	(206,060)	(262,377)
Governance costs		(17,811)	(12,083)
Other expenditure	8	(174,215)	(131,442)
Total Expenditure		<u>(3,918,881)</u>	<u>(701,620)</u>
Surplus for the year before income tax		1,074,536	131,253
Income tax benefit	9	–	4,807
Net surplus for the year		<u>1,074,536</u>	<u>136,060</u>
Balance at beginning of the year		<u>3,105</u>	<u>(132,955)</u>
Balance at end of the year		<u>1,077,641</u>	<u>3,105</u>

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

RAY OF HOPE

(Formerly known as The Ray of Hope Initiative Limited)

**Statement of Financial Position
As at 31 December 2020**

	<u>Notes</u>	<u>2020</u> \$	<u>2019</u> \$
ASSETS			
<u>Non-current assets</u>			
Plant and equipment	10	4,561	2,211
Total non-current assets		<u>4,561</u>	<u>2,211</u>
<u>Current assets</u>			
Other receivables	11	10,426	16,001
Other non-financial assets	12	828	2,757
Cash and cash equivalents	13	1,152,647	165,859
Total current assets		<u>1,163,901</u>	<u>184,617</u>
Total assets		<u>1,168,462</u>	<u>186,828</u>
FUNDS AND LIABILITIES			
<u>Funds</u>			
Accumulated fund		1,077,641	3,105
Total fund		<u>1,077,641</u>	<u>3,105</u>
<u>Current liabilities</u>			
Other payables	14	57,936	33,194
Loan from a director	3	–	110,000
Contract liabilities	15	32,885	40,529
Total current liabilities		<u>90,821</u>	<u>183,723</u>
Total liabilities		<u>1,168,462</u>	<u>186,828</u>

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

RAY OF HOPE

(Formerly known as The Ray of Hope Initiative Limited)

**Statement of Cash Flows
Year Ended 31 December 2020**

	<u>2020</u>	<u>2019</u>
	\$	\$
<u>Cash flows from operating activities</u>		
Surplus before tax	1,074,536	131,253
Adjustments for:		
Depreciation of plant and equipment	<u>2,699</u>	<u>1,857</u>
Operating cash flows before changes in working capital	1,077,235	133,110
Other receivables	5,575	(15,081)
Other non-financial assets	1,929	(439)
Other payables	24,742	(11,214)
Contract liabilities	<u>(7,644)</u>	<u>(41,368)</u>
Net cash flows used in operations	1,101,837	65,008
Income tax refund	–	4,807
Net cash flows from operating activities	<u>1,101,837</u>	<u>69,815</u>
<u>Cash flows used in investing activity</u>		
Purchase of plant and equipment	<u>(5,049)</u>	–
Net cash flows used in investing activity	<u>(5,049)</u>	–
<u>Cash flows used in financing activity</u>		
Cash restricted in use	7,644	41,368
Repayment of loan to a director	<u>(110,000)</u>	–
Net cash flows used in financing activity	<u>(102,356)</u>	<u>41,368</u>
Net increase in cash and cash equivalents	994,432	111,183
Cash and cash equivalents, statement of cash flows, beginning balance	<u>125,330</u>	<u>14,147</u>
Cash and cash equivalents, statement of cash flows, ending balance (Note 13A)	<u>1,119,762</u>	<u>125,330</u>

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

RAY OF HOPE

(Formerly known as The Ray of Hope Initiative Limited)

Notes to the Financial Statements 31 December 2020

1. General

The company is incorporated in Singapore as a company limited by guarantee and is a charity registered under the Charities Act, Chapter 37. The financial statements are presented in Singapore dollars.

The board of directors approved and authorised these financial statements for issue on the date of the statement by directors.

Before 25 March 2021, the company was known as The Ray of Hope Initiative Limited.

The principal activities of the company are to provide assistance to deserving individuals or families in Singapore who may otherwise have no other source or insufficient source of financial support.

