

PROJECT ORBIS INTERNATIONAL INC.  
(SINGAPORE) LTD.  
(Company Registration Number: 201332607E)

Directors' Statement and Financial Statements  
for the financial year ended 31 December 2021

PROJECT ORBIS INTERNATIONAL INC. (SINGAPORE) LTD.

DIRECTORS' STATEMENT

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The Directors of Project ORBIS International Inc. (Singapore) Ltd. ("ORBIS") present their statement to the members together with the audited financial statements of ORBIS for the financial year ended 31 December 2021.

1. Opinion of the Directors

In the opinion of the Board of Directors,

- (a) the financial statements of ORBIS together with the notes thereon are drawn up so as to give a true and fair view of the financial position of ORBIS as at 31 December 2021, and of the financial performance, changes in funds and cash flows of ORBIS for the financial year then ended; and
- (b) at the date of this statement with the continued financial support of Project Orbis International Inc., which has provided a letter of financial support to ORBIS, there are reasonable grounds to believe that ORBIS will be able to pay intercompany balances when its resources permit.

2. Directors

The Directors in office at the date of this statement are:

Stuart L Dean  
Ang Han Nian, Marcus  
Rai Nur Arief Katimansah  
Peter Mok Eck Piang  
Kulasegaran Sabaratnam (Directorship ended on 23 June 2021)  
Tan Mui Seok, Alvina (Directorship ended on 29 June 2021)  
Kwok Seat Moey (Directorship ended on 28 October 2021)  
Norman Liu Chee Tah (Directorship ended on 1 December 2021)

3. Arrangements to enable Directors to acquire shares or debentures

Twelfth Schedule paragraph 8 and Section 164(1)(d) of the Singapore Companies Act 1967 (the "Act") do not apply to ORBIS as it is a company limited by guarantee and without share capital and debentures.

4. Directors' interests in shares or debentures

Twelfth Schedule paragraph 9, Section 164(1)(a) and Section 164(1)(b) of the Act do not apply to ORBIS as it is a company limited by guarantee and without share capital and debentures.

5. Share options

Twelfth Schedule paragraphs 2, 4, 5 and 6 of the Act do not apply to ORBIS as it is a company limited by guarantee.

**PROJECT ORBIS INTERNATIONAL INC. (SINGAPORE) LTD.**


**DIRECTORS' STATEMENT**

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**6. Independent auditor**

The independent auditor, BDO LLP, has expressed its willingness to accept re-appointment.


On behalf of the Board of Directors

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**ANG HAN NIAN, MARCUS**  
Director

Singapore  
27 June 2022

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**PETER MOK ECK PIANG**  
Director



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BDO LLP  
Chartered Accountants  
600 North Bridge Road  
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Singapore 188778

INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF PROJECT ORBIS INTERNATIONAL INC. (SINGAPORE) LTD.

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Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Project Orbis International Inc. (Singapore) Ltd. ("ORBIS"), which comprise the statement of financial position as at 31 December 2021, and the statement of financial activities, statement of changes in funds and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Companies Act"), the Charities Act, Chapter 37 and other relevant regulations (the "Charities Act and Regulations") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the ORBIS as at 31 December 2021 and of the financial performance, changes in funds and cash flows of the ORBIS for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of ORBIS in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprise the Directors' Statement.

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

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



INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF PROJECT ORBIS INTERNATIONAL INC. (SINGAPORE) LTD.

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Report on the Audit of the Financial Statements (Continued)

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 Companies Act, the Charities Act and Regulations and FRSS, 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 ORBIS'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 ORBIS or to cease operations, or has no realistic alternative but to do so.

Those charged with governance comprise the directors. Their responsibilities include overseeing ORBIS'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 ORBIS's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF PROJECT ORBIS INTERNATIONAL INC. (SINGAPORE) LTD.**

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**Report on the Audit of the Financial Statements (Continued)**

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on ORBIS'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 ORBIS 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 to be kept by ORBIS have been properly kept in accordance with the provisions of the Companies Act, and the Charities Act and Regulations.

According to Regulation 7 of the Charities (Fund-Raising Appeals for Local and Foreign Charitable Purposes) Regulations 2012, the total fund-raising expenses of ORBIS shall not exceed 30% of the total receipts from fund-raising and sponsorships for the year. For the financial year ended 31 December 2021, ORBIS did not exceed the 30% threshold and as such comply with the requirements of Regulation 7 of the Charities (Fund-Raising Appeals for Local and Foreign Charitable Purposes) Regulations 2012.

