



Advancing Corporate Giving Uplifting the Community



OUR LOGO

Our logo depicts a “giving” hand representing the Foundation’s objective of providing financial and non-financial assistance to benefit the elderly, disadvantaged and needy employees and youth, leveraging on the business community to contribute back to society.

OUR VISION

A compassionate and pro-active business community, playing its part to build an inclusive Singapore.

OUR MISSION

To encourage, enable and enhance the contributions of the business community to the social, vocational and educational upliftment of Singaporeans in need of assistance.

OUR OBJECTIVES

- The relief of those in need by reason of disability, financial hardship or other disadvantages and the advancement of environmental protection and improvement, through the promotion of corporate social responsibility and corporate philanthropy amongst the business community;
- To work with local business community to promote the welfare of low-wage, elderly and other disadvantaged employees through financial and non-financial assistance; and
- To promote the education and enhance the employability of needy disadvantaged youths through financial assistance and collaboration with the local business community.

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CHAIRMAN'S MESSAGE



This year, we celebrate our nation's 50 years of independence and reflect on Singapore's success. We are cognizant of the resilience, fortitude and hard work of our pioneers and forefathers who contributed to our progress as a nation. The values they embodied of perseverance, pursuit of success and collective contributions to the community laid the foundation of our country.

As we reflect on our success and envision our future together, it is imperative that we build on our legacy of resilience and giving back to Singapore. I appeal to the business community, successful entrepreneurs, emerging new leaders and wealthy individuals to play a bigger role in contributing back to society. I call on you to take advantage of the announcement in Budget 2015 on the increase in tax deduction from the current 250% to 300% for qualifying donations made to Institutions of a Public Character. Join us in our mission to build a sustainable, inclusive and resilient society.

The Singapore Business Federation (SBF) Foundation is into its third year and I am pleased to report its progress to our partners and stakeholders. Partnerships and collaboration are at the heart of what we believe in and do at the Foundation. Our journey and purpose is a shared one as our partners work in collaboration with us to realize our vision of an inclusive society. Working together, we create and achieve impactful partnerships with the business community, community stakeholders and programme partners.

In 2014, our collaboration with partners focused on one of our three objectives of advancing the education and employability of needy disadvantaged youth. We thank our partners and donors who have journeyed with us thus far.

On 9 October 2015, we will be organizing our inaugural Fundraising Dinner to fund scholarships for 12 students from the Singapore University of Technology and Design, as well as implement a pilot programme with SG Enable to provide students with special needs with a smooth transition into regular employment.

We look forward to the continued support of our partners and donors.

A handwritten signature in black ink, appearing to read 'Theresa Foo', written in a cursive style.

Mrs Theresa Foo
Chairman, SBF Foundation

BOARD AND COMMITTEES

BOARD OF DIRECTORS

Mrs Theresa Foo-Yo Mie Yoen Chairman Gardens by the Bay	Chairman <i>(from 20 June 2013)</i>
Mr Peter Chay Fook Yuen Deputy Managing Partner KPMG LLP	Board Member <i>(from 20 June 2013)</i>
Mr Cheng Wai Keung Chairman & Managing Director Wing Tai Holdings Ltd	Board Member <i>(from 20 June 2013 to 31st July 2015)</i>
Ms Foo Mee Har Member of Parliament West Coast GRC	Board Member <i>(from 1 August 2013)</i>
Mr Ho Meng Kit Chief Executive Officer Singapore Business Federation	Board Member <i>(from 1 February 2014)</i>
Mr Koh Seow Chuan Founder DP Architects Pte Ltd	Board Member <i>(from 15 July 2013)</i>
Mr Kwee Liong Keng Managing Director Pontiac Land Pte Ltd	Board Member <i>(from 15 July 2013)</i>
Mr N Sreenivasan Senior Counsel & Managing Director Straits Law Practice LLC	Board Member <i>(from 20 June 2013)</i>

AUDIT COMMITTEE

Mr Peter Chay Fook Yuen	Chairman <i>(from 1 October 2013)</i>
Ms Foo Mee Har	Member <i>(from 1 October 2013)</i>
Mr Koh Seow Chuan	Member <i>(from 13 November 2013)</i>

PROGRAMMES COMMITTEE

Mr N Sreenivasan	Chairman <i>(from 2 Jan 2014)</i>
Ms Foo Mee Har	Member <i>(from 2 Jan 2014)</i>
Ms Susan Chong Chief Executive Officer Greenpac (S) Pte Ltd	Member <i>(from 2 Jan 2014)</i>
Mrs Jenny Yeoh	Member <i>(from 16 Feb 2015)</i>