Each member of the company has undertaken to contribute such amounts not exceeding \$1 to the assets of the company in the event the company is wound up and the monies are required for payment of the liabilities of the company. The company has 3 (2019:3) members at the end of the reporting year.

The memorandum and articles of the company restricts the use of company monies to the furtherance of the objects of the company. They prohibit the payment of dividends to members.

The registered office is: 152 Beach Road #24-01/02 Gateway East, Singapore 189721.

The Covid-19 pandemic

Management has not identified any material uncertainties resulting from the Covid-19 pandemic and the aftermath of the pandemic surrounding the reporting entity's business, and accordingly none is disclosed in these financial statements.

Statement of compliance with financial reporting standards

These financial statements have been prepared in accordance with the Financial Reporting Standards in Singapore ("FRS") and the related interpretations to FRS ("INT FRS") as issued by the Singapore Accounting Standards Council. They are in compliance with the provisions of the Companies Act, Chapter 50, the Charities Act, Chapter 37 and other relevant regulations.

Accounting convention

The financial statements are prepared on a going concern basis under the historical cost convention except where a financial reporting standard requires an alternative treatment (such as fair values) as disclosed where appropriate in these financial statements. The accounting policies in the financial reporting standards may not be applied when the effect of applying them is not material. The disclosures required by financial reporting standards may not be provided if the information resulting from that disclosure is not material.

RAY OF HOPE

(Formerly known as The Ray of Hope Initiative Limited)

1. General (cont'd)

Basis of preparation of the financial statements

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting year. Actual results could differ from those estimates. The estimates and assumptions are reviewed on an ongoing basis. Apart from those involving estimations, management has made judgements in the process of applying the entity's accounting policies. The areas requiring management's most difficult, subjective or complex judgements, or areas where assumptions and estimates are significant to the financial statements, are disclosed at the end of this footnote, where applicable.

2. Significant accounting policies and other explanatory information

2A. Significant accounting policies

Revenue recognition

The financial reporting standard on revenue from contracts with customers establishes a five-step model to account for revenue arising from contracts with customers. Revenue is recognised at an amount that reflects the consideration to which the entity expects to be entitled in exchange for transferring goods or services to a customer (which excludes estimates of variable consideration that are subject to constraints, such as right of return exists, trade discounts, volume rebates and changes to the transaction price arising from modifications), net of any related sales taxes and excluding any amounts collected on behalf of third parties. An asset (goods or services) is transferred when or as the customer obtains control of that asset. As a practical expedient, the effects of any significant financing component is not adjusted if the payment for the good or service will be within one year.

Revenues including donations, gifts and grants that provide core funding or are of general nature are recognised at point in time. Such income is only deferred when: the donor specifies that the grant or donation must only be used in future accounting periods; or the donor has imposed conditions which must be met before the entity has unconditional entitlement. The revenue amount from services is the fair value of the consideration received or receivable from the gross inflow of economic benefits during the period arising from the course of the ordinary activities of the entity and it is shown net of related goods and services tax and subsidies.

Employee benefits

Contributions to a defined contribution retirement benefit plan are recorded as an expense as they fall due. The entity's legal or constructive obligation is limited to the amount that it is obligated to contribute to an independently administered fund (such as the Central Provident Fund in Singapore, a government managed defined contribution retirement benefit plan). For employee leave entitlement, the expected cost of short-term employee benefits in the form of compensated absences is recognised in the case of accumulating compensated absences, when the employees render service that increases their entitlement to future compensated absences; and in the case of non-accumulating compensated absences, when the absences occur. A liability for bonuses is recognised where the entity is contractually obliged or where there is constructive obligation based on past practice.

RAY OF HOPE

(Formerly known as The Ray of Hope Initiative Limited)

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Income tax

No provision for taxation has been made as the company's income is exempted from tax under Section 13(1)(ZM) of the Singapore Income Tax Act.