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**BDO LLP**  
Public Accountants and  
Chartered Accountants

Singapore  
27 June 2022

## PROJECT ORBIS INTERNATIONAL INC. (SINGAPORE) LTD.

## STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2021

	Note	2021 \$	2020 \$
ASSETS			
Non-current asset			
Plant and equipment	4	26,681	1,603
Total non-current asset		26,681	1,603
Current assets			
Inventories	5	2,000	2,000
Trade and other receivables	6	5,295	6,627
Prepayments		3,600	-
Cash and cash equivalents	7	364,005	433,478
Total current assets		374,900	442,105
Less:			
Current liabilities			
Trade and other payables	8	494,538	503,398
Lease liabilities	9	11,692	1,688
Total current liabilities		506,230	505,086
Non-current liabilities			
Lease liabilities	9	14,443	-
Total non-current liabilities		14,443	-
Net liabilities		(119,092)	(61,378)
Funds			
Accumulated losses on:			
- Unrestricted funds		(550,843)	(492,236)
- Temporarily restricted funds		431,751	430,858
		(119,092)	(61,378)

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

## PROJECT ORBIS INTERNATIONAL INC. (SINGAPORE) LTD.

STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE FINANCIAL YEAR 31 DECEMBER 2021

	Note	1 January 2021 to 31 December 2021			1 January 2020 to 31 December 2020		
		Unrestricted funds	Temporarily restricted funds	Total	Unrestricted funds (Restated)	Temporarily restricted funds (Restated)	Total (Restated)
		\$	\$	\$	\$	\$	\$
Incoming resources							
General:							
- Contributions	10	203,104	-	203,104	211,644	-	211,644
Restricted							
Other specific campaigns	10	-	893	893	-	-	-
Other income	11	12,090	-	12,090	34,973	-	34,973
Total incoming resources		215,194	893	216,087	246,617	-	246,617

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



## PROJECT ORBIS INTERNATIONAL INC. (SINGAPORE) LTD.

STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE FINANCIAL YEAR 31 DECEMBER 2021

	Note	1 January 2021 to 31 December 2021			1 January 2020 to 31 December 2020		
		Unrestricted funds	Temporarily restricted funds	Total	Unrestricted funds (Restated)	Temporarily restricted funds	Total (Restated)
		\$	\$	\$	\$	\$	\$
Resources expended							
Employee benefits expense	12	(205,910)	-	(205,910)	(200,874)	-	(200,874)
Other operating costs	13	(57,968)	-	(57,968)	(61,155)	-	(61,155)
Restricted:							
General campaigns		-	-	-	-	(62,000)	(62,000)
Foreign exchange (loss)/gain		(8,699)	-	(8,699)	26,935	-	26,935
Finance cost		(1,224)	-	(1,224)	(326)	-	(326)
Total expenditure		(273,801)	-	273,801	(235,420)	(62,000)	(297,420)
Net (deficit)/surplus transferred to accumulated fund		(58,607)	893	(57,714)	11,197	(62,000)	(50,803)

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

## PROJECT ORBIS INTERNATIONAL INC. (SINGAPORE) LTD.

STATEMENT OF CHANGES IN FUNDS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

	Unrestricted funds \$	Temporarily restricted funds \$	Total \$
Balance at 1 January 2021	(492,236)	430,858	(61,378)
Total (deficit)/surplus for the financial year	(58,607)	893	(57,714)
Balance at 31 December 2021	<u>(550,843)</u>	<u>431,751</u>	<u>(119,092)</u>
Balance at 1 January 2020	(503,433)	492,858	(10,575)
Total surplus/(deficit) for the financial year	11,197	(62,000)	(50,803)
Balance at 31 December 2020	<u>(492,236)</u>	<u>430,858</u>	<u>(61,378)</u>

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

## PROJECT ORBIS INTERNATIONAL INC. (SINGAPORE) LTD.

STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

	Note	2021 \$	2020 \$
Cash flows from operating activities			
Net deficit for the year		(57,714)	(50,803)
Adjustment for:			
Inventories of gifts in kind		-	2,050
Foreign exchange loss		11,291	-
Depreciation of right of use of asset	4	10,497	9,611
Rent concession	9	-	(3,382)
Finance expense	9	1,224	326
Operating cash flows before movements in working capital		(34,702)	(42,198)
Trade and other receivables		1,332	(3,429)
Prepayments		(3,600)	1,677
Other payables and accruals		(27,046)	(62,994)
Amount due to Project Orbis International Inc		-	(154,972)
Amount due to Orbis affiliate office		-	(146,949)
Net cash used in operating activities		(64,016)	(408,865)
Financing activities			
Amount due to Project Orbis International Inc	Note A	6,895	(162,129)
Principal paid on lease liabilities	9	(11,128)	(6,437)
Interest paid on lease liabilities	9	(1,224)	(326)
Net cash used in financing activities		(5,457)	(168,892)
Net changes in cash and cash equivalents		(69,473)	(577,757)
Cash and cash equivalents at beginning of year		433,478	1,011,235
Cash and cash equivalents at end of year	7	364,005	433,478

Note A: Reconciliation of liabilities arising from financing activities

	1 January \$	Cash flows \$	Non-cash changes		31 December \$
			Offset against receivables \$	Foreign exchange \$	
2021					
Amount due to Project Orbis International Inc	445,448	6,895	-	11,291	463,634
2020					
Amount due to Project Orbis International Inc	762,549	(162,129)	(154,972)	-	445,448

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

## PROJECT ORBIS INTERNATIONAL INC. (SINGAPORE) LTD.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

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

1. General

Project ORBIS International Inc. (Singapore) Ltd. ("ORBIS") was incorporated on 4 December 2013 as a company limited by guarantee and domiciled in the Republic of Singapore. The registered office and principal place of business is at 352 Tanglin Road #02-03, Tanglin International Center, Singapore 247671. ORBIS's registration number is 201332607E. ORBIS is registered as a charity under the Charities Act, Chapter 37 since 2 December 2014.

