

**INTERSERVE SINGAPORE**  
(Registered in the Republic of Singapore)  
REGISTRATION NO. S89SS0004B

**FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

**INTERSERVE SINGAPORE**

**STATEMENT BY THE BOARD**  
31 DECEMBER 2020

On behalf of the Board, we do hereby state that in our opinion, the financial statements of Interserve Singapore (the "Society") as set out on pages 5 to 17 are properly drawn up in accordance with the Societies Act, Chapter 311, Charities Act, Chapter 37 and other relevant regulations and Charities Accounting Standard so as to present fairly, in all material respects the financial position of the Society as at 31 December 2020, and of the financial performance, changes in funds and cash flows of the Society for the financial year ended on that date.

On behalf of the Board Members



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Yap Peng Huat, Eric  
Chairman



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Tang Shin Yong  
Treasurer

Dated: 26 March 2021

**INDEPENDENT AUDITOR'S REPORT TO THE  
MEMBERS OF INTERSERVE SINGAPORE****Report on the Audit of the Financial Statements***Opinion*

We have audited the financial statements of Interserve Singapore (the "**Society**"), which comprise the statement of financial position as at 31 December 2020, 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 Societies Act, Chapter 311 (the "**Societies Act**"), the Charities Act, Chapter 37 and other relevant regulations (the "**Charities Act and Regulations**") and Singapore Charities Accounting Standards ("**CAS**") so as to present fairly, in all material respects, the financial position of the Society as at 31 December 2020 and of the financial performance, changes in funds and cash flows of the Society 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 Society in accordance with the Accounting and Corporate Regulatory Authority ("**ACRA**") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("**ACRA Code**") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Other Information*

The Board is responsible for other information. The other information comprises Statement by the Board as set out on page 1 and the information included in the Annual Report for the year 2020 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 express any form of assurance conclusion thereon.

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

*Responsibilities of Management and Those Charged with Governance for the Financial Statements*

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Societies Act, Charities Act and Regulations and CAS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INTERSERVE SINGAPORE**

### **Report on the Audit of the Financial Statements (cont'd)**

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

Those charged with governance are responsible for overseeing the Society's financial reporting process.

#### *Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level 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 Society'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 Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Society to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance 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.



## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INTERSERVE SINGAPORE

### Report on Other Legal and Regulatory Requirements

In our opinion,

- a) the accounting and other records required to be kept by the Society have been properly kept in accordance with the provisions of the Societies Regulations enacted under the Societies Act, the Charities Act and Regulations; and
- b) the fund-raising appeal held during the financial year has been carried out in accordance with Regulation 6 of the Societies Regulations issued under the Societies Act and proper accounts and other records have been kept of the fund-raising appeal.

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

#### *Failure to obtain permit for fund-raising appeal for foreign charitable purposes*

The Society did not obtain a permit to conduct a fund-raising appeal for foreign charitable purposes which was held during the financial year. Therefore, the Society has not complied with the requirements of Regulation 21 (Permit to conduct fund-raising appeal) of the Charities (Fund-Raising Appeals for Local and Foreign Charitable Purposes) Regulations 2012.

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Axios LLP  
Public Accountants and  
Chartered Accountants  
Singapore

26 March 2021

**INTERSERVE SINGAPORE**

**STATEMENT OF FINANCIAL POSITION**  
as at 31 December 2020

	Note	2020 \$	2019 \$
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Plant and equipment	3	1,245	1,513
<b>Current Assets</b>			
Other receivable	4	4,769	-
Prepayments		955	2,966
Cash and cash equivalents	5	130,433	73,357
		136,157	76,323
<b>Total Assets</b>		<b>137,402</b>	<b>77,836</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Other payables	6	1,500	9,425
		1,500	9,425
<b>NET ASSETS</b>		<b>135,902</b>	<b>68,411</b>
<b>FUNDS</b>			
<b>Unrestricted fund</b>			
Core ministry fund		72,521	43,588
<b>Restricted funds</b>			
Mission partners' fund	7	60,694	24,056
Mission fund	7	2,687	767
		63,381	24,823
<b>TOTAL FUNDS</b>		<b>135,902</b>	<b>68,411</b>