Plant and equipment

Plant and equipment are carried at cost on initial recognition and after initial recognition at cost less any accumulated depreciation and any accumulated impairment losses. Depreciation is provided on a straight-line basis to allocate the gross carrying amounts of the assets less their residual values over their estimated useful lives of each part of an item of these assets. The annual rates of depreciation are as follows:

Plant and equipment	– 33.3%
---------------------	---------

An asset is depreciated when it is available for use until it is derecognised even if during that period the item is idle. Fully depreciated assets still in use are retained in the financial statements.

The gain or loss arising from the derecognition of an item of plant and equipment is recognised in profit or loss. The residual value and the useful life of an asset is reviewed at least at each end of the reporting year and, if expectations differ significantly from previous estimates, the changes are accounted for as a change in an accounting estimate, and the depreciation charge for the current and future periods are adjusted.

Cost also includes acquisition cost, borrowing cost capitalised and any cost directly attributable to bringing the asset or component to the location and condition necessary for it to be capable of operating in the manner intended by management. Subsequent costs are recognised as an asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss when they are incurred.

Impairment of non-financial assets

Irrespective of whether there is any indication of impairment, an annual impairment test is performed at about the same time every year on an intangible asset with an indefinite useful life or an intangible asset not yet available for use. The carrying amount of other non-financial assets is reviewed at each end of the reporting year for indications of impairment and where an asset is impaired, it is written down through profit or loss to its estimated recoverable amount. The impairment loss is the excess of the carrying amount over the recoverable amount and is recognised in profit or loss. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs of disposal and its value in use. When the fair value less costs of disposal method is used, any available recent market transactions are taken into consideration. When the value in use method is adopted, in assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). At each end of the reporting year, non-financial assets other than goodwill with impairment loss recognised in prior periods are assessed for possible reversal of the impairment. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been measured, net of depreciation or amortisation, if no impairment loss had been recognised.

RAY OF HOPE

(Formerly known as The Ray of Hope Initiative Limited)

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Financial instruments

Recognition and derecognition of financial instruments:

A financial asset or a financial liability is recognised in the statement of financial position when, and only when, the entity becomes party to the contractual provisions of the instrument. All other financial instruments (including regular-way purchases and sales of financial assets) are recognised and derecognised, as applicable, using trade date accounting or settlement date accounting. A financial asset is derecognised 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 substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the entity neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. A financial liability is removed from the statement of financial position when, and only when, it is extinguished, that is, when the obligation specified in the contract is discharged or cancelled or expires.

At initial recognition, the financial asset or financial liability is measured at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Classification and measurement of financial assets:

1. Financial asset classified as measured 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 fair value through profit or loss ("FVTPL"), that is (a) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Typically trade and other receivables, bank and cash balances are classified in this category.
2. Financial asset that is a debt asset instrument classified as measured at fair value through other comprehensive income ("FVTOCI"): There were no financial assets classified in this category at reporting year end date.
3. Financial asset that is an equity investment classified as measured at FVTOCI: There were no financial assets classified in this category at reporting year end date.
4. Financial asset classified as measured at FVTPL: There were no financial assets classified in this category at reporting year end date.

Classification and measurement of financial liabilities:

Financial liabilities are classified as at FVTPL in either of the following circumstances: (1) the liabilities are managed, evaluated and reported internally on a fair value basis; or (2) the designation eliminates or significantly reduces an accounting mismatch that would otherwise arise. All other financial liabilities are carried at amortised cost using the effective interest method. Reclassification of any financial liability is not permitted. Reclassification of any financial liability is not permitted.

RAY OF HOPE

(Formerly known as The Ray of Hope Initiative Limited)

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Cash and cash equivalents

Cash and cash equivalents include bank and cash balances, on demand deposits and any highly liquid debt instruments purchased with an original maturity of three months or less. For the statement of cash flows, the item includes cash and cash equivalents less cash subject to restriction that form an integral part of cash management.