GENERAL MANAGER

Ms Esther Chong
Assistant Executive Director
Corporate Services Division
Singapore Business Federation

BANKER

DBS Bank

AUDITOR

Moore Stephens LLP

RELATED PARTY

Singapore Business Federation (SBF)

Mrs Theresa Foo-Yo Mie Yoen	Chairman of SBF Foundation Member of SBF Board of Trustees
Mr Ho Meng Kit	Board Member of SBF Foundation CEO of SBF

CORPORATE INFORMATION

Unique Entity Number:	201316694R
Date of Charity Reg.:	15 July 2013
Constitution:	Company Limited by Guarantee
IPC Period:	16 July 2013 – 15 July 2015

POLICIES

CONFLICT OF INTEREST POLICY

The Foundation has in place a disclosure policy and procedure for Board and Committee, Members and employees to ensure that individuals acting on its behalf avoid conflicts of interest which may impede or compromise their responsibilities.

All Board and Committee Members are required to make declaration of conflict of interest to the Foundation at the start of the term of directorship, annually, or as soon as such conflict or the possibility of such conflict arises. Board Members do not vote or participate in decision-making on matters where they have a conflict of interest.

All employees of SBF Foundation are required to make declaration of conflict of interest at the point of hire and annually.

RESERVES POLICY

The policy has been adopted and implemented since October 2014. Please refer to Page 24 for more information.

OUR PROGRAMMES AND PARTNERS



Advancing education and enhancing the employability of youth.

The Foundation believes in the value of good education and strives to make such opportunities available to the less privileged. Through our collaboration with partners, we provide young people from less privileged backgrounds equal opportunity to enhance their employability and offer greater opportunity for success.

In 2014, the Foundation partnered the Institute of Technical Education (ITE), Singapore University of Technology and Design (SUTD) and Equestrian Federation of Singapore (EFS) to promote and enhance the education and employability of needy disadvantaged youth. Our collaboration with the business community helps to build an inclusive society.

Institute of Technical Education - Overseas Industrial Attachment Programme (ITE - OIAP)

Having life skills, self-confidence and global exposure is a fundamental requirement for young people working in a globalized economy. The Foundation's partnership with ITE engages the business community to provide industrial attachment opportunities, mentoring and guidance to needy ITE students through the ITE - OIAP. Overseas expenses including airfare, accommodation and meals for students are funded by the Foundation.

“ The overseas programme has benefitted me in three ways. Firstly, it has shown my parents that I can be independent by taking care of myself and I can handle money wisely. Secondly, I have learnt that communication is important among colleagues to make sure our work is completed on time. Lastly, the overseas exposure has allowed me to learn about the culture and living habits of the people from another country. ”

Student from Nitec in Aerospace Machine Technology Course who participated in the OIAP to Suzhou, China

2014


\$160,000
in grants disbursed

 **Three partner programmes established**

2014-2017


\$2,072,490
in grants committed

 **Five partner programmes confirmed**

On 29 September 2014, ITE lecturers interacted with representatives from 33 SBF member companies for a better understanding of the various opportunities for industry partnerships.

The initiative is expected to benefit 150 students over two years. They will undertake a six month industrial attachment, infused with six to eight weeks of course-related work and training, in an overseas office of SBF member companies. The initiative will start from 2015 onwards.

Equestrian Federation of Singapore (EFS) - EQUAL-ARK Programme

The programme drives positive attitudinal and behavioral changes among at-risk youth through interacting with horses. Participants in the programme have shown improvement in self-confidence, self-awareness and behavioral skills.

The Foundation's partnership with EFS has enabled more at-risk youth to undergo the EQUAL-ARK programme to increase their chances of success in school, employment, community and family life.

The Foundation is one of the EFS's partners for the EQUAL-ARK Programme, which benefited 224 youth. 73% of whom showed improvement in social, emotional and behavioral skills.

As a child, Sharon (*not her real name*) underwent a traumatic experience, which led to her general ambivalence and pessimistic outlook towards life. Upon participating in the Equine-Assisted Learning (EQUAL) programme, she shared her change in attitude:

“ In the past, I didn't care about a lot of things. But now, I feel like I care for horses. This proves to me that I can care about something...I feel like I am in the sky while riding. ”

SBF Foundation (SBFF) Scholarship at SUTD

The SBFF Scholarship at SUTD will support the business community to meet local manpower needs for talent in design, technology and engineering sectors.