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

**INTERSERVE SINGAPORE**

**STATEMENT OF FINANCIAL ACTIVITIES**  
for the financial year ended 31 December 2019

	Note	Unrestricted fund \$	Restricted funds \$	Total 2020 \$	Total 2019 \$
<b>INCOME</b>					
<b>Income from generated funds</b>					
Voluntary income	8	75,269	183,679	258,948	285,790
Activities for generating funds	9	12,318	28,064	40,382	9,432
<b>Income from charitable activities</b>	10	11,161	–	11,161	37,038
<b>Other income</b>	11	31,952	22,008	53,960	3,924
<b>TOTAL INCOME</b>		<b>130,700</b>	<b>233,751</b>	<b>364,451</b>	<b>336,184</b>
<b>EXPENDITURES</b>					
<b>Cost of generating funds</b>					
Cost of generating voluntary income	12	–	168,713	168,713	187,710
Fund raising cost	13	–	–	–	847
<b>Charitable activities</b>	14	99,713	26,146	125,859	148,106
<b>Governance cost</b>	15	1,665	–	1,665	1,500
<b>Other expenditure</b>		389	334	723	5,413
<b>TOTAL EXPENDITURE</b>		<b>101,767</b>	<b>195,193</b>	<b>296,960</b>	<b>343,576</b>
<b>NET INCOME/(EXPENDITURE) FOR THE FINANCIAL YEAR</b>		<b>28,933</b>	<b>38,558</b>	<b>67,491</b>	<b>(7,392)</b>
<b>TOTAL FUNDS BROUGHT FORWARD</b>		<b>43,588</b>	<b>24,823</b>	<b>68,411</b>	<b>75,803</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>72,521</b>	<b>63,381</b>	<b>135,902</b>	<b>68,411</b>

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

**INTERSERVE SINGAPORE**

**STATEMENT OF CASH FLOWS**  
for the financial year ended 31 December 2020

	Note	2020 \$	2019 \$
<b>Cash flows from operating activities</b>			
Net income/(expenditure) for the financial year		67,491	(7,392)
Adjustments for:			
Depreciation of plant and equipment		336	138
Interest income		(46)	(26)
Operating cash flows before working capital changes		67,781	(7,280)
Changes in working capital:			
Inventories		-	881
Other receivables and prepayments		(2,758)	(1,256)
Other payables		(7,925)	2,609
<b>Net cash generated from/(used in) operating activities</b>		<b>57,098</b>	<b>(5,046)</b>
<b>Cash flows from investing activities</b>			
Purchase of plant and equipment		(68)	(1,651)
Interest received		46	26
<b>Net cash generated used in investing activities</b>		<b>(22)</b>	<b>(1,625)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>57,076</b>	<b>(6,671)</b>
Cash and cash equivalents at beginning of the financial year		73,357	80,028
<b>Cash and cash equivalents at end of the financial year</b>	4	<b>130,433</b>	<b>73,357</b>

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



## INTERSERVE SINGAPORE

### NOTES TO THE FINANCIAL STATEMENTS

31 December 2020

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

#### 1. General

Interserve Singapore (“the Society”) is domiciled in Singapore and is registered as a society under the Societies Act, Cap 311 (“Societies Act”). The Society is also subjected to the provisions of the Charities Act, Cap 37 and other relevant regulations, since its registration as a charity on 6 September 2002.

The registered office is located at 176 Taman Permata, Singapore 575291.

The objectives of the Society are:

- a. To communicate the Gospel of the Lord Jesus Christ;
- b. To assist local churches in the preaching of the Gospel of the Lord Jesus Christ and in the building up in the faith of Christian believers;
- c. To train local Christian workers in seminaries, bible schools, and similar institutions for spiritual leadership in the churches and effective evangelism among their own people;
- d. To minister to the medical, educational and economic needs of people in the name and spirit of Jesus Christ and to assist in the process of development with concern not only for the dignity of individuals, but also for the needs of communities;
- e. To encourage prayer and financial support for Christian service; and
- f. To encourage and assist the preparation, orientation and training of believers of all ages in missionary work/service.

#### 2. Significant accounting policies

##### (a) Basis of preparation

The financial statements, expressed in Singapore dollars which is the Society’s functional currency, have been prepared in accordance with the Societies Act, Chapter 311 (the “Societies Act”), Charities Act, Chapter 37 and other relevant regulations (the “Charities Act and Regulations”) and Singapore Charities Accounting Standard (“CAS”). 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 the use of 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 income and expenditure during the financial year. Although these estimates are based on the management’s best knowledge of current events and actions and historical experiences and various other factors that are believed to be reasonable under the circumstances, actual results may ultimately differ from those estimates. There were no significant judgments and estimates made during the financial year.

