



Annual Report 2021

CONTENTS

MESSAGE FROM THE BINJAITREE TEAM	3
CORPORATE INFORMATION	3
MISSION & GUIDING PRINCIPLES	5
CORPORATE GOVERNANCE	6
POLICIES	7
FINANCIAL INFORMATION	12

MESSAGE FROM THE BINJAITREE TEAM

It is with such relief that 2021 is behind us and we are beginning to move beyond the uncertain time of Covid-19. Let us welcome the period ahead in high spirit, look at things anew and be open to fresh initiatives.

Since its founding, Binjaitree has been intentionally welcoming towards emerging needs, unattended gaps and new ideas. We are willing to go the extra mile to support and work with founders of such projects, bearing the attendant risks of these start-ups.

Our support goes beyond the funds we provide. We provide guidance, make connections, give endorsement and set up the essential guardrails of good governance.

Even as we take a long view, we anticipate that a few of our projects will fall short, disappoint and may even fail altogether. When these occasions arise, we will be hard-nosed and firm but yet be considerate with an open heart.

To date, we have been involved at the formative stage of about ten organisations and only one has fallen far short of our expectations. Overall, we have much to be thankful for in working with many commendable individuals, partners and initiatives doing such good ground breaking work. We are very grateful for these opportunities and remain keen to support more of such endeavours.

Hsieh Fu Hua

Angela Chau

Chan Chia Lin

Hsieh Wen Piao

Nicholas Lee

Julian Hong

Tina Hung

CORPORATE INFORMATION

Company registration number	200818724G
Incorporation date	23 September 2008
Registered Address	105 Cecil Street #12-02 The Octagon Singapore 069534
Charity registration	1 November 2008
Institution of a Public Character	IPC000646
Company Secretaries	Ms Gwendolin Lee Soo Fern
Banker	DBS Bank Limited
Auditors	Lo Hock Ling & Co.

MISSION & GUIDING PRINCIPLES

Mission

Our mission is purely charitable, serving the community by direct grant giving or through other means of support. We establish goals for our grant-making programmes and devise strategies to attain these goals. We optimise our time, effort and money by instituting a robust grant-making process. This allows us to choose the issues we want to champion and the groups to which we extend our aid. We want our resources not merely to support and nourish at a given time of need, but to serve well over the long term.

Grant-making Priorities

- Mental Health
- Shared Services For Charities
- Arts
- Charity & the Community

Guiding Principles

These guiding principles define our approach to our philanthropic work and directs our strategies and grant making. While many of them are fundamental to our operations, we remain open to amending them as we grow.

- We consider the larger picture and focus on the best way to bring sustained benefits to the community.
- We work to provide the greatest opportunity for our various beneficiaries to reach their goals and potential.
- We use our resources, funds and capabilities well.
- We value respect and trust as fundamental in our relationships with our beneficiaries, grantees and partners.
- We staunchly advocate and practise good governance in all our dealings.

CORPORATE GOVERNANCE

Board Member	Date Appointed	Board Meeting Attendance
Hsieh Fu Hua¹ Founder / Director Alternate Director: Hsieh Nizhen	23 September 2008	3/3
Angela Chau² Director	13 January 2010	3/3
Chan Chia Lin Director	2 February 2016	3/3
Hsieh Wen Piao Director	30 March 2019	3/3
Nicholas Lee Jin Kian Director	22 December 2020	3/3
Hsieh Nizhen Alternate Director to Hsieh Fu Hua	1 March 2012	0/3

Directors on BinjaiTree board for 10 years:

¹ Hsieh Fu Hua is the founding member and this charity was established with funding from him and his family for the most part.

² Angela Chau is a valuable member who continues to render independent views.