The Foundation will offer 12 scholarships to highly achieving undergraduate Singapore students, particularly those from humble family backgrounds. The scholars will be offered internships and opportunities to pursue their Capstone projects with SBF member companies. This holistic approach will allow the scholars to develop their potential and capabilities, grooming them into future leaders.





OUR ENGAGEMENT WITH DONORS

SBF Foundation Inaugural Charity Golf Tournament 2014

The Foundation held its inaugural Charity Golf Tournament on 22 May 2014 at the Tanjong Course, Sentosa Golf Club, graced by Emeritus Senior Minister Goh Chok Tong.

The event attracted a total of 138 golfers from 37 companies, raising a total of S\$386,000. The Foundation thanks all donors and sponsors for their support and for contributing to the success of this event.

Our Engagement with SBF Members

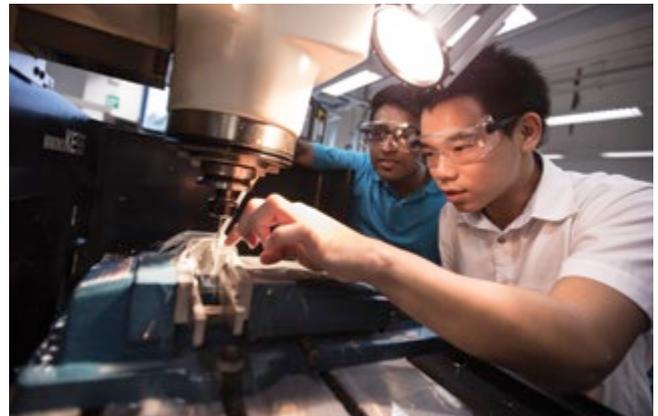
Envisioned as a foundation of the business community for the community of Singapore, SBF Foundation will continue engaging existing SBF member companies to be proactive in corporate philanthropy and corporate social responsibility so as to build a more inclusive society.

OUR FUTURE PLANS AND COMMITMENTS

In 2015, the Foundation will explore new collaborations with strategic partners to meet its two other objectives of: 1) promoting corporate social responsibility (CSR) and corporate philanthropy and 2) promoting the welfare of low-wage, elderly and other disadvantaged employees.

The Foundation is in discussion with the National Volunteer and Philanthropy Centre (NVPC) to explore initiatives to encourage more strategic and sustainable giving by the business community. One project will focus on the development of a national corporate giving and community engagement framework, whilst another will delve into research on corporate giving.

We are also exploring a partnership with SG Enable to enhance employment opportunities and the employability of young persons with special needs. This pilot programme will take on a holistic approach of group internship, on-site job coaching and learning and job support. The initiative also supports employers to hire and tap on persons with disabilities as an alternative source to building their inclusive workforce.



REPORT OF THE DIRECTORS AND FINANCIAL STATEMENTS

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FINANCIAL STATEMENTS

REPORT OF THE DIRECTORS

31 DECEMBER 2014

The directors are pleased to present their report together with the audited financial statements of Singapore Business Federation Foundation Limited (the "Company") for the financial year ended 31 December 2014.

1 Directors

The directors in office at the date of this report are:

Mrs Foo-Yo Mie Yoen Theresa

Mr Chay Fook Yuen Peter

Mr Narayanan Sreenivasan @ N Sreenivasan

Mr Cheng Wai Keung

Mr Kwee Liong Keng

Mr Koh Seow Chuan

Ms Foo Mee Har

Mr Ho Meng Kit

(Appointed on 1 February 2014)

2 Directors' Interest in Shares, Debentures, Dividends and Share Options

The Company is limited by guarantee and does not have a share capital. All matters relating to the issue of shares, debentures, dividends and share options are thus not applicable.

3 Directors' Contractual Benefits

Since the end of the previous financial year, no director has received or become entitled to receive a benefit which is required to be disclosed under Section 201(8) of the Singapore Companies Act, Chapter 50 by reason of a contract made by the Company or a related corporation with the director or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

4 Reserve Policy

Pursuant to the Code of Governance for Charities and IPCs Guideline 6.4.1, the Board has established a reserve policy for the Company. The reserves of the Company provide financial stability and the means for the development of its operations and activities. The Company intends to maintain a reserve of one year's operating costs and the Board regularly reviews the amount of reserves that are required to ensure that they are adequate to fulfill its continuing obligations.