ORBIS is a not-for-profit organisation and a pioneer in global eye care. ORBIS has affiliated organisations in South Africa, Canada, Ireland, Macau and the United Kingdom, all of which are organised with a common mission to that of Project Orbis International, Inc. a not-for-profit, humanitarian organisation headquartered in New York, USA whose mission is to prevent and treat blindness in developing countries by providing medical education and skills transfer in current ophthalmic, surgical, medical, community health, and biomedical techniques. ORBIS operates under an agreement with Project Orbis International, Inc. which provides the use of the Orbis name, logo and trademarks.

The memorandum and articles of association of ORBIS restricts the use of the fund monies to the furtherance of the objects of ORBIS. They prohibit the payment of dividends, bonus, or otherwise howsoever by way of profit to the members of ORBIS.

2. Significant accounting policies

2.1 Basis of preparation

The financial statements have been prepared in accordance with the provisions of the Singapore Companies Act 1967, Charities Act, Chapter 37 and Financial Reporting Standards ("FRS") in Singapore including related Interpretations of FRS ("INT FRS"). The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The financial statements of ORBIS are measured in the currency of the primary economic environment in which the entity operates (the "functional currency"). The financial statements of ORBIS are presented in Singapore dollar, which is the functional currency of ORBIS.

The preparation of financial statements in compliance with FRS requires management to make judgements, estimates and assumptions that affect ORBIS's application of accounting policies and reported amounts of assets, liabilities, revenue and expenses. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates. The areas where such judgements or estimates have the most significant effect on the financial statements are disclosed in Note 3.

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, ORBIS has adopted all the new and amended standards which are relevant to the Company and are effective for annual financial periods beginning on or after 1 January 2021.

## PROJECT ORBIS INTERNATIONAL INC. (SINGAPORE) LTD.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

## 2. Significant accounting policies (Continued)

## 2.1 Basis of preparation (Continued)

Changes in accounting policies

New standards, amendments and interpretations effective from 1 January 2021

The standards, amendments to standards, and interpretations, issued by Accounting Standards Council Singapore ("ASC") that will apply for the first time by the Company are not expected to impact the Company as they are either not relevant to the Company's business activities or require accounting which is consistent with the Company's current accounting policies.

New standards, amendments and interpretations issued but not yet effective

There are a number of standards, amendments to standards, and interpretations, which have been issued by the ASC that are effective in future accounting periods. The Company does not expect any of these standards, upon adoption to have a material impact to the Company.

		Effective date (annual periods beginning on or after)
FRS 16 (Amendments)	: Property, Plant and Equipment - Proceeds before Intended Use	1 January 2022
FRS 37 (Amendments)	: Onerous Contracts - Cost of Fulfilling a Contract	1 January 2022
FRS 103 (Amendments)	: Reference to the Conceptual Framework	1 January 2022
Various	: Annual Improvements to FRSs 2018-2020	1 January 2022
FRS 117	: Insurance Contracts	1 January 2023
FRS 117	: Amendments to FRS 117	1 January 2023
FRS 1 (Amendments)	: Classification of Liabilities as Current or Non-current	1 January 2023
FRS 110 and FRS 28	: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

## 2.2 Presentation of financial statements

The classification of a not-for-profit organisation's net assets and its support, revenue and expense is based on the existence or absence of donor-imposed restrictions. The amounts for each of the three classes of net assets, permanently restricted, temporarily restricted and unrestricted are disclosed in the statement of financial position and the amounts of change in each of those classes of net assets are disclosed in the statement of financial activities.

- (i) Permanently restricted - Net assets resulting from contributions and other inflows of assets whose use by ORBIS is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of ORBIS.

## PROJECT ORBIS INTERNATIONAL INC. (SINGAPORE) LTD.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

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## 2. Significant accounting policies (Continued)

## 2.2 Presentation of financial statements (Continued)

- (ii) Temporarily restricted – Net assets resulting from contributions and other inflows of assets whose use by ORBIS is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of ORBIS pursuant to those stipulations. When such stipulations end or are fulfilled, such temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of financial activities.
- (iii) Unrestricted – The part of net assets that is neither permanently nor temporarily restricted by donor-imposed stipulations. The unrestricted net assets are used to account for all sources over which the Board of Directors has discretionary control.

Board-designated net assets represent the designation of Board of Directors on certain current unrestricted net assets. The purpose is to establish a reserve to ensure that resources are available in the event of a contingency; however, any portion of these designated net assets may be expended at the direction of the Board of Directors.

## 2.3 Cash and cash equivalents

Cash and cash equivalents comprise of cash on hand, bank balances and demand deposit which are subject to insignificant risk of changes in value.

## 2.4 Financial instruments

ORBIS has adopted FRS 109 Financial Instruments and recognises a financial asset or a financial liability in its statement of financial position when, and only when, ORBIS becomes a party to the contractual provisions of the instrument.