The Governance Evaluation Checklist – Enhanced Tier

S/N	Code guideline	Code ID	Response (select whichever is applicable)	Explanation (if Code guideline is not complied with)
Board Governance				
1	Induction and orientation are provided to incoming governing board members upon joining the Board.	1.1.2	YES	
	Are there governing board members holding staff¹ appointments? (skip items 2 and 3 if “No”)		NO	
2	Staff does not chair the Board and does not comprise more than one third of the Board.	1.1.3	N/A	
3	There are written job descriptions for the staff's executive functions and operational duties, which are distinct from the staff's Board role.	1.1.5	N/A	
4	The Treasurer of the charity (or any person holding an equivalent position in the charity, e.g. Finance Committee Chairman or a governing board member responsible for overseeing the finances of the charity) can only serve a maximum of 4 consecutive years . If the charity has not appointed any governing board member to oversee its finances, it will be presumed that the Chairman oversees the finances of the charity.	1.1.7	YES	
5	All governing board members must submit themselves for re-nomination and re-appointment , at least once every 3 years.	1.1.8	NO	The Board has determined that there is no need to put in place for re-nomination & re-appointment procedures.
6	The Board conducts self evaluation to assess its performance and effectiveness once during its term or every 3 years, whichever is shorter.	1.1.12	YES	
	Is there any governing board member who has served for more than 10 consecutive years? (skip item 7 if “No”)		YES	
7	The charity discloses in its annual report the reasons for retaining the governing board member who has served for more than 10 consecutive years .	1.1.13	YES	
8	There are documented terms of reference for the Board and each of its committees.	1.2.1	YES	

S/N	Code guideline	Code ID	Response (select whichever is applicable)	Explanation (if Code guideline is not complied with)
Conflict of Interest				
9	There are documented procedures for governing board members and staff to declare actual or potential conflicts of interest to the Board at the earliest opportunity.	2.1	YES	
10	Governing board members do not vote or participate in decision making on matters where they have a conflict of interest.	2.4	YES	
Strategic Planning				
11	The Board periodically reviews and approves the strategic plan for the charity to ensure that the charity's activities are in line with the charity's objectives.	3.2.2	YES	
Human Resource and Volunteer² Management				
12	The Board approves documented human resource policies for staff.	5.1	NO	BinjaiTree has no staff.
13	There is a documented Code of Conduct for governing board members, staff and volunteers (where applicable) which is approved by the Board.	5.3	YES	
14	There are processes for regular supervision, appraisal and professional development of staff.	5.5	NO	BinjaiTree has no staff.
	Are there volunteers serving in the charity? (skip item 15 if "No")		YES	
15	There are volunteer management policies in place for volunteers.	5.7	NO	BinjaiTree's volunteers are all from the Board except one
Financial Management and Internal Controls				
16	There is a documented policy to seek the Board's approval for any loans, donations, grants or financial assistance provided by the charity which are not part of the charity's core charitable programmes.	6.1.1	NO	BinjaiTree is a grant giving organization & all donations are reviewed & authorized by the Board.
17	The Board ensures that internal controls for financial matters in key areas are in place with documented procedures .	6.1.2	YES	
18	The Board ensures that reviews on the charity's internal controls, processes, key programmes and events are regularly conducted.	6.1.3	YES	

S/N	Code guideline	Code ID	Response (select whichever is applicable)	Explanation (if Code guideline is not complied with)
19	The Board ensures that there is a process to identify, and regularly monitor and review the charity's key risks .	6.1.4	YES	
20	The Board approves an annual budget for the charity's plans and regularly monitors the charity's expenditure.	6.2.1	YES	
	Does the charity invest its reserves (e.g. in fixed deposits)? (skip item 21 if "No")		YES	
21	The charity has a documented investment policy approved by the Board.	6.4.3	YES	
Fundraising Practices				
	Did the charity receive cash donations (solicited or unsolicited) during the financial year? (skip item 22 if "No")		YES	
22	All collections received (solicited or unsolicited) are properly accounted for and promptly deposited by the charity.	7.2.2	YES	
	Did the charity receive donations in kind during the financial year? (skip item 23 if "No")		NO	
23	All donations in kind received are properly recorded and accounted for by the charity.	7.2.3	N/A	
Disclosure and Transparency				
24	The charity discloses in its annual report — (a) the number of Board meetings in the financial year; and (b) the attendance of every governing board member at those meetings.	8.2	YES	See "Corporate Governance" Section of the 2021 Annual Report.
	Are governing board members remunerated for their services to the Board? (skip items 25 and 26 if "No")		NO	
25	No governing board member is involved in setting his own remuneration.	2.2	N/A	
26	The charity discloses the exact remuneration and benefits received by each governing board member in its annual report. <u>OR</u> The charity discloses that no governing board member is remunerated.	8.3	N/A	
	Does the charity employ paid staff? (skip items 27, 28 and 29 if "No")		NO	
27	No staff is involved in setting his own remuneration.	2.2	N/A	