REPORT OF THE DIRECTORS

31 DECEMBER 2014

5 Independent Auditors

The independent auditors, Moore Stephens LLP, Public Accountants and Chartered Accountants, have expressed their willingness to accept re-appointment.

On behalf of the Board of Directors,

Foo-Yo Mie Yoen Theresa (Mrs)
Chairman

Chay Fook Yuen Peter
Board Member & Chairman of Audit Committee

Singapore
20 April 2015

STATEMENT BY DIRECTORS

31 DECEMBER 2014

In the opinion of the directors:

- (a) the financial statements as set out on pages 13 to 24 are drawn up so as to give a true and fair view of the state of affairs of the Company as at 31 December 2014 and the results and cash flows of the Company for the financial year then ended; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

On behalf of the Board of Directors,

Foo-Yo Mie Yoen Theresa (Mrs)

Chairman

Chay Fook Yuen Peter

Board Member & Chairman of Audit Committee

Singapore
20 April 2015

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SINGAPORE BUSINESS FEDERATION FOUNDATION LIMITED

(INCORPORATED IN SINGAPORE)

We have audited the accompanying financial statements of Singapore Business Federation Foundation Limited (the "Company"), as set out on pages 13 to 24, which comprise the balance sheet as at 31 December 2014, and statement of financial activities and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility 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 Singapore Companies Act, Chapter 50 (the "Act"), the Singapore Charities Act, Chapter 37 (the "Charities Act") and the Charities Accounting Standard, 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 profit and loss accounts and balance sheets and to maintain accountability of assets.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation of financial statements that give a true and fair view 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 entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SINGAPORE BUSINESS FEDERATION FOUNDATION LIMITED (cont'd) (INCORPORATED IN SINGAPORE)

Opinion

In our opinion, the financial statements are properly drawn up in accordance with the provisions of the Act, the Charities Act and Charities Accounting Standard, so as to give a true and fair view of the state of affairs of the Company as at 31 December 2014 and the results, and cash flows of the Company for the financial year ended on that date.

Report on Other Legal and Regulatory Requirements

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

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

- a. The use of the donation moneys was not in accordance with the objectives of the Company as required under regulation 16 of the Charities (Institutions of a Public Character) Regulations; and
- b. The Company has not complied with the requirements of regulation 15 (Fund-raising expenses) of the Charities (Institutions of a Public Character) Regulations.

Moore Stephens LLP
Public Accountants and
Chartered Accountants

Singapore
20 April 2015

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

	Note	Year ended 31.12.2014 S\$	Period from 20.6.2013 to 31.12.2013 S\$
Unrestricted General Funds			
Income			
Income from generated funds			
- Voluntary income	4	2,306,000	2,779,000
- Activities for generating funds	4	385,034	-
- Investment income	4	13,008	-
Total income		2,704,042	2,779,000
Expenditures			
Cost of generating funds			
- Voluntary income	5	62,781	58,030
- Fundraising activities	5	86,675	-
Charitable activities	6	160,000	-
Governance costs	7	10,000	7,000
Other general running costs	8	170,687	72,086
Total expenditures		490,143	137,116
Net income before tax expense		2,213,899	2,641,884
Tax expense	10	-	-
Net income		2,213,899	2,641,884
Gross transfers between funds		-	-
Net movement in funds		2,213,899	2,641,884
Reconciliation of funds			
Total funds brought forward	14	2,641,884	-
Total funds carried forward		4,855,783	2,641,884

BALANCE SHEET

AS AT 31 DECEMBER 2014

	Note	2014 S\$	2013 S\$
Current Asset			
Cash and cash equivalents	11	4,865,007	2,653,119
Other receivables	12	10,371	-
		4,875,378	2,653,119
Current Liability			
Accrued expenses	13	19,595	11,235
Net Current Assets		4,855,783	2,641,884
Funds of Charity			
<u>Unrestricted Funds</u>			
General funds	14	4,855,783	2,641,884
Total Charity Funds		4,855,783	2,641,884

STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

	2014 S\$	2013 S\$
Cash Flows from Operating Activities		
Net income before tax expense	2,213,899	2,641,884
Adjustments for:		
Non-refundable purchase tax	18,270	6,874
Interest income	(13,008)	-
Operating cash flows before changes in working capital	2,219,161	2,648,758
Other receivables	(10,371)	-
Accrued liabilities	8,150	10,500
Net cash flows from operation	2,216,940	2,659,258
Non-refundable purchase tax paid	(18,060)	(6,139)
Net cash flows from operating activities	2,198,880	2,653,119
Cash Flows from Investing Activities		
Interest received	13,008	-
Net cash flows from investing activities	13,008	-
Net increase in cash and cash equivalents	2,211,888	2,653,119
Cash and cash equivalents at the beginning of the year/date of incorporation	2,653,119	-
Cash and cash equivalents at the end of the year/period (Note 11)	4,865,007	2,653,119

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2014

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

1 General Information

Singapore Business Federation Foundation Limited (the "Company") is a company limited by guarantee, domiciled and incorporated in Singapore. The address of the Company's registered office and principal place of business is 10 Hoe Chiang Road, #22-01, Keppel Towers, Singapore 089315.

The Company has been granted Institution of a Public Character ("IPC") status since 16 July 2013.

The principal activities of the Company are 1) promotion of corporate social responsibility and corporate philanthropy; 2) promotion of the welfare of low-wage, elderly and disadvantaged employees; and 3) advancement of the education and employability of needy disadvantaged youth in collaboration with the local business community.

The Company is founded by the Singapore Business Federation.

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors of the Company on the date of the Statement by Directors.

2 Significant Accounting Policies

(a) Basis of Preparation

The financial statements, which are expressed in Singapore dollars, have been prepared in accordance with the provisions of the Singapore Companies Act, Chapter 50, Charities Act, Chapter 37 (the "Act") and Charities Accounting Standard ("CAS"). The accounting policies of the Company are consistent with the requirements of the CAS and are applied consistently to similar transactions, other events and conditions. The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with CAS requires management to exercise its judgment in the process of applying the Company's accounting policies. It also requires the use of accounting 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 financial period. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates. The areas involving a higher degree of judgement or complexity are disclosed in Note 3 to the financial statements.

(b) Fund Accounting

Monies received for specific purposes, including transfers from the general fund, are credited directly to the respective fund financial statements. These include restricted funds and unrestricted funds. Restricted funds are funds held by the Company that can only be applied for specific purposes. These funds are subject to specific trusts which may be declared by the donors or with their authority or created through legal process but are still within the wider objects of the Company. Unrestricted funds are expendable at the discretion of the Company's Board of Directors in furtherance of the Company's objects. Designated fund is part of the unrestricted funds earmarked for a particular project. The designation is for administrative purposes only and does not restrict the Board's discretion to apply the fund.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2014

2 Significant Accounting Policies (cont'd)

(b) Fund Accounting (cont'd)

Income and expenditure relating to specific funds are accounted for directly in the funds to which they relate. Assets and liabilities of the specific funds are pooled in the balance sheet.

Funds received for the specific purposes such as purchase of depreciable assets are taken to relevant restricted fund account. The relevant fund will be reduced over the useful life of the asset in line with its depreciation. Depreciation is charged to the relevant designated funds where the asset is held.

(c) Other Receivables

Other receivables excluding prepayments are initially recognised at their transactions price, excluding transaction costs, if any. Transactions 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 subsequently measured at cost less any accumulated impairment losses. Prepayments are subsequently measured at the amount paid less the economic resources received or consumed during the financial year.

Financial assets (consisting of cash and cash equivalents, other receivables and deposits) and prepayments, are derecognised when the contractual rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. On derecognition of financial assets in its entirety, the difference between the carrying amount and the sum of the consideration received is recognised in the statement of financial activities.

Impairment

The Company assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired and recognises an impairment loss (i.e. expenditure) immediately in the statement of financial activities when such evidence exists.

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Company considers observable data that come to the attention of the Company. The impairment loss is the difference between the carrying amount of the financial asset and the undiscounted future cash flows (excluding unearned interest in the case of interest-bearing assets) that the Company expects to receive from the financial asset.

The previously recognised impairment loss is subsequently reversed if the amount of the impairment loss decreases and the decrease is related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's financial condition). The previously recognised impairment loss is reversed to the extent that the carrying amount of the financial assets, net of any allowance account that exceeds what the carrying amount would have been, had the impairment not previously been recognised. The reversal of impairment loss is recognised in the statement of financial activities.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2014

2 Significant Accounting Policies (cont'd)

(d) Cash and Cash Equivalents

Cash and cash equivalents comprise of cash at bank and fixed deposits, which are short term, highly liquid investments that are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

(e) Financial Liabilities

Financial liabilities are recognised on the balance sheet when, and only when the Company became a party to the contractual provisions of the financial instrument. The Company derecognises financial liabilities when, and only when the Company's obligations are discharged, cancelled or expired.