Financial assetsAmortised cost

These assets arise principally from the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of financial assets where the objective is to hold these assets in order to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment. Interest income from these financial assets is included in interest income using the effective interest rate method.

Impairment provisions for trade receivables are recognised based on the simplified approach within FRS 109 using the lifetime expected credit losses. ORBIS has established expected credit loss model based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. For trade receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being presented in the statement of comprehensive income. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

## PROJECT ORBIS INTERNATIONAL INC. (SINGAPORE) LTD.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

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## 2. Significant accounting policies (Continued)

## 2.4 Financial instruments (Continued)

Financial assets (Continued)Amortised cost (Continued)

Impairment provisions for receivables from related parties and loans to related parties are recognised based on a forward looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether at each reporting date, there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

ORBIS's financial assets measured at amortised cost comprise trade and other receivables (excluding prepayments) and cash and cash equivalents in the statement of financial position.

Derecognition of financial assets

ORBIS derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

## 2.5 Financial liabilities

Financial liabilities are recognised on the statement of financial position when, and only when, ORBIS becomes a party to the contractual provisions of the financial instrument.

Financial liabilities are classified as other financial liabilities and the accounting policies adopted for specific financial liabilities are set out below.

Financial liabilities

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, where applicable, using the effective interest method, with interest expense recognised on an effective yield basis.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, ORBIS's contractual obligation has been discharged or cancelled or expired.

On derecognition of a financial liability, the difference between the carrying amount and the consideration paid is recognised in profit or loss.

## PROJECT ORBIS INTERNATIONAL INC. (SINGAPORE) LTD.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

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## 2. Significant accounting policies (Continued)

## 2.6 Income recognition

Income including donations, gifts and grants that are general in nature are recognised to the extent that it is probable that the economic benefits will flow to ORBIS with consideration of (a) entitlement (b) certainty and (c) sufficient reliability of measurement. Such income is only deferred when: the donor specifies that the grant or donation must only be used in future accounting periods; or the donor has imposed conditions representing the performance obligations (PO) which must be met before ORBIS has unconditional entitlement.

Income is measured at fair value of consideration received or receivable, taking into consideration contractually defined terms of payments. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

## 2.6.1 Donations and corporate sponsorship

Income from donation and corporate sponsorship are accounted for when received except for committed donations and corporate sponsorship that are recorded when the commitments are signed or when ORBIS has unconditional entitlement.

Contract liabilities are recognised when ORBIS receives the donations but has yet to fulfil the performance obligations stipulated by the donors as at reporting date and generally would satisfy within 12 months or over the course of ORBIS programs. Income is recognised on completion of the performance obligations and stipulations.

## 2.6.2 Gifts-in-Kind

A gift-in-kind is recognise based on the estimated fair value as at the date of the receipt of the gift of the non-monetary asset or the grant of a right to the monetary asset. The gift is recognised at the point in time if the amount of the gift can be measured reliably and there is no uncertainty that it will be received.

## 2.6.3 Fund raising

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

## 2.7 Funds

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

Monies received where ORBIS is not the owner and beneficiary is accounted for as a trust fund. The receipts and payments in respect of trust funds are taken directly to the statement of financial activities and net assets relating to these funds are shown as separate lines in the statement of financial position.



## PROJECT ORBIS INTERNATIONAL INC. (SINGAPORE) LTD.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

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## 2. Significant accounting policies (Continued)

## 2.8 Employee benefits

## Defined contribution plan

Contributions to defined contribution plans are recognised as an expense in profit or loss in the same financial year as the employment that gives rise to the contributions.

## Employee leave entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. An accrual is made for the estimated undiscounted liability for annual leave expected to be settled wholly within 12 months from the reporting date as a result of services rendered by employees up to the end of the financial year.

## 2.9 Income tax expense

Under the provisions of the Singapore Income Tax Act Cap.134, Section 13(U), income derived from ORBIS, being a registered charity entity, will not be subject to tax.

## 2.10 Foreign currency transactions

In preparing the financial statements of ORBIS, transactions in currencies other than the ORBIS's functional currency are recorded at the rate of exchange prevailing on the date of the transaction. At the end of each financial year, monetary items denominated in foreign currencies are retranslated at the rates prevailing as of the end of the financial year. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in profit or loss for the period. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity.

## 2.11 Leases

## As lessee

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- leases of low value assets; and
- leases with a duration of twelve months or less.

The payments for leases of low value assets and short-term leases are recognised as an expense on a straight-line basis over the lease term.

## PROJECT ORBIS INTERNATIONAL INC. (SINGAPORE) LTD.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

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## 2. Significant accounting policies (Continued)

## 2.11 Leases (Continued)

## As lessee (Continued)

Initial measurement

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless this is not readily determinable, in which case ORBIS's incremental borrowing rate on commencement of the lease is used.