S/N	Code guideline	Code ID	Response (select whichever is applicable)	Explanation (if Code guideline is not complied with)
28	<p>The charity discloses in its annual report —</p> <p>(a) the total annual remuneration for each of its 3 highest paid staff who each has received remuneration (including remuneration received from the charity's subsidiaries) exceeding \$100,000 during the financial year; and</p> <p>(b) whether any of the 3 highest paid staff also serves as a governing board member of the charity.</p> <p>The information relating to the remuneration of the staff must be presented in bands of \$100,000.</p> <p><u>OR</u></p> <p>The charity discloses that none of its paid staff receives more than \$100,000 each in annual remuneration.</p>	8.4	N/A	
29	<p>The charity discloses the number of paid staff who satisfies all of the following criteria:</p> <p>(a) the staff is a close member of the family³ belonging to the Executive Head⁴ or a governing board member of the charity;</p> <p>(b) the staff has received remuneration exceeding \$50,000 during the financial year.</p> <p>The information relating to the remuneration of the staff must be presented in bands of \$100,000.</p> <p><u>OR</u></p> <p>The charity discloses that there is no paid staff, being a close member of the family belonging to the Executive Head or a governing board member of the charity, who has received remuneration exceeding \$50,000 during the financial year.</p>	8.5	N/A	
	Public Image			
30	The charity has a documented communication policy on the release of information about the charity and its activities across all media platforms.	9.2	NO	BinjaiTree does minimal public communications & any public communication is approved by the Chairman

POLICIES

Whistle-Blowing Policy

BinjaiTree does not have a a whistle-blowing policy.

GOVERNANCE POLICIES

In addition to the above, the Board has approved various policies to delineate roles & responsibilities and provide guidance to the management including:

- Conflict of Interest
- Investment Policies & Procedures
- Finance Policies & Procedures
- Grant Making Policies
- Code of Conduct for Board Directors Manual
- Term of Reference for Board Directors Manual
- PDPA Policy
- Term of Use

FINANCIAL INFORMATION

****ADD AUDITORS' REPORT & AUDITED FINANCIAL STATEMENTS ****

BINJAITREE

UNIQUE ENTITY NUMBER: 200818724G

INSTITUTION OF PUBLIC CHARACTER NUMBER: IPC000646

**DIRECTORS' STATEMENT AND
FINANCIAL STATEMENTS**

FOR THE FINANCIAL YEAR ENDED 31 December 2021

LO HOCK LING & CO

Chartered Accountants Singapore

盧鶴齡會計公司



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Table of Contents

Directors' Statement	1
Independent Auditor's Report	2 - 4
Statement of Financial Activities	5
Statement of Financial Position	6
Statement of Cash Flows	7
Notes to the Financial Statements	8 - 18

BINJAITREE

DIRECTORS' STATEMENT

The directors present their statement to the members together with the audited financial statements of Binjaitree (the "Company") for the financial year ended 31 December 2021.

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 of the Company as at 31 December 2021 and the financial performance and cash flows of the Company for the financial year then ended in accordance with the provisions of the Charities Act 1994 and other relevant regulations, the Companies Act 1967 and the Charities Accounting Standard; 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.

Directors

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

Hsieh Fu Hua
Angela Chau
Hsieh Wen Piao
Chan Chia Lin
Nicholas Lee Jin Kian
Hsieh Nizhen (Alternate to Hsieh Fu Hua)

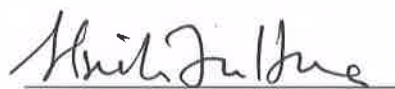
Arrangements to enable directors to acquire benefits and directors' interests in shares or debentures

As the Company is limited by guarantee and does not have a share capital, matters relating to the issue of shares or share options are not applicable.

Auditors

The Auditors, Messrs Lo Hock Ling & Co, have expressed their willingness to accept re-appointment.