(f) Accrued Expenses

Accruals are recognised at the best estimate of the amount payable.

(g) Revenue Recognition

Revenue including donations, gifts and grants that provide core funding or are of general nature are recognised when the three factors are met:

- (a) Entitlement – normally arises when there is control over the rights or other access to the resource, enabling the charity to determine its future application;
- (b) Certainty – when it is probable that the income will be received; and
- (c) Measurement – when the amount of the income can be measured with sufficient reliability.

Such income is only deferred when: the donor specifies that the grant of donation must only be used in future accounting periods; or the donor has imposed conditions which must be met before the Company has unconditional entitlement.

Donations

Revenue from donations and corporate cash sponsorships are accounted for when received, except for committed donations and corporate cash sponsorships that are recorded when the commitments are fulfilled.

Fundraising

Revenue from special event is recognised when the event takes place.

Others

Interest income is recognised on a time proportion basis using the effective interest method.

(h) Expenditure

All expenditures are accounted for on an accrual basis and have been classified under headings that aggregate all costs related to that activity. Cost comprises direct expenditure including direct staff costs attributable to the activity.

Cost of generating funds

The cost of generating funds are those costs attributable to generating income for the foundation, other than those costs incurred in undertaking charitable activities in furtherance of the foundation's objects.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2014

2 Significant Accounting Policies (cont'd)

(h) Expenditure (cont'd)

Charitable activities

Expenditure of charitable activities comprises all costs incurred in the pursuit of the charitable objects of the foundation. Those costs, where not wholly attributable, are apportioned between the categories of charitable expenditure. The total costs of each category of charitable expenditure therefore include an apportionment of support cost, where possible.

Governance costs

Governance costs include both direct and related support costs which include internal and external audit, legal advice, and costs associated with constitutional and statutory requirements.

Other general running costs

Other general running costs are costs incurred for the direct management functions inherent in generating funds, service delivery and programme or project work. Such expenditure also includes apportioned manpower costs and general costs in supporting the Company's activities.

(i) Employee Benefits

Defined contribution plans are post-employment benefit plans under which the Company pays fixed contributions into separate entities such as the Central Provident Fund, and will have no legal or constructive obligation to pay further contributions if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current period and preceding financial years. The Company's contributions to defined contribution plans are recognised in the financial period to which they relate.

(j) Currency Translation

Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The financial statements are presented in Singapore dollars ("S\$"), which is the Company's functional and presentation currency, as it best reflects the economic substance of the underlying events and circumstances relevant to the Company. The financial statements are presented in S\$ and all values in particular on the surplus for the period are rounded to the nearest dollars (\$) except when otherwise indicated.

(k) Income Tax

The Company is an approved charity under the Charities Act, Chapter 37 and an Institution of a Public Character under the Income Tax Act, Chapter 134. No provision for taxation has been made in the financial statements as the Company is a registered charity with income tax exemption.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2014

3 Critical Accounting Estimates, Assumptions and Judgments

Estimates, assumptions and judgments 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. The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Critical Judgments made in Applying Accounting Policies

The critical judgements that are expected to have a significant effect on the amounts recognised in the financial statements are discussed below:

Apportionment of support costs

Support costs are costs incurred in supporting income generation activities such as fundraising, and in supporting the governance of the charity. Support costs do not in themselves constitute an activity; instead they enable output-creating activities to be undertaken. Support costs include office functions such as key and general management, information technology, human resources, and financing and these are apportioned to the relevant activity cost category they support.

In determining the apportionment of support costs between the costs of generating funds and governance costs categories, Management has considered the materiality of the cost amounts involved and apportioned the costs based on the expenditure incurred directly in undertaking an activity and the amount of time spent in an activity. Management has exercised their judgment and is satisfied that the bases for apportionment are appropriate to the cost concerned and to the Company's particular circumstances. Support costs incurred in supporting voluntary income generation were apportioned to the costs of generating funds – voluntary income category.

During the financial year ended 31 December 2014, the Company has costs of generating funds amounting to S\$149,456 (2013: S\$58,030) and governance costs amounting to S\$180,067 (2013: S\$79,086).