Fair value measurement

The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When measuring the fair value of an asset or a liability, market observable data to the extent possible is used. If the fair value of an asset or a liability is not directly observable, an estimate is made using valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs (eg by use of the market comparable approach that reflects recent transaction prices for similar items, discounted cash flow analysis, or option pricing models refined to reflect the issuer's specific circumstances). Inputs used are consistent with the characteristics of the asset / liability that market participants would take into account. The entity's intention to hold an asset or to settle or otherwise fulfil a liability is not taken into account as relevant when measuring fair value.

Fair values are categorised into different levels in a fair value hierarchy based on the degree to which the inputs to the measurement are observable and the significance of the inputs to the fair value measurement in its entirety: Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (ie as prices) or indirectly (ie derived from prices). Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs). Transfers between levels of the fair value hierarchy are recognised at the end of the reporting period during which the change occurred.

The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value. The fair values of non-current financial instruments may not be disclosed separately unless there are significant differences at the end of the reporting year and in the event the fair values are disclosed in the relevant notes to the financial statements.

Funds

Fund balances restricted by outside sources are so indicated and are distinguished from unrestricted funds allocated to specific purposes, if any, by action of the management. Externally restricted funds may only be utilised in accordance with the purposes established by the source of such funds or through the terms of an appeal and are in contrast with unrestricted funds over which management retains full control to use in achieving any of its institutional purposes. An expense resulting from the operating activities of a fund that is directly attributable to the fund is charged to that fund. Common expenses, if any, are allocated on a reasonable basis to the funds based on a method most suitable to that common expense unless impractical to do so.

RAY OF HOPE

(Formerly known as The Ray of Hope Initiative Limited)

2. Significant accounting policies and other explanatory information (cont'd)

2B. Other explanatory information

Provisions

A liability or provision is recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. A provision is made using best estimates of the amount required in settlement and where the effect of the time value of money is material, the amount recognised is the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense. Changes in estimates are reflected in profit or loss in the reporting year they occur.

2C. Critical judgements, assumptions and estimation uncertainties

There were no critical judgements made in the process of applying the accounting policies that have the most significant effect on the amounts recognised in the financial statements. There were no key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting year, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting year.

3. Related party relationships and transactions

The financial reporting standard on related party disclosures requires the reporting entity to disclose: (a) transactions with its related parties; and (b) relationships between parents and subsidiaries irrespective of whether there have been transactions between those related parties. A party is related to a party if the party controls, or is controlled by, or can significantly influence or is significantly influenced by the other party.

All members, directors and staff members of the company are required to read and understand the conflict of interest policy in place and make full disclosure of interests and relationships that could potentially result in conflict of interests. When a conflict of interest situation arises, the members, directors or staff shall abstain from participating in the discussion, decision making and voting on the matter.

The directors who performed their board responsibilities did not receive remuneration, or other benefits, from the company for board services for which they are responsible.

There are no paid staff whose remuneration exceeds \$100,000 during the year.

3A. Related party transactions

There are transactions and arrangements between the reporting entity and related parties and the effects of these on the basis determined between the parties are reflected in these financial statements. The related party balances and transfer of resources, services or obligations, if any, are unsecured, without fixed repayment terms and interest or charge unless stated otherwise.

RAY OF HOPE

(Formerly known as The Ray of Hope Initiative Limited)

3. Related party relationships and transactions (cont'd)**3A. Related party transactions (cont'd)**

In addition to the transactions and balances disclosed elsewhere in the notes to the financial statements, this item includes the following significant related party transactions:

	<u>2020</u>	<u>2019</u>
	\$	\$
Donation received from directors for the benefit of beneficiaries	7,268	8,925
Grant received from a related party with common directors (Note 4)	493,901	231,000
Rental expense to related party (Note 8)	(22,000)	-
Rendering of services from a corporation in which a director has an interest	-	1,771
Repayment of loan to director (Note 3C)	<u>(110,000)</u>	<u>-</u>

Loan from a director is interest-free and repayable on demand.