On behalf of the board of directors,


Hsieh Fu Hua
Director


Angela Chau
Director

Singapore, 18 May 2022

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
BINJAITREE**

(A public company limited by guarantee and not having share capital)

LO HOCK LING & CO

Chartered Accountants Singapore

盧鶴齡會計公司

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Binjaitree (the "Company") which comprise the statement of financial position (balance sheet) as at 31 December 2021, and the statement of financial activities and statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Charities Act 1994 and other relevant regulations (the "Charities Act and Regulations"), Companies Act 1967 (the "Act") and the Charities Accounting Standard ("CAS") so as to give a true and fair view of the financial position of the Company as at 31 December 2021 and of the financial performance, changes in funds and cash flows of the Company for the financial 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 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 Directors' Statement set out on page 1 and other sections of 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 do not and 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 and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

In preparing the financial statements, management is responsible for assessing the 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BINJAITREE

(A public company limited by guarantee and not having share capital)

LO HOCK LING & CO

Chartered Accountants Singapore

盧鶴齡會計公司

Continued

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:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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.
- 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 by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
BINJAITREE**

(A public company limited by guarantee and not having share capital)

LO HOCK LING & CO

Chartered Accountants Singapore

盧鶴齡會計公司


Continued

Report on Other Legal and Regulatory Requirements (Continued)

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

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

Singapore, 18 May 2022


LO HOCK LING & CO.
PUBLIC ACCOUNTANTS AND
CHARTERED ACCOUNTANTS SINGAPORE

BINJAITREE

Statement of Financial Activities for the financial year ended 31 December 2021

	<u>Notes</u>	<u>2021</u>	<u>2020</u>
		\$	\$
<u>INCOME</u>			
Income from generated funds			
- Donations	3	1,503,000	1,575,000
- Investment income	4	141,185	353,180
Government grant	5	400,000	-
		<u>2,044,185</u>	<u>1,928,180</u>
Total income			
<u>EXPENDITURE</u>			
Charitable activities	6	1,295,711	1,137,389
Governance costs	7	93,124	56,693
Depreciation on property, plant and equipment	9	1,036	1,252
Impairment loss on investment securities	10	91,821	64,519
Loss on disposal of investment securities		46,827	-
		<u>1,528,519</u>	<u>1,259,853</u>
Total Expenditure			
Surplus for the financial year		515,666	668,327
Total funds brought forward		<u>7,629,895</u>	<u>6,961,568</u>
Total funds carried forward		<u>8,145,561</u>	<u>7,629,895</u>

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

BINJAITREE

Statement of Financial Position as at 31 December 2021

	<u>Notes</u>	<u>2021</u>	<u>2020</u>
		\$	\$
<u>ASSETS</u>			
<u>Non-Current Assets</u>			
Plant and equipment	9	-	1,036
Investment securities	10	4,087,661	3,801,291
		<u>4,087,661</u>	<u>3,802,327</u>
<u>Current Assets</u>			
Investment securities	10	2,835,807	1,649,465
Other receivables	11	29,981	569,708
Cash and cash equivalents	12	1,199,312	1,612,795
		<u>4,065,100</u>	<u>3,831,968</u>
Total Assets		<u>8,152,761</u>	<u>7,634,295</u>
<u>FUND AND LIABILITY</u>			
<u>Fund</u>			
Accumulated unrestricted funds		<u>8,145,561</u>	<u>7,629,895</u>
Total fund		<u>8,145,561</u>	<u>7,629,895</u>
<u>Current Liability</u>			
Other payables	13	7,200	4,400
Total Liability		<u>7,200</u>	<u>4,400</u>
Total Fund and Liability		<u>8,152,761</u>	<u>7,634,295</u>