4 Income from Generated Funds

	Year ended 31.12.2014 S\$	Period from 20.6.2013 to 31.12.2013 S\$
<i>Unrestricted Funds:</i>		
<u>Voluntary income</u>		
Donations - in general	2,306,000	2,779,000
<u>Activities for generating funds</u>		
Fundraising - Charity Golf	385,034	-
<u>Investment income</u>		
Interest from bank balances	13,008	-

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2014

5 Cost of Generating Funds

	Year ended 31.12.2014 S\$	Period from 20.6.2013 to 31.12.2013 S\$
<i>Unrestricted Funds:</i>		
<u>Cost of generating voluntary income</u>		
Direct operating costs		
- Gifts to founding donors	2,739	31,392
Support costs		
- Salaries and related costs (Note 9)	60,042	26,638
	62,781	58,030
<u>Fundraising expenses</u>		
Direct operating costs - Charity Golf	86,675	-

6 Charitable Activities

	2014 S\$	2013 S\$
<i>Unrestricted Funds:</i>		
<u>Direct operating costs</u>		
Programme disbursements	160,000	-

These amounts were incurred for pledge made by the Foundation during the year to Equestrian Federation of Singapore for EQUAL-ARK Programme and to the Singapore University of Technology and Design for SUTD-SBF Foundation Scholarship.

7 Governance Costs

	Year ended 31.12.2014 S\$	Period from 20.6.2013 to 31.12.2013 S\$
<i>Unrestricted Funds:</i>		
Audit fees- current year	10,000	7,000

All directors and other members of key management personnel do not receive any remuneration. There are no other non-audit fees paid to the auditors of the Company.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2014

8 Other General Running Costs

	Year ended 31.12.2014 S\$	Period from 20.6.2013 to 31.12.2013 S\$
<i>Unrestricted Funds:</i>		
General and administrative expenses	30,274	13,255
Non-refundable purchase tax paid	18,270	6,874
Shared services fee	30,000	12,000
Salaries and related costs (Note 9)	92,143	39,957
	170,687	72,086

Shared services provided by Singapore Business Federation to the Company include all work required to be performed in the areas of finance, corporate secretariat, human resources and administration.

9 Employee Benefits

	Year ended 31.12.2014 S\$	Period from 20.6.2013 to 31.12.2013 S\$
<i>Included in Cost of Generating Funds and Governance Costs (Note 5 and 7)</i>		
<u>Salaries and related costs</u>		
Short-term employee benefits:		
- Gross salaries and bonuses	126,247	56,618
- Other staff benefits	2,812	1,620
Post employment benefits (Defined Contribution Plans)	23,126	8,357
	152,185	66,595

Employee benefits includes secondment fee paid by the Company to its related party (Note 16). The support costs are allocated to cost of generating funds and governance costs based on time spent in each activity. During the year, none of the staff received more than \$100,000 in annual remuneration each.

10 Income Tax

The Company is an approved charity under the Charities Act, Chapter 37 and an Institution of a Public Character under the Income Tax Act, Chapter 134. No provision for taxation has been made in the financial statements as the Company is a registered charity with income tax exemption. As required by the Charities Act (Chapter 37), the total fund-raising and sponsorship expenses of the Company for the financial period did not exceed 30% of the total gross receipts from fund-raising and sponsorship for that financial period.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2014

11 Cash and Cash Equivalents

	2014 S\$	2013 S\$
Cash on hand	500	-
Cash at bank	2,461,870	2,653,119
Fixed deposits placed with financial institutions	2,402,637	-
	4,865,007	2,653,119

Cash at bank are unrestricted and do not earn interest income as at 31 December 2014.

The interest rate earned on fixed deposits is at 0.35% to 0.80% per annum with maturity dates ranging from 3 to 12 months.

12 Other Receivables

	2014 S\$	2013 S\$
Other receivables		
Interest receivable	10,371	-

13 Accrued Expenses

	2014 S\$	2013 S\$
Accruals	10,000	7,000
Others	8,650	3,500
Non-refundable purchase tax	945	735
	19,595	11,235

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2014

14 Funds of Charity

	2014 S\$	2013 S\$
<i>Unrestricted Funds</i>		
General fund	4,855,783	2,641,884
Movements of the funds during the current financial period are disclosed as follows:		
		Unrestricted Funds S\$
Funds balance at 1 January 2014		2,641,884
Total income		2,704,042
Total expenditure		(490,143)
Net income		2,213,899
Funds balance at 31 December 2014		4,855,783
Funds balance at date of incorporation		-
Total income		2,779,000
Total expenditure		(137,116)
Net income		2,641,884
Funds balance at 31 December 2013		2,641,884

15 Tax Exempt Receipts

The Company enjoys a concessionary tax treatment whereby qualifying donors are granted a double tax deduction for the donations made to the Company.