Variable lease payments are only included in the measurement of the lease liability if it is depending on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying amount of lease liabilities also includes:

- amounts expected to be payable under any residual value guarantee;
- the exercise price of any purchase option granted in favour of ORBIS if it is reasonably certain to assess that option; and
- any penalties payables for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right-of-use assets are initially measured at the amount of lease liabilities, reduced by any lease incentives received and increased for:

- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where ORBIS is contractually required to dismantle, remove or restore the leased asset.

ORBIS presents the right-of-use assets in "property, plant and equipment" and lease liabilities separately from other liabilities in the statement of financial position.

Subsequent measurement

Right-of-use assets are subsequently measured at cost less any accumulated depreciation, any accumulated impairment loss and, if applicable, adjusted for any re-measurement of the lease liabilities. The right-of-use assets under cost model are depreciated on a straight-line basis over the shorter of either the remaining lease term or the remaining useful life of the right-of-use assets. If the lease transfers ownership of the underlying asset by the end of the lease term or if the cost of the right-of-use asset reflects that ORBIS will exercise the purchase option, the right-of-use assets are depreciated over the useful life of the underlying asset.

## PROJECT ORBIS INTERNATIONAL INC. (SINGAPORE) LTD.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

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## 2. Significant accounting policies (Continued)

## 2.11 Leases (Continued)

## As lessee (Continued)

Subsequent measurement (Continued)

The carrying amount of right-of-use assets are reviewed for impairment when events or changes in circumstances indicate that the right-of-use asset may be impaired. The accounting policy on impairment is as described in Note 2.4 to the financial statements.

Subsequent to initial measurement, lease liabilities are adjusted to reflect interest charged at a constant periodic rate over the remaining lease liabilities, lease payment made and if applicable, account for any re-measurement due to reassessment or lease modifications.

After the commencement date, interest on the lease liabilities are recognised in profit or loss, unless the costs are eligible for capitalisation in accordance with other applicable standards.

When ORBIS revises its estimate of any lease term (i.e. probability of extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments over the revised term. The carrying amount of lease liabilities is similarly revised when the variable element of the future lease payment dependent on a rate or index is revised. In both cases, an equivalent adjustment is made to the carrying amount of the right-of-use assets. If the carrying amount of the right-of-use assets is reduced to zero and there is a further reduction in the measurement of lease liabilities, the remaining amount of the re-measurement is recognised directly in profit or loss.

When ORBIS renegotiates the contractual terms of a lease with the lessor, the accounting treatment depends on the nature of the modification:

- If the renegotiation results in one or more additional assets being leased for an amount commensurate with the standalone price for the additional right-of-use obtained, the modification is accounted for as a separate lease in accordance with the above policy;
- In all other cases where the renegotiation increases the scope of the lease (i.e. extension to the lease term, or one or more additional assets being leased), the lease liability is re-measured using the discount rate applicable on the modification date, with the right-of-use asset being adjusted by the same amount;
- If the renegotiation results in a decrease in scope of the lease, both the carrying amount of the lease liability and right-of-use asset are reduced by the same proportion to reflect the partial or full termination of the lease with any difference being recognised in profit or loss. The lease liability is then further adjusted to ensure its carrying amount reflects the amount of the renegotiated payments over the renegotiated term, with the modified lease payments discounted at the rate applicable on the modification date. The right-of-use asset is adjusted by the same amount.

## PROJECT ORBIS INTERNATIONAL INC. (SINGAPORE) LTD.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

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## 2. Significant accounting policies (Continued)

## 2.12 Property, plant and equipment

Plant and equipment are initially recorded at cost. Subsequent to initial recognition, plant and equipment are stated at cost less accumulated depreciation and impairment loss, if any.

The cost of plant and equipment includes expenditure that is directly attributable to the acquisition of the items. Dismantlement, removal or restoration costs are included as part of the cost of plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the plant and equipment.

Subsequent expenditure relating to the plant and equipment that has already been recognised is added to the carrying amount of the asset when it is probable that the future economic benefits, in excess of the standard of performance of the asset before the expenditure was made, will flow to ORBIS and the cost can be reliably measured. Other subsequent expenditure is recognised as an expense during the financial year in which it is incurred.

On disposal of an item of plant and equipment, the difference between the net disposal proceeds and its carrying amount is recognised in profit or loss.

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

Renovation	10 years or the lease term, whichever is lower
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The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the residual values, period of depreciation and depreciation method are consistent with previous estimates and expected pattern of consumption of the future economic benefits embodied in the items of plant and equipment.

Fully depreciated plant and equipment are retained in the financial statements until they are no longer in use.

## 2.13 Impairment of non-financial assets

At the end of each financial year, ORBIS reviews the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, ORBIS estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

## PROJECT ORBIS INTERNATIONAL INC. (SINGAPORE) LTD.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

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## 2. Significant accounting policies (Continued)

## 2.14 Provisions

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the financial year, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in profit or loss when the changes arise.

## 2.15 Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Government grant is recognised in profit or loss over the periods in which the Company recognises the related costs as expenses for which the grants are intended to compensate. The grants recognised is presented in "other income".