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

BINJAITREE

Statement of Cash Flows for the financial year ended 31 December 2021

	<u>Notes</u>	<u>2021</u>	<u>2020</u>
		\$	\$
<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>			
Surplus for the financial year		515,666	668,327
Adjustments for:			
Depreciation on plant and equipment	9	1,036	1,252
Dividend income	4	(75,578)	(138,399)
Impairment loss on investment securities		91,821	64,519
Interest income	4	(65,607)	(34,219)
Loss/(gain) on disposal of investment securities		46,827	(180,562)
		(1,501)	(287,409)
Operating surplus before working capital changes		514,165	380,918
Decrease/(increase) in other receivables		539,727	(549,795)
Increase/(decrease) in other payables		2,800	(421,328)
Changes in working capital		542,527	(971,123)
Cash generated from/(used in) operations		1,056,692	(590,205)
Interest received	4	113	4,274
Net cash from/(used in) operating activities		1,056,805	(585,931)
<u>CASH FLOWS FROM INVESTING ACTIVITIES:</u>			
Dividend received	4	75,578	138,399
Interest received from short term investments	4	65,494	29,945
Purchase of investment securities	10	(2,320,291)	(998,324)
Proceeds from disposal of investment securities		708,931	1,035,145
Withdrawal of fixed deposit		-	500,000
Net cash (used in)/from investing activities		(1,470,288)	705,165
Net (decrease)/increase in cash and cash equivalents		(413,483)	119,234
Cash and cash equivalents at beginning of the financial year		1,612,795	1,493,561
Cash and cash equivalents at end of the financial year	12	1,199,312	1,612,795

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

BINJAITREE

NOTES TO THE FINANCIAL STATEMENTS – 31 December 2021

The following notes form an integral part of the financial statements.

1. GENERAL

Binjaitree (the "Company") is incorporated and domiciled in the Republic of Singapore. Its registered office is located at 105 Cecil Street #12-02 The Octagon Singapore 069534.

The Company is a public company limited by guarantee whereby every member of the Company undertakes to contribute an amount not exceeding \$1 each, for payment of the debts and liabilities contracted by the Company in the event of the Company being wound up. The Company has 2 (2020: 2) members as at 31 December 2021.

The Company has an Institution of a Public Character ("IPC") status registered under the Charities Act 1994. The renewed IPC status is valid for a 2-year period from 1 November 2021 to 31 October 2023.

The principal activities of the Company consist of the provision of services which aim to improve the standard of human life and social well-being, in particular, the disadvantaged community.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation

The Company presents its financial statements in Singapore dollar ("S\$"), which is also its functional currency.

These financial statements have been prepared in accordance with Singapore Charities Accounting Standard ("CAS").

These financial statements have been prepared on the historical cost basis.

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

2.2 Significant Accounting Estimates and Judgments

Estimates, assumptions concerning the future and judgments are made in the preparation of the financial statements. They affect the application of the Company's accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosures made. They are assessed on an ongoing basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

(A) *Key sources of estimation uncertainty*

As at the balance sheet date, there were no key sources of estimation uncertainty that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 Significant Accounting Estimates and Judgments (continued)

(B) *Critical judgements made in applying accounting policies*

In the process of applying the Company's accounting policies, the management has made certain judgments, apart from those involving estimations, which have significant effect on the amounts recognised in the financial statements.

Impairment on Unquoted investments

The Company follows the guidance of CAS in determining whether equity investments have been impaired. This determination requires significant judgment. The Company evaluates, among other factors, whether the recoverable amount of the investment is less than its carrying amount, the financial health of and near-term business outlook for the investment, including factors such as industry and sector performance, changes in technology and operational and financial cash flow.

The impairment loss is the difference between the carrying amount of the unquoted investment and the best estimate (which will necessarily be an approximation) of the amount (which might be zero) that the Company would receive for the investment if it was to be sold at the reporting date.

2.3 Income Recognition

Income are included in the Statement of Financial Activities ("SoFA") when the Company becomes entitled to the income, the Company is virtually certain it will receive the income and the monetary value can be measured with sufficient reliability.

(i) Income with related expenditure

Where income has related expenditure (as with fundraising or contract income) the income and related expenditure are reported gross in the SoFA.

(ii) Grants and donations

Grants and donations are only included in the SoFA when the Company has unconditional entitlement to the receipts.

(iii) Contractual income and performance related grants

These are only included in the SoFA once the related goods or services have been delivered.

(iv) Investment income

Dividend and interest income are recognised in the financial statements when receivable. Gain or loss on sale of investment is recognised when realised during the financial year.

2.4 Expenditure

Expenditure has been classified under headings that aggregate all costs related to those activities. Any expense that is directly attributable to the operating activities of a fund is charged to that fund. Common expenses, if any, are apportioned on a reasonable basis to the funds based on a method most suitable to that common expense unless it is impracticable to do so.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.4 Expenditure (continued)

(i) Charitable activities

Expenditure on charitable activities comprises all costs incurred in the pursuit of the charitable activities of the Company. 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 based on the time spent of staff related to charitable activities.