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

**INTERSERVE SINGAPORE**

**NOTES TO THE FINANCIAL STATEMENTS**

31 December 2020

**(b) Plant and equipment**

Plant and equipment are stated at cost less accumulated depreciation.

Depreciation is calculated on the straight-line basis so as to allocate the depreciable amount of the other plant and equipment over their estimated useful lives as follows:

	<b>Years</b>
Computers	5

The residual values, estimated useful lives and depreciation method of plant and equipment are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are recognised in statement of financial activities when the changes arise. No depreciation is provided on renovation in progress until the asset is ready for its intended use.

On disposal of a plant and equipment, the difference between the net disposal proceeds and its carrying amount is recognised in the statement of financial activities.

Fully depreciated assets are retained in the financial statements until they are no longer in use.

**(c) Inventories**

Book inventories are stated at the lower of cost and net realisable value. Cost is determined on a weighted average cost basis and includes all costs in bringing the inventories to their present location and condition.

**(d) Receivables**

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

**(e) Payables**

Other payables excluding accruals shall be recognised at their transaction price, excluding transaction costs, if any, both at initial recognition and at subsequent measurement. Transaction costs shall be recognised as expenditure in the Statement of Financial Activities as incurred.

Accruals shall be recognised at the best estimate of the amount payable.

**(f) Cash and cash equivalents**

Cash and cash equivalents comprise bank balances which are subject to an insignificant risk of change in value.

## INTERSERVE SINGAPORE

### NOTES TO THE FINANCIAL STATEMENTS

31 December 2020

(g) **Provision**

Provisions are recognised when the Society has a present obligation (legal or constructive) where, as a result of a past event, and 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. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. Where the effect of time value of money is material, the amount of the provision is the present value of the expenditure expected to be required to settle the obligation.

(h) **Unrestricted funds**

Unrestricted funds are funds received by the Society that are expendable for any activities within the Society at the discretion of the Board Members in furtherance of the Society's charitable objectives.

(i) **Restricted funds**

The restricted funds are funds which are available to be used for specific purposes as directed by the donors.

(j) **Funds**

Unless specifically indicated, fund balances are not represented by any specific assets but are represented by all assets of the Society.

Income and expenditure directly related to the various specific funds specifically set up are taken directly to these funds. Shared common expenses, which are incurred to support various projects of the Society, are allocated to the respective funds for the projects based on usage, time spent on the projects or floor space utilised. All other income and expenses are reflected in the General Fund.

(k) **Revenue recognition**

Income is recognised in the statement of financial activities to the extent that the Society becomes entitled to the income, when it is probable that the income will be received; and when the amount of the income can be measured with sufficient reliability.

Voluntary income

Donations are recognised on a receipt basis.

Donations-in-kind are recognised at the fair value of the donated assets when the fair value of the assets received can be reasonably ascertained.

Activities for generating funds

Income from fund-raising events and sponsorships are recognised when received.

## INTERSERVE SINGAPORE

### NOTES TO THE FINANCIAL STATEMENTS

31 December 2020

#### Income from charitable activities

Income from rendering services and programme fees are recognised when services are rendered.

- Course fees – Course fee is recognised as income over the duration of the course.
- Conference and events – Revenue from conference and events is recognised during the financial year in which the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be performed.

#### Government grants

Grants from government are recognised in the statement of financial activities when there is sufficient evidence that the Society has complied with the conditions of the grants and the grants will be received.

#### Membership fee

Membership fee is recognised when due.

#### Interest income and other income

Interest income and all other income are recognised on accrual basis.

### (j) **Expenditure**

#### Cost of generating funds

The costs of generating funds are those costs attributable to generating income for the Society other than those costs incurred in undertaking charitable activities in furtherance of the Society's object.

#### Charitable activities

Expenditure on charitable activities comprises all costs incurred in undertaking work to meet the charitable objects of the Society. Such costs include the direct costs of the charitable activities of the Society together with those support costs incurred that enable these activities to be undertaken.

#### Governance costs

Governance costs include the costs of governance arrangement, which relate to the general running of the Society as opposed to the direct management functions inherent in generating funds, service delivery and programme or project work. Governance costs will normally include both direct costs such as internal and external audit, legal advice for the Society and costs associated with constitutional and statutory requirements, and related support costs which where material, would comprise apportionment of shared and indirect costs involved in supporting the governance activities.