3B. Key management compensation:

Key management personnel are the directors having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly. The directors did not receive any remuneration.

3C. Other payable to related parties:

The trade transactions and the related receivables and payables balances arising from donations or grants and grant disbursements are disclosed elsewhere in the notes to the financial statements.

The movements in other payables to related parties are as follows:

	<u>2020</u>	<u>2019</u>
	\$	\$
<u>Other payable:</u>		
Balance at beginning of year	110,000	110,000
Repayment of loan to director (Note 3A)	<u>(110,000)</u>	<u>-</u>
Balance at end of year	<u>-</u>	<u>110,000</u>

4. Donation income

	<u>2020</u>	<u>2019</u>
	\$	\$
Donation income	4,392,857	589,776
Grant received from a related party (Note 3A)	493,901	231,000
Total donation income	<u>4,886,758</u>	<u>820,776</u>

The donation income is mainly from public and corporate sponsors and recognised based on point in time or when the event for which the donations were received is completed.

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5. Other income

	<u>2020</u>	<u>2019</u>
	\$	\$
Government grant from job support scheme ^(a)	49,541	–
Other government grant income	<u>57,118</u>	<u>12,097</u>
Total other income	<u>106,659</u>	<u>12,097</u>

Note:

^(a) The purpose of the job support scheme is to provide wage support to employers to help them retain their local employees during this period of economic uncertainty amid Covid-19.

6. Cost of charitable activities

	<u>2020</u>	<u>2019</u>
	\$	\$
Financial assistance to individuals	3,482,886	290,403
Donation handling charges	<u>37,909</u>	<u>5,315</u>
Total cost of charitable activities	<u>3,520,795</u>	<u>295,718</u>

7. Employee benefits expense

	<u>2020</u>	<u>2019</u>
	\$	\$
Employee benefits expense	175,229	220,274
Other benefits	–	4,000
Contributions to defined contribution plan	<u>30,831</u>	<u>38,103</u>
Total employee benefits expense	<u>206,060</u>	<u>262,377</u>

None of the company's employees received an annual remuneration of more than \$100,000 in 2020 and 2019.

8. Other expenditure

	<u>2020</u>	<u>2019</u>
	\$	\$
Software expenses	–	41,302
Events expenses	7,454	38,300
Rental expense (Note 3A)	22,000	–
Website design and maintenance expenses	33,085	17,956
Secondment fee	54,225	–
Others	<u>57,451</u>	<u>33,884</u>
Total other expenditure	<u>174,215</u>	<u>131,442</u>

RAY OF HOPE

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9. Income tax**9A. Components of tax benefit recognised in surplus include:**

	<u>2020</u>	<u>2019</u>
	\$	\$
<u>Current tax benefit:</u>		
Over provision adjustment in respect of prior years	—	(4,807)
Total income tax benefit	<u>—</u>	<u>(4,807)</u>

The income tax varied from the amount of income tax amount determined by applying the Singapore income tax rate of 17% (2019: 17%) to surplus before income tax as a result of the following differences:

	<u>2020</u>	<u>2019</u>
	\$	\$
Surplus before tax	<u>1,074,536</u>	<u>131,253</u>
Income tax expense at the above rate	182,671	22,313
Income not subject to tax	(182,671)	(22,313)
Over provision adjustment in respect of prior years	—	(4,807)
Total income tax benefit	<u>—</u>	<u>(4,807)</u>

With effect from 12 April 2018, the company became a registered charity upon which it enjoys automatic income tax exemption under Section 13 (1) (zm) of the Income Tax Act.