## 3. Critical accounting judgements and key sources of estimation uncertainty

In the application of ORBIS's accounting policies, which are described in Note 2, management made judgements, estimates and assumptions about the carrying amounts of assets and liabilities that were not readily apparent from other sources. The estimates and associated assumptions were based on historical experience and other factors that were considered to be reasonable under the circumstances. Actual results may differ from these estimates.

These 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 revision affects both current and future periods.

## 3.1 Critical judgements in applying ORBIS's accounting policies

Management is of the opinion that there is no critical judgement (other than those involving estimates) that has significant effect on the amounts recognized in the financial statements.

## 3.2 Key sources of estimation uncertainty

The key assumption concerning the future and other key sources of estimation uncertainty at the end of the financial year, that has a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is discussed below.

## PROJECT ORBIS INTERNATIONAL INC. (SINGAPORE) LTD.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

## 3. Critical accounting judgements and key sources of estimation uncertainty (Continued)

## 3.2 Key sources of estimation uncertainty (Continued)

## Fair value of gifts-in-kind

Estimation is required to determine the fair value of the gifts-in-kind with reference to the most reliable evidence available at the time the estimates are made. This represents the value of the gifts-in-kind which are expected to realise as estimated by management. These estimates take into consideration the fluctuations of price or cost, or gifts-in-kind held as inventories that may not be realised, directly relating to events occurring after the end of the period. As at 31 December 2021, ORBIS has capitalised non-monetary gifts-in-kind in its inventories brought forward from previous financial year amounting to \$2,000 (2020: \$2,000) in the statement of financial position.

## 4. Plant and equipment

	Renovation \$	Office premises \$	Total \$
2021			
Cost			
Balance at 1 January 2021	7,412	20,825	28,237
Additions	-	35,575	35,575
Disposals	-	(20,825)	(20,825)
Balance at 31 December 2021	7,412	35,575	42,987
Accumulated depreciation			
Balance at 1 January 2021	7,412	19,222	26,634
Depreciation for the financial year	-	10,497	10,497
Disposals	-	(20,825)	(20,825)
Balance at 31 December 2021	7,412	8,894	16,306
Carrying amount			
At 31 December 2021	-	26,681	26,681
2020			
Cost			
Balance at 1 January/31 December 2020	7,412	20,825	28,237
Accumulated depreciation			
Balance at 1 January 2020	7,412	9,611	17,023
Depreciation for the financial year	-	9,611	9,611
Balance at 31 December 2020	7,412	19,222	26,634
Carrying amount			
At 31 December 2020	-	1,603	1,603

## PROJECT ORBIS INTERNATIONAL INC. (SINGAPORE) LTD.

NOTES TO THE FINANCIAL STATEMENTS  
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## 4. Plant and equipment (Continued)

Right-of-use assets acquired under leasing arrangements are presented together with the owned assets of the same class. Details of such leased assets are disclosed in Note 4.1 to the financial statements.

Right-of-use of assets pertaining to office premise under leasing arrangements are presented within the office premise under plant and equipment.

## 4.1. Leases

ORBIS has lease contracts for office premises. ORBIS's obligation under these leases are secured by the lessor's title to the leased assets. ORBIS is restricted from assigning and subleasing the leased assets.

## (a) Carrying amounts of right-of-use assets classified within plant and equipment

	Office premises	
	2021	2020
	\$	\$
At 1 January	1,603	11,214
Additions (Note 9)	35,575	-
Amortisation	(10,497)	(9,611)
At 31 December	<u>26,681</u>	<u>1,603</u>

The remaining useful life of office premises is less than 1 year.

## (b) Amount recognised in profit or loss

	2021	2020
	\$	\$
Amortisation of right-of-use assets	10,497	9,611
Interest expense on lease liabilities (Note 9)	<u>1,224</u>	<u>236</u>
Total amount recognised in profit or loss	<u>11,721</u>	<u>9,847</u>

## (c) Lease liabilities

The carrying amounts of lease liabilities, movements during the year and the maturity analysis of lease liabilities are disclosed in Note 9 to the financial statements.

## (d) Extension options

ORBIS has lease contract that include extension options. The options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with ORBIS's business needs.

## PROJECT ORBIS INTERNATIONAL INC. (SINGAPORE) LTD.

NOTES TO THE FINANCIAL STATEMENTS  
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## 5. Inventories

	2021	2020
	\$	\$
Paintings	2,000	2,000

The cost of inventories recognized as expense amounted to S\$0 in 2021 (2020: S\$500).

As at reporting date, the inventories are valued at fair value based on the management's best estimate. Management intends to auction the paintings in future fund raising events.

## 6. Trade and other receivables

	2021	2020
	\$	\$
Accrual contribution	2,097	200
Government grant receivables	-	3,229
Refundable deposit	3,198	3,198
Total trade and other receivables	5,295	6,627

Add:

Cash and bank balances (Note 7)	364,005	433,678
Financial assets at amortised cost	369,300	440,305

The government grant receivables and deferred grant income (Note 8) are related to Job Support Scheme ("JSS") announced by the Singapore Government to provide wage support to employers to help them retain their local employees during this economic uncertainty. In determining the timing of recognition of the JSS grant income, the management assessed the period of uncertainty to be for the period from April 2020 to May 2021 and the JSS grant will be recognised in the statement of comprehensive income for the period.