**INTERSERVE SINGAPORE**

**NOTES TO THE FINANCIAL STATEMENTS**

31 December 2020

(k) **Income tax**

The Society is a registered charity under the Charities Act and Regulations and is exempted from income tax under the Income Tax Act, Chapter 134.

(l) **Employee benefits**

Defined contribution plans

The Society makes contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

(m) **Functional and presentation currency**

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

(n) **Conversion of foreign currencies**

Monetary assets and liabilities in foreign currencies are translated into Singapore dollars at rates of exchange closely approximating those ruling at balance sheet date. Transactions in foreign currencies are converted at rates closely approximating those ruling at transaction dates. Exchange differences arising from such transactions are recorded in the statement of financial activities in the year in which they arise.

**3. Plant and equipment**

	2020	2019
	\$	\$
<b>Computers</b>		
<b>Cost</b>		
At beginning of the financial year	1,651	–
Additions	68	1,651
At end of the financial year	1,719	1,651
<b>Accumulated depreciation</b>		
At beginning of the financial year	138	–
Depreciation	336	138
At end of the financial year	474	138
<b>Net carrying amount</b>		
At 31 December	1,245	1,513

**INTERSERVE SINGAPORE**

**NOTES TO THE FINANCIAL STATEMENTS**

31 December 2020

**4. Other receivable**

During the financial year, the Singapore Government announced the Job Support Scheme (“JSS”) to provide wage support to employers to help retain local employees to cope with the economic uncertainty brought about by the effects of Covid-19. Other receivable pertains to the payout to be received in March 2021 from the JSS for wages paid by the Society between September to December 2020.

**5. Cash and cash equivalents**

	2020	2019
	\$	\$
Cash at bank	130,340	73,280
Cash on hand	93	77
	130,433	73,357

**6. Other payables**

	2020	2019
	\$	\$
Accrued operating expenses	1,500	6,989
Deferred income	-	2,436
	1,500	9,425

**7. Restricted fund**

Mission partner’s fund

Movement in the Mission partner’s fund during the financial year are as follows:

	2020	2019
	\$	\$
At beginning of the financial year	24,056	21,601
Total income	202,170	186,808
Total expenditure	(165,532)	(184,353)
Net income	36,638	2,455
Transfer to Mission fund	-	-
	60,694	24,056

The Partners Fund is a fund to finance accepted Interserve personnel’s work for the purposes of the Society, making Jesus known through wholistic mission amongst the neediest and peoples of Asia, to its furthest ends and beyond.

**INTERSERVE SINGAPORE**

**NOTES TO THE FINANCIAL STATEMENTS**

31 December 2020

Mission fund

Movement in the Mission fund during the financial year are as follows:

	2020 \$	2019 \$
At beginning of the financial year	767	6,595
Total income	31,581	1,200
Total expenditure	(29,661)	(7,028)
Net (expenditure)/income	1,920	(5,828)
Transfer to Mission fund	-	-
	2,687	767
At end of the financial year	2,687	767

The Mission Fund is a fund that funds projects and partners who serve the priorities identified by the Society.

**8. Voluntary income**

	Unrestricted fund \$	Restricted funds \$	Total 2020 \$	Total 2019 \$
Donations	75,269	183,679	258,948	285,790

**9. Activities for generating funds**

	Unrestricted fund \$	Restricted funds \$	Total 2020 \$	Total 2019 \$
Administrative fees	11,693	-	11,693	8,307
Application fees	275	-	275	425
Fund raising	-	28,064	28,064	-
Membership fees	350	-	350	700
	12,318	28,064	40,382	9,432

**10. Income from charitable activities**

	Unrestricted fund \$	Restricted funds \$	Total 2020 \$	Total 2019 \$
Courses and trips	11,161	-	11,161	37,038

**INTERSERVE SINGAPORE**

**NOTES TO THE FINANCIAL STATEMENTS**

31 December 2020

**11. Other income**

	Unrestricted fund \$	Restricted funds \$	Total 2020 \$	Total 2019 \$
Government grants	31,896	22,008	53,904	3,277
Interest income	46	-	46	26
Others	10	-	10	621
	<b>31,952</b>	<b>22,008</b>	<b>53,960</b>	<b>3,924</b>