	2014 S\$	2013 S\$
Tax exempt receipts issued for donations collected	2,577,000	2,779,000

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2014

16 Significant Related Party Transaction

Related parties may be individuals or corporate entities.

- (a) Parties are considered to be related if an individual or a close member of that individual's family is related to a Company if that individual (i) has control or joint control over the Company; (ii) has significant influence over the Company or (iii) is a governing board member, trustee, or member of the key management personnel of the Company or of a parent of the Company.
- (b) Parties are also considered to be related if an entity is related to the Company if (i) the entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others); (ii) the Company is an associate or joint venture of the Company (or an associate or joint venture of a member of a group of which the charity is a member) and vice versa; (iii) the entity and the Company are joint ventures of the same third party; (iv) the entity is a joint venture of a third entity and the Company is an associate of the third entity and vice versa; (v) the entity is controlled or jointly controlled by a person identified in (a); and (vi) an individual identified in (a)(i) has significant influence over the entity or is a governing board member, trustee or member of the key management personnel of the entity (or of a parent of the Company).

The Company had the following significant transactions with Singapore Business Federation (Founder) during the year at terms agreed, as detailed below:

	Year ended 31.12.2014 S\$	Period from 20.6.2013 to 31.12.2013 S\$
<u>With the Founder</u>		
<i>Income:</i>		
Gifts to founding donors paid on behalf of the Company	-	30,586
Credit card proceeds from fundraising activity - Charity Golf	31,594	-
Advertising promotion	1,400	-
<i>Expenses:</i>		
Rental	5,472	-
Shared services fee	30,000	12,000
Secondment fee	115,087	66,595
Expenses paid on behalf of the Company	8,318	9,160

There are no balances outstanding with the Founder as at the balance sheet date.

17 Reserves Policy

As set out in Report of the Director, the Board has established a reserves policy for the Company, pursuant to the Code of Governance for Charities and IPCs Guideline 6.4.1. The Company seeks to maintain a reserve of one year's operating costs. The reserves are invested in fixed deposits with banks approved by the Board. The Board will review the reserves policy and the amount of reserves annually.

The use of reserves shall be approved by the Board. The reserves can be used for funding for operating expenditure during financial crisis and ex-budgetary capital expenditure for ensuring business continuity.

*All donations are eligible for tax deduction of 300% for 2015.

I. DONOR INFORMATION

I would like to make a donation as: An individual An organisation

Individuals

Name: (Dr/ Mr/ Mrs/ Ms/ Mdm)

NRIC/ FIN No.:

(Required for IRAS auto-inclusive submission for tax deduction)

Email address:

Address:

Organisations

Name of company:

Unique Entity Number (UEN)/ ROB/ ROC:

(Required for IRAS auto-inclusive submission for tax deduction)

Contact person: (Dr/ Mr/ Mrs/ Ms/ Mdm)

Designation:

Email address:

Contact nos.: (Mobile) _____

(Office) _____

(Home) _____

II. DONATION INFORMATION

My Gift Donation

\$5,000 \$3,000 \$2,000 \$1,000

Other amount: _____

Frequency

One-time donation

Monthly

From: (dd/mm/yyyy) _____ to _____

III. PAYMENT DETAILS

Payment mode:

Cheque No.: _____ Bank: _____

Please make your cheque payable to "SBF Foundation Ltd"

Credit Card No.: _____ Expiry Date: _____

Name on Credit Card: _____

Cash: _____

IV. ACKNOWLEDGEMENT

Please recognize this gift in the name of:

The donor as above I wish to remain anonymous Others: _____

Signature(s)/ Company Stamp

Date

Please return the completed form to:
 SBF Foundation Ltd
 c/o Singapore Business Federation
 10 Hoe Chiang Road Keppel Towers,
 #22-01 Singapore 089315

SBF FOUNDATION LTD

c/o Singapore Business Federation

10 Hoe Chiang Rd #22-01, Keppel Towers, Singapore 089315

Tel: +65 6827 6828 <http://www.sbffoundation.org.sg>

For enquiries, please email Ms Tan Sher Leen at tansherleen@sbffoundation.org.sg