The currency profile of the trade and other receivables as at the end of the reporting period is in Singapore dollar.

## 7. Cash and cash equivalents

	2021	2020
	\$	\$
Cash at bank and demand deposits	364,005	433,478

The currency profile of ORBIS's cash and cash equivalents as at reporting date are as follows:

	2021	2020
	\$	\$
Hong Kong dollar	11,370	11,505
United States dollar	161,083	138,363
Singapore dollar	191,552	283,610
	364,005	433,478



## PROJECT ORBIS INTERNATIONAL INC. (SINGAPORE) LTD.

NOTES TO THE FINANCIAL STATEMENTS  
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## 8. Trade and other payables

	2021	2020
	\$	\$
Trade payables	5,156	1,536
Deferred government grant income	-	5,322
Accrued expense	17,362	51,092
Advance contributions (Note 10)	8,386	-
Amount due to Project Orbis International, Inc.	463,634	445,448
	494,538	503,398
Add: Lease liability (Note 9)	26,135	1,688
Less: Deferred government grant income	-	(5,322)
Less: Advance contribution	(8,386)	-
Financial liabilities carried at amortised cost	512,287	499,764

Deferred government grant income is in respect of JSS as disclosed in Note 6 and Note 11 to the financial statements.

Advance contributions relate to donations received for N.O.X. dinner where the event was postponed to 22 February 2022 for these donors.

Amount due to Project Orbis International, Inc. is unsecured, interest-free, repayable on demand and is to be settled in cash.

The currency profile of trade and other payables as at reporting date are as follows:

	2021	2020
	\$	\$
United States dollar	463,634	445,448
Singapore dollar	30,904	57,950
	494,538	503,398

## 9. Lease liability

	2021	2020
	\$	\$
At 1 January	1,688	11,507
Additions (Note 4.1(a))	35,575	-
Interest expense	1,224	326
Lease payments		
- Principal portion	(11,128)	(6,437)
- Interest portion	(1,224)	(326)
Rent concessions	-	(3,382)
At 31 December	26,135	1,688

## PROJECT ORBIS INTERNATIONAL INC. (SINGAPORE) LTD.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

## 9. Lease liability (Continued)

The maturity analysis of lease liability of ORBIS is as follows:

	2021	2020
	\$	\$
Contractual undiscounted cash flows		
- Not later than a year	12,792	1,691
- Later than a year but not later than five years	14,924	-
	27,716	1,691
Less: Future interest expense	(1,581)	(4)
Present value of lease liabilities	26,135	1,687
Presented in statement of financial position		
- Non-current	14,443	-
- Current	11,692	1,688
	26,135	1,688

Orbis leases office premise in Singapore with only fixed payments over the lease term with no purchase option.

As at 31 December 2021, the incremental borrowing rates applied in the lease at 5.25% (2020: 5.25%). The lease liability is denominated in Singapore dollar.

## 10. Contributions

	2021	2020
	\$	\$
<u>At point in time:</u>		
Contributions	203,104	211,644
Other specific campaigns	893	-
	203,997	211,644

The timing of revenue recognition and advanced contribution from donors would affect the amount of trade receivables and contract liabilities recognised as at the reporting date in the statement of financial position.

Significant changes in contract liabilities ("Advance contributions") during the reporting period are tabled as follows:

	Contract liabilities	
	2021	2020
	\$	\$
At 1 January	-	29,921
Amount recognised as revenue	-	(29,921)
Cash received in advance of performance and not recognised as revenue	8,386	-
At 31 December	8,386	-

## PROJECT ORBIS INTERNATIONAL INC. (SINGAPORE) LTD.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

## 11. Other income

	2021	2020
	\$	\$
Government grants		
- Job support scheme <sup>(a)</sup>	7,270	27,991
- Rental relief <sup>(b)</sup>	-	3,382
- Others	4,820	3,600
	<u>12,090</u>	<u>34,973</u>

(a) Government grant of \$7,270 (2020: \$27,991) was recognised during the financial year ended 31 December 2021 under the Jobs Support Scheme (the "JSS"). The JSS is a temporary scheme introduced in the Singapore Budget 2020 to help enterprises retain local employees. Under the JSS, employers will receive cash grants in relation to the gross monthly wages of eligible employees.

(b) In 2020, rental relief relates to property tax rebates and cash grant received by the landlord from the Singapore Government to help businesses deal with the impact from COVID-19. The landlord is obliged to pass on the benefits to the Company in form of rent rebates during the current financial year.

## 12. Employee benefits expense

	2021	2020
	\$	\$
Salaries and allowances	190,820	178,427
Contribution to the Central Provident Fund	12,877	20,983
Other staff expenses	2,213	1,464
	<u>205,910</u>	<u>200,874</u>

## 13. Other operating costs

	2021	2020
	\$	\$
Professional fees	15,245	16,869
Rental of office	1,688	2,834
Depreciation	10,497	9,611
Insurance	-	115
Development expenses	25,490	23,558
Telecommunications	2,439	2,494
Other office expenses	2,609	5,674
	<u>57,968</u>	<u>61,155</u>

## PROJECT ORBIS INTERNATIONAL INC. (SINGAPORE) LTD.

NOTES TO THE FINANCIAL STATEMENTS  
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## 14. Income tax

ORBIS being a registered charity entity is exempted from tax on income and gains falling within the Singapore Income Tax Act Chapter 134, Section 13(U). Accordingly, no provision for income tax is made in the financial statements.