**12. Cost of generating voluntary income**

	Unrestricted fund \$	Restricted funds \$	Total 2020 \$	Total 2019 \$
Administrative expenses	-	11,240	11,240	8,307
Payments to partners	-	77,547	77,547	118,124
Staff cost				
Salaries, bonus and others	-	68,467	68,467	53,269
Contributions to defined contribution plans	-	11,459	11,459	8,010
	-	<b>168,713</b>	<b>168,713</b>	<b>187,710</b>

**13. Fund raising cost**

	Unrestricted fund \$	Restricted funds \$	Total 2020 \$	Total 2019 \$
Annual thanksgiving	-	-	-	847

**14. Charitable activities expenditure**

	Unrestricted fund \$	Restricted funds \$	Total 2020 \$	Total 2019 \$
Courses and trips	6,310	-	6,310	29,251
Conference and related costs	120	-	120	4,446
Donations	300	26,146	26,446	7,814
Staff cost				
Salaries, bonus and others	74,105	-	74,105	86,077
Contributions to defined contribution plans	12,403	-	12,403	13,247
Subscriptions, memberships and levy	4,627	-	4,627	4,759
Others	1,848	-	1,848	2,512
	<b>99,713</b>	<b>26,146</b>	<b>125,859</b>	<b>148,106</b>



**INTERSERVE SINGAPORE**

**NOTES TO THE FINANCIAL STATEMENTS**

31 December 2020

**15. Governance cost**

	<b>Unrestricted fund \$</b>	<b>Restricted funds \$</b>	<b>Total 2020 \$</b>	<b>Total 2019 \$</b>
Audit fee	<b>1,665</b>	-	<b>1,665</b>	1,500

**16. Related party transactions**

A related party is defined as follows:

- (a) A person or a close member of that person's family is related to the Society, if that person:
  - i) has control or joint control over the Society;
  - ii) has significant influence over the Society; or
  - iii) is a member of the key management personnel of the Society or of a parent of the Society.
- (b) An entity is related to Society if any of the following conditions applies:
  - i) the entity and the Society are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
  - ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
  - iii) both entities are joint ventures of the same third party;
  - iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
  - v) the entity is a post-employment benefit plan for the benefit of employees of either the Society or an entity related to the Society. If the Society is itself such a plan, the sponsoring employers are also related to the Society;
  - vi) the entity is controlled or jointly controlled by a person identified in (a); or
  - vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

During the financial year, in addition to those disclosed elsewhere in these financial statements, the Society entered into the following transactions with related parties at rates and terms agreed between the parties:

	<b>2020 \$</b>	<b>2019 \$</b>
<b>Core ministry fund</b>		
<b>With Interserve International</b>		
National office levy	<b>(3,473)</b>	(4,108)
Expenses paid on behalf	-	(1,915)
On-track fees	-	(103)
Purchase of books	-	-
<b>Spouse of National Director</b>		
Payment of cost incurred for leading vision trips	-	(2,717)
<b>Other Interserve entities</b>		
Purchase of books	-	(3,135)
Donations	-	(4,770)

INTERSERVE SINGAPORE

NOTES TO THE FINANCIAL STATEMENTS

31 December 2020

	2020	2019
	\$	\$
<b>Restricted funds</b>		
<b>With Interserve International</b>		
Medical levy	(111)	(250)
On-track fee	144	(1,938)
Shared expenses	(478)	(903)
<b>Other Interserve entities</b>		
Donations	(7,830)	(5,875)
Donations received	-	29,550

**17. Key management personnel compensation**

Key management personnel are director and those persons having the authority and responsibility for planning, directing and controlling the activities of the Society, directly or indirectly.

The remuneration of key management personnel of the Society during the financial year were as follows:

	2020	2019
	\$	\$
Salaries, bonus and others	24,000	24,060
Contributions to defined contribution plans	4,080	4,140

**18. Reserve**

Reserves serve as a back-up source of funding for the operation of the Society. The reserve provides for financial stability and the means of development of the Society's principal activities. The intent is to have sufficient cash balance to meet all anticipated expenditure of the current financial year.

The Society exercises good stewardship by regularly reviewing the reserves and seek out areas of needs for meaningful deployment. Reserves are not meant to be left to accumulate without active planning for meaningful deployment.

There were no changes in the Society's approach to reserve management during the financial year.

The Society is not subject to externally imposed capital requirements.

**19. Authorisation of financial statements for issue**

The financial statements for the financial year ended 31 December 2020 were authorised for issue in accordance with a resolution of the Board on 26 March 2021.