(ii) Governance costs

Governance costs include costs of the preparation and examination of statutory accounts, the costs of governing board meetings and cost of any legal advice for the governing board on governance or constitutional matters.

2.5 Income Taxes

As a registered charity under the Charities Act 1994, the Company is exempted from income tax under Section 13(1)(zm) of the Income Tax Act 1947.

2.6 Plant and Equipment

All items of plant and equipment are initially recorded at cost. The cost of an item of plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Plant and equipment are capitalised if they can be used for more than one year and the cost is at least \$500.

Plant and equipment are stated at cost less accumulated depreciation and impairment loss, if any.

Any estimated costs of dismantling and removing the plant and equipment and reinstating the site to its original condition (reinstatement costs) are capitalised as part of the cost of the plant and equipment.

Depreciation is calculated on the straight line basis so as to write off the cost, less the residual value, of the assets over their estimated useful lives as follows:

Office equipment	5 years
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Fully depreciated assets are retained in the financial statements until they are no longer in use.

The residual values, useful lives and depreciation methods of plant and equipment are reviewed and adjusted as appropriate, at each financial year-end. The effects of any revisions are recognised in the SoFA for the financial year in which the changes arise.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal.

2.7 Investments

An investment in a financial asset is initially measured at the transaction price excluding transaction costs, if any, which shall be recognised as expenditure immediately in the SoFA.

Subsequent to initial recognition, investments in financial assets are measured at cost less any accumulated impairment losses. Investments in financial assets shall not be measured at fair value subsequent to initial recognition.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)**2.8 Impairment of Non-Financial assets**

The carrying amounts of the Company's non-financial assets subject to impairment are reviewed at each balance sheet date to determine whether there is any indication of impairment. If such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's fair value less cost of disposal and its value in use. The value in use is the present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life.

2.9 Receivables

Receivables excluding prepayments are initially recognised at their transaction price, excluding transactions costs, if any. Transaction costs are recognised as expenditure in the SoFA 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, receivables excluding prepayments are measured at cost less any accumulated impairment losses. Prepayments are measured at the amount paid less the economic resources received or consumed during the financial year.

When there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables, an impairment loss is recognised. The amount of the impairment loss is recognised in the SoFA immediately.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed. The amount of the reversal is recognised in the SoFA immediately.

2.10 Cash and Cash Equivalents

Cash and cash equivalents comprise bank balance which are subject to insignificant risks of changes in value. Cash equivalents are stated at amounts at which they are convertible into cash.

2.11 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.

2.12 Payables

Payables excluding accruals are recognised at their transaction price, excluding transactions costs, if any, both at initial recognition and at subsequent measurement. Transaction costs are recognised as expenditure in the SoFA as incurred. Accruals are recognised at the best estimate of the amount payable.

Where a liability is not accrued because conditions have not been met, such a commitment are normally treated as a contingent liability. Contingent liabilities are not recognised on the balance sheet of the Company.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.13 Provisions

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

2.14 Related Parties

A related party is defined as follows:

- (A) A person or a close member of that person's family is related to the Company if that person:
 - (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) An entity is related to the Company if any of the following conditions applies:
 - (i) The entity and the Company are members of the same group (which means that each parent, subsidiary company and fellow subsidiary company is related to the others);
 - (ii) The entity is an associate or joint venture of the Company (or an associate or joint venture of a member of a group of which the Company 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) A person 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 entity).

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including governing board members and key officers of the Company.

Key officers are officers of the Company, whether or not employee of the Company, having the general control and management of the administration of the Company, and include any person, by whatever name called, who exercise such general control and management.

BINJAITREE

3. DONATIONS

	<u>2021</u>	<u>2020</u>
	\$	\$
Donations received:		
- Founding director	1,300,000	1,500,000
- Charitable organisation/person	<u>203,000</u>	<u>75,000</u>
	<u>1,503,000</u>	<u>1,575,000</u>

Qualifying donors are granted tax deduction of 250% for the donations made to the funds of the Company.