10. Plant and equipment

	\$
<u>Cost:</u>	
At 1 January 2019	5,571
Additions	—
At 31 December 2019	<u>5,571</u>
Additions	5,049
At 31 December 2020	<u>10,620</u>
<u>Accumulated depreciation:</u>	
At 1 January 2019	1,503
Depreciation for the year	1,857
At 31 December 2019	<u>3,360</u>
Depreciation for the year	2,699
At 31 December 2020	<u>6,059</u>
<u>Carrying value:</u>	
At 1 January 2019	<u>4,068</u>
At 31 December 2019	<u>2,211</u>
At 31 December 2020	<u>4,561</u>

The depreciation expense is included in other expenditure.

RAY OF HOPE

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11. Other receivables

	<u>2020</u>	<u>2019</u>
	\$	\$
Donation receivables	9,795	21,451
Other receivables	631	3,550
Total other receivables	<u>10,426</u>	<u>16,001</u>

12. Other non-financial assets

	<u>2020</u>	<u>2019</u>
	\$	\$
Prepayments	<u>828</u>	<u>2,757</u>

13. Cash and cash equivalents

	<u>2020</u>	<u>2019</u>
	\$	\$
Not restricted in use	1,119,762	125,330
Restricted in use ^(a)	32,885	40,529
Cash at the end of the year	<u>1,152,647</u>	<u>165,859</u>

Note:

^(a) The above amount relates to the sponsorship contributed by Mediacorp TV Singapore Pte Ltd and contribution from Giving Circles. (Note 15).**13A. Cash and cash equivalents in statement of cash flows:**

	<u>2020</u>	<u>2019</u>
	\$	\$
Amount as shown above	1,152,647	165,859
Restricted in use	<u>(32,885)</u>	<u>(40,529)</u>
Cash and cash equivalents for statement of cash flows purposes at end of the year	<u>1,119,762</u>	<u>125,330</u>

14. Other payables

	<u>2020</u>	<u>2019</u>
	\$	\$
Outside parties and accrued liabilities	<u>57,936</u>	<u>33,194</u>

RAY OF HOPE

(Formerly known as The Ray of Hope Initiative Limited)

15. Contract liabilities

	<u>2020</u>	<u>2019</u>
	\$	\$
Balance at beginning of the year	40,529	81,897
Received during the year	7,523	31,918
Utilised during the year	<u>(15,167)</u>	<u>(73,286)</u>
Balance at end of the year	<u>32,885</u>	<u>40,529</u>

The contract liabilities represents mainly contribution from Giving Circle, where individuals give into a pooled fund set aside to meet the needs of a specific group of people or for a specific need.

The company actively and regularly reviews and manages the monies received to ensure that the monies are disseminated to the selected beneficiaries to accomplish the goals of helping the company's beneficiaries.

16. Financial instruments: information on financial risks**16A. Categories of financial assets and liabilities**

The following table categorises the carrying amount of financial assets and liabilities recorded at the end of the reporting year:

	<u>2020</u>	<u>2019</u>
	\$	\$
<u>Financial assets:</u>		
Financial assets at amortised cost	<u>1,163,073</u>	<u>181,860</u>
<u>Financial liabilities:</u>		
Financial liabilities at amortised cost	<u>57,936</u>	<u>143,194</u>

Further quantitative disclosures are included throughout these financial statements.

16B. Financial risk management

The main purpose for holding or issuing financial instruments is to raise and manage the finances for the entity's operating, investing and financing activities. There are exposures to the financial risks on the financial instruments such as credit risk, liquidity risk and market risk comprising interest rate, currency risk and price risk exposures. Management has certain practices for the management of financial risks. However these are not documented in formal written documents. The following guidelines are followed: All financial risk management activities are carried out and monitored by senior management staff. All financial risk management activities are carried out following acceptable market practices.

There have been no changes to the exposures to risks; the objectives, policies and processes for managing the risk and the methods used to measure the risk.

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16. Financial instruments: information on financial risks (cont'd)

16C. Fair values of financial instruments

The analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 are disclosed in the relevant notes to the financial statements. These include the significant financial instruments stated at amortised cost and at fair value in the statement of financial position. The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value.