## 15. Significant related party transactions

During the financial year, in addition to those disclosed elsewhere in these financial statements, ORBIS entered into the following transactions with related parties:

	2021	2020
	\$	\$
<u>Project Orbis International, Inc.</u>		
Expenses paid on behalf of ORBIS	-	162,130

## Key management personnel remuneration

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of ORBIS, directly or indirectly. ORBIS's key management personnel are the Directors of ORBIS.

	2021	2020
	\$	\$
<u>Key management personnel</u>		
Salary and allowances	133,805	129,953
Contribution to the Central Provident Fund	12,350	12,847
	<u>146,155</u>	<u>142,800</u>

The number of employees, whose remuneration amounted to over \$100,000 during the financial year, is as follow:

	2021	2020
	\$	\$
- Exceeding \$100,000 but not more than \$200,000	<u>1</u>	<u>1</u>

## 16. Financial risks management

The main purpose of the financial instruments is to raise and manage finances for ORBIS's operations. The main risks that ORBIS is exposed to are credit risk, liquidity risk and foreign exchange risk. ORBIS does not hold or issue derivative financial instruments for trading purposes or to hedge against fluctuations in interest and foreign exchange rates.

## 16.1 Credit risk

Credit risk is the risk of financial loss to ORBIS if a counterparty to a financial instrument fails to meet its contractual obligations. ORBIS is not exposed to any significant credit risk other than cash and bank balances as disclosed below.

## PROJECT ORBIS INTERNATIONAL INC. (SINGAPORE) LTD.

NOTES TO THE FINANCIAL STATEMENTS  
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## 16. Financial risks management (Continued)

## 16.1 Credit risk (Continued)

Cash and bank balances

Credit risk also arises from cash and cash equivalents with banks and financial institutions.

ORBIS places its bank balances in banks with high credit ratings assigned by international credit agencies. As at 31 December 2021, ORBIS deposited 100% (2020: 100%) of its total cash and bank balances in one (2020: one) bank. Management is not expecting any counterparties to fail to meet its obligations. Impairment of cash and bank balances has been measured based on 12 months expected credit loss model. At the reporting date, ORBIS do not expect any credit losses from non-performance by the counterparties.

## 16.2 Liquidity risk

ORBIS monitors and maintains a level of bank balance deemed adequate to finance ORBIS's operations and mitigate the effects of fluctuation in the cash flows. ORBIS operations are financed mainly through the financial support from Project Orbis International, Inc. a not-for-profit organisation incorporated in the United States of America.

At the end of the financial year, the contractual cash flows of ORBIS's financial liabilities approximate the carrying values and they are expected to be settled within the next twelve months.

## 16.3 Foreign currency risk

ORBIS incurs most of its operating expenses in Singapore dollar. ORBIS also incurs foreign currency risk on transactions that are denominated in a currency other than Singapore dollar. The currencies giving rise to this risk is United States Dollar ("USD") and Hong Kong Dollar ("HKD").

As at the reporting date, the material carrying amounts of monetary assets and liabilities denominated in currencies other than ORBIS functional currency are as follows:

	Assets	
	2021	2020
	\$	\$
United States Dollar	161,083	138,363
Hong Kong Dollar	11,370	11,505
	<u>172,453</u>	<u>149,868</u>
	Liabilities	
	2021	2020
	\$	\$
United States Dollar	463,634	445,448
	<u>463,634</u>	<u>445,448</u>

**PROJECT ORBIS INTERNATIONAL INC. (SINGAPORE) LTD.****NOTES TO THE FINANCIAL STATEMENTS  
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**16. Financial risks management (Continued)****16.3 Foreign currency risk (Continued)**

The following table details the sensitivity to a 5% (2020: 5%) increase and decrease in the relevant foreign currencies against the Singapore dollar (functional currency). 5% (2020: 5%) is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represent management's assessment of the possible change in foreign exchange rates. The sensitivity analysis includes only foreign currency denominated monetary items and adjusts their translation at the reporting date for a 5% (2020: 5%) change in foreign currency rates.

If the relevant foreign currency strengthens/(weakens) by 5% (2020: 5%) against the functional currency, net surplus/(deficit) transferred to accumulated fund increase/(decrease) by:

	2021	2020
	\$	\$
<b>Foreign currency impact:</b>		
Net deficit transferred to accumulated fund	<u>(14,559)</u>	<u>(14,779)</u>

**17. Fair values**

The carrying amounts of ORBIS's financial assets and liabilities as at the end of financial year approximate their fair values.

**18. Authorisation of financial statements**

The financial statements of ORBIS for the financial year ended 31 December 2021 were authorised for issue by the Board of Directors on 27 June 2022.