	<u>2021</u>	<u>2020</u>
	\$	\$
Tax deductible receipts issued to donors	<u>1,503,000</u>	<u>1,575,000</u>

4. INVESTMENT INCOME

	<u>2021</u>	<u>2020</u>
	\$	\$
Dividend income	75,578	138,399
Interest income from		
- bank	113	4,274
- short term investments	<u>65,494</u>	<u>29,945</u>
	65,607	34,219
Gain on disposal of investment securities	<u>-</u>	<u>180,562</u>
	<u>141,185</u>	<u>353,180</u>

5. GOVERNMENT GRANT

	<u>2021</u>	<u>2020</u>
	\$	\$
Bicentennial Community Fund matching grant	<u>400,000</u>	<u>-</u>

6. CHARITABLE ACTIVITIES

	<u>2021</u>	<u>2020</u>
	\$	\$
Grants made to organisations/beneficiaries (note 8)	1,284,000	1,135,500
Other expenses	<u>11,711</u>	<u>1,889</u>
	<u>1,295,711</u>	<u>1,137,389</u>

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7. GOVERNANCE COSTS

	<u>2021</u>	<u>2020</u>
	\$	\$
Independent auditors' fee		
- Provision for current financial year	5,200	4,000
- Under-provision from prior financial years	2,300	-
	7,500	4,000
Legal and professional fee	20,683	20,693
Corporate secretarial fees	4,941	2,000
Sub-contract fee (consultants)	60,000	30,000
	<u>93,124</u>	<u>56,693</u>

BINJAITREE

8. GRANTS MADE TO ORGANISATIONS/BENEFICIARIES

	<u>2021</u>	<u>2020</u>
	\$	\$
Art Work Collaborative Limited	-	10,000
AWARE Singapore	30,000	20,000
Beyond Social Services	30,000	20,000
Caregivers Alliance Limited	28,000	75,000
Caring For Life Ltd	50,000	-
Club Heal	30,000	-
Down Syndrome Association (Singapore)	10,000	10,000
Girl Guides Singapore	-	50,000
HealthServe Ltd	-	10,000
LASALLE College of the Arts	60,000	60,000
Leap Philanthropy Ltd	-	100,000
National Arthritis Foundation	-	15,000
National Gallery Singapore	30,000	-
National University Health System Pte Ltd	-	20,000
National University of Singapore	225,000	-
National University of Singapore and its affiliates	-	15,500
New Hope Community Services	-	50,000
OH Open House Limited	60,000	30,000
O' Joy Limited	20,000	-
Project Dignity Pte Ltd	-	100,000
Resilience Collective Ltd	-	120,000
Singapore Mental Health Film Festival Ltd	100,000	-
Singapore Repertory Theatre Ltd	20,000	-
Singapore University of Social Sciences	14,000	14,000
Temasek Trust Ltd	-	50,000
The ACS Foundation (Endowment)	20,000	-
The Esplanade Co Ltd	10,000	15,000
The Keppel Club	20,000	-
The Majurity Trust Ltd	200,000	-
The Teng Ensemble Ltd	35,000	25,000
Tri Sector Associates Ltd	-	100,000
Tsao Foundation	30,000	-
Very Special Arts Singapore Ltd	-	20,000
Wild Rice Ltd	10,000	25,000
Workwell Leaders Ltd	120,000	-
Others	132,000	181,000
Total value of grants to charitable organisations/ beneficiaries	<u>1,284,000</u>	<u>1,135,500</u>

BINJAITREE

9. PLANT AND EQUIPMENT

	Office equipment
	\$
<u>Cost</u>	
At 1 January 2020, 31 December 2020, 1 January 2021 and 31 December 2021	<u>6,163</u>
<u>Accumulated Depreciation</u>	
At 1 January 2020	3,875
Charge for the financial year	<u>1,252</u>
At 31 December 2020	5,127
Charge for the financial year	<u>1,036</u>
At 31 December 2021	<u>6,163</u>
<u>Carrying amount</u>	
At 31 December 2021	<u>-</u>
At 31 December 2020	<u>1,036</u>