16D. Credit risk on financial assets

Financial assets are potentially subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner. These arise principally from cash balances with banks, cash equivalents, receivables and other financial assets. The maximum exposure to credit risk is the total of the fair value of the financial assets at the end of the reporting year. Credit risk on cash balances with banks and any other financial instruments is limited because the counter-parties are entities with acceptable credit ratings. For expected credit losses ("ECL") on financial assets, the three-stage approach in the financial reporting standard on financial instruments is used to measure the impairment allowance. Under this approach, the financial assets move through the three stages as their credit quality changes.

However, a simplified approach is permitted by the financial reporting standards on financial instruments for financial assets that do not have a significant financing component, such as trade receivables. On initial recognition, a day-1 loss is recorded equal to the 12 month ECL (or lifetime ECL for trade receivables), unless the assets are considered credit impaired. For credit risk on trade receivables, an ongoing credit evaluation is performed on the financial condition of the debtors and an impairment loss is recognised in profit or loss. Reviews and assessments of credit exposures in excess of designated limits are made. Renewals and reviews of credits limits are subject to the same review process.

Cash and cash equivalents are also subject to the impairment requirements of the standard on financial instruments. There was no identified impairment loss.

As at the end of the reporting year, there were no amounts that were impaired.

Other receivables are normally with no fixed terms and therefore there is no maturity.

16E. Liquidity risk – financial liabilities maturity analysis

Liquidity risk refers to the difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. It is expected that all the liabilities will be settled at their contractual maturity. There are no liabilities contracted to fall due after twelve months at the end of the reporting year. The other payables are with short-term durations. The classification of the financial assets is shown in the statement of financial position as they may be available to meet liquidity needs and no further analysis is deemed necessary.

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17. Changes and adoption of financial reporting standards

For the current reporting year, certain new or revised financial reporting standards were issued by the Singapore Accounting Standards Council. Those applicable to the reporting entity are listed below. These applicable new or revised standards did not require any significant modification of the measurement methods or the presentation in the financial statements.

<u>FRS No.</u>	<u>Title</u>
FRS 116	Covid-19 Related Rent Concessions - Amendment to (effective from 30 June 2020)

18. New or amended standards in issue but not yet effective

For the future reporting years, certain new or revised financial reporting standards were issued by the Singapore Accounting Standards Council and these will only be effective for future reporting years. Those applicable to the reporting entity for future reporting years are listed below. The transfer to the applicable new or revised standards from the effective dates is not expected to result in any significant modification of the measurement methods or the presentation in the financial statements for the following year from the known or reasonably estimable information relevant to assessing the possible impact that application of the new or revised standards may have on the entity's financial statements in the period of initial application.

<u>FRS No.</u>	<u>Title</u>	<u>Effective date for periods beginning on or after</u>
FRS 1	Classification of Liabilities as Current or Non-current – Amendments to	1 Jan 2023

RAY OF HOPE

ESSENTIAL TEAM MEMBERS



TAN EN

GENERAL MANAGER



**DR. ALICIA
ALTORFER-ONG**

PARTNERSHIP DIRECTOR



CHIN SU YUEN

HONORARY CTO



EILEEN TAY

CASE MANAGER



**ZAINULDIN
BIN ZAINOL**

CAMPAIGN MANAGER



NOOR HANA

SOCIAL SERVICE
ASSISTANT



**SHARIFAH
ALHABSHEE**

LEFT ON
30 APRIL 2020



**ANUSHA
ASWANI**

LEFT ON
30 SEPTEMBER 2020

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Ray of Hope is a registered charity in Singapore and a member of National Council of Social Services

UEN No. 201229333H

**8 Temasek Boulevard #18-03
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**As of 7 June 2021, we have moved our registered office address to:
152 Beach Road #24-01/02
Gateway East, Singapore 189721**

www.rayofhope.sg

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IN NEED.**