10. INVESTMENT SECURITIES

	<u>2021</u>	<u>2020</u>
	\$	\$
<u>Non-current assets</u>		
- Quoted equity shares at cost	1,986,211	1,601,306
- Unquoted equity shares at cost	907,137	993,003
- Funds placed with fund managers	2,227,080	2,227,080
	5,120,428	4,821,389
- Less: Allowance for impairment losses		
Balance at beginning of the financial year	1,020,098	955,579
Recognised during the financial year	12,669	64,519
Balance at end of the financial year	1,032,767	1,020,098
	4,087,661	3,801,291
<u>Current assets</u>		
- Funds placed with a fund manager	2,914,959	1,649,465
- Less: Allowance for impairment losses		
Balance at beginning of the financial year	-	-
Recognised during the financial year	79,152	-
Balance at end of the financial year	79,152	-
	2,835,807	1,649,465
	<u>6,923,468</u>	<u>5,450,756</u>

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10. INVESTMENT SECURITIES (continued)

Investment in securities in Singapore are denominated in Singapore dollar and investment securities based outside Singapore are denominated in Hong Kong dollar and United States dollar. The breakdown is as follows:

	<u>2021</u>	<u>2020</u>
	\$	\$
Singapore dollar	4,749,280	2,143,424
Hong Kong dollar	-	106,959
United State dollar	<u>2,174,188</u>	<u>3,200,373</u>
	<u>6,923,468</u>	<u>5,450,756</u>
	<u>2021</u>	<u>2020</u>
	\$	\$
<u>Cost</u>		
Balance brought forward	6,470,854	6,327,113
Additions	2,320,291	998,324
Disposals	<u>(755,758)</u>	<u>(854,583)</u>
Balance carried forward	8,035,387	6,470,854
Allowance for impairment losses		
- Non-current	<u>(1,032,767)</u>	<u>(1,020,098)</u>
- Current	<u>(79,152)</u>	<u>-</u>
	<u>(1,111,919)</u>	<u>(1,020,098)</u>
Carrying amount	<u>6,923,468</u>	<u>5,450,756</u>
Fair value	<u>7,559,929</u>	<u>5,992,508</u>

11. OTHER RECEIVABLES

	<u>2021</u>	<u>2020</u>
	\$	\$
Non-trade receivables		
- Loan to Caring for Life Ltd	-	25,000
- Loan to TauRx Pharmaceuticals Ltd	-	19,913
- Funds placed with a broker, Phillip Securities Pte Ltd	<u>29,981</u>	<u>524,795</u>
	<u>29,981</u>	<u>569,708</u>

Other receivables are unsecured, non-interest bearing and repayable on demand.

12. CASH AND CASH EQUIVALENTS

Cash and cash equivalents in the statement of cash flows comprise of balance as shown in the statement of financial position.

BINJAITREE

13. OTHER PAYABLES

	<u>2021</u>	<u>2020</u>
	\$	\$
Accruals	<u>7,200</u>	<u>4,400</u>

14. CONFLICTS OF INTEREST POLICY

All members of the Board of 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 or staff shall abstain from participating in the discussion, decision making and voting on the matter.

During the current and previous financial year, none of the members of the Board of Directors or people connected with them:

- (a) have received remuneration, or other benefits, from the Company; and
- (b) have received claims for services provided to the Company, either by way of reimbursements, allowances, or direct payment to a third party.

15. RESERVES POLICY

The primary objective of the Company's reserves management policy is to ensure that it maintains optimal reserves in order to support its operations and the development of its principal activities.

The Company monitors its cash flow and overall liquidity position on a continuous basis, taking into consideration the prevailing and projected operating income and expenditure, and other financial obligations, including projected capital expenditure.

The Company is not subject to externally imposed reserves requirement.

There were no changes to the Company's approach to reserves management since the previous financial year.

16. SIGNIFICANT EVENTS

As the Corona Virus Disease 2019 ("COVID-19") situation remains active as at the date of issue of these financial statements, the management is unable to reasonably ascertain the full extent of the probable impact of the pandemic on the Company's operations and financial performance for the financial year ending 31 December 2022. Notwithstanding this, the directors have assessed that the Company is able to maintain sufficient liquidity to continue operations as a going concern for at least the next 12 months from the end of the reporting period. The management will continue to monitor the developments of COVID-19 and will take further actions as necessary in response to the economic disruption.

17. AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements of the Company for the year ended 31 December 2021 were authorised for issue in accordance with a resolution of the directors dated 18 May 2022.

