

LIMITLESS (LTD.)
(Incorporated in the Republic of Singapore)
Unique Entity Number: 201713769M

Audited annual report for the financial year ended
31 December 2021

CORPWERK PAC
Public Accountants and Chartered Accountants
Singapore

LIMITLESS (LTD.)
(Incorporated in the Republic of Singapore)

Corporate Information

Directors

Seah Xian Ming Deborah
Low Ern Ser Asher (Managing Director)
Darren Chua Hsiang Lim (Darren Cai XiangLin)
Ung Lee Khoon
Ling Zheng Jye
Benjamin Lim Chin Wah

Secretary

Tan Wi-Chieh May

Registered office

2 Orchard Link
#04-01 SCAPE
Singapore 237978

Auditor

CORPWERK PAC
60 Paya Lebar Road
#04-21 Paya Lebar Square
Singapore 409051
Partner in-charge: Chau Mau Yeap

Banker

DBS Bank Ltd

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LIMITLESS (LTD.)

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DIRECTORS' STATEMENT

We, the undersigned directors of the Company, submit this statement to the members together with the audited financial statements of the Company for the financial year ended 31 December 2021.

OPINION OF THE DIRECTORS

In the opinion of the directors,

- (a) the accompanying statement of financial position, statement of financial activities and other comprehensive income, statement of changes in funds and reserves, statement of cash flows and notes thereto are drawn up so as to give a true and fair view of the financial position of the Company as at 31 December 2021 and of the financial performance, changes in funds and cash flows of the Company for the financial year ended 31 December 2021; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The Board of Director has, on the date of this statement, authorised these financial statements for issue.

1 DIRECTORS

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

Darren Chua Hsiang Lim (Darren Cai XiangLin)

Seah Xian Ming Deborah

Low Ern Ser Asher (Managing Director)

Ung Lee Khoon

Ling Zheng Jye

Benjamin Lim Chin Wah

(Appointed on 30 August 2021)

2 ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debenture of, the Company or any other body corporate.

3 OTHER MATTERS

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

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DIRECTORS' STATEMENT

4 AUDITOR

The auditor, CORPWERK PAC, Chartered Accountants, has indicated its willingness to accept re-appointment.

On behalf of the Board of Directors



Ling Zheng Jye

Director



Low Ern Ser Asher

Director

Singapore

15 June 2022

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
LIMITLESS (LTD.)
(Incorporated in the Republic of Singapore)
(A company limited by guarantee and not having share capital)
Unique Entity Number: 201713769M**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Limitless (Ltd.) (the "Company"), which comprise the statement of financial position as at 31 December 2021, and the statement of financial activities and other comprehensive income, statement of changes in funds and statement of cash flows for the financial year ended 31 December 2021 and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Charities Act 1994 and other relevant regulations (the "Charities Act and Regulations"), the Companies Act 1967 (the "Act") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the Company as at 31 December 2021 and of the financial performance, changes in funds and cash flows of the Company for the financial year ended 31 December 2021.

Basis for Opinion

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

Other Information

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

Our opinion on the financial statements does not cover the other information and we 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 on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
LIMITLESS (LTD.)
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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 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 the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance comprises the directors' responsibilities include overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
LIMITLESS (LTD.)
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Auditor's Responsibilities for the Audit of the Financial Statements (Cont'd)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- 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.

Report on Other Legal and Regulatory Requirements

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

During the course of our audit, nothing has come to our attention that causes us to believe that during the financial year ended 31 December 2021:

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

STATEMENT OF FINANCIAL POSITION
As at 31 December 2021

	Note	2021 S\$	2020 S\$
ASSET			
Current Assets			
Other receivable	5	1,087	-
Deposit and prepayment	6	-	90
Bank balances	7	460,321	200,023
Total Current Assets		<u>461,408</u>	<u>200,113</u>
Total Asset		<u><u>461,408</u></u>	<u><u>200,113</u></u>
LIABILITIES			
Non-current Liability			
Amount owing to a director	9	-	72,665
Total Non-current Liability		<u>-</u>	<u>72,665</u>
Current Liabilities			
Trade payable	8	17,120	-
Amount owing to a director	9	71,110	-
Accruals	10	59,633	19,093
Total Current Liabilities		<u>147,863</u>	<u>19,093</u>
Total Liabilities		<u><u>147,863</u></u>	<u><u>91,758</u></u>
Net Assets		<u><u>313,545</u></u>	<u><u>108,355</u></u>
Fund			
Accumulated funds		<u><u>313,545</u></u>	<u><u>108,355</u></u>

**STATEMENT OF FINANCIAL ACTIVITIES AND OTHER COMPREHENSIVE INCOME
for the financial year ended 31 December 2021**

		01.01.2021 to 31.12.2021 S\$	01.07.2019 to 31.12.2020 S\$
Revenue	11	804,329	390,869
Other income	12	33,406	36,450
Expenditure			
Employee benefits expense	13	(448,066)	(228,609)
Event expenses		(83,092)	(29,411)
Professional fees		(9,650)	(3,570)
Other expenses	14	(91,737)	(9,098)
Surplus before income tax		<u>205,190</u>	<u>156,631</u>
Income tax	3(i)	-	-
Net surplus and total comprehensive income for the financial year / period		<u><u>205,190</u></u>	<u><u>156,631</u></u>

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

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STATEMENT OF CHANGES IN FUNDS
for the financial year ended 31 December 2021

	Accumulated funds / (deficits) S\$
As at 1 January 2021	108,355
Changes in accumulated funds:	
Net surplus and total comprehensive income for the financial year	205,190
As at 31 December 2021	<u>313,545</u>
As at 1 July 2019	(48,276)
Changes in accumulated funds:	
Net surplus and total comprehensive income for the financial period	156,631
As at 31 December 2020	<u>108,355</u>

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

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**STATEMENT OF CASH FLOWS
for the financial year ended 31 December 2021**

	01.01.2021 to 31.12.2021 S\$	01.07.2019 to 31.12.2020 S\$
Note		
Cash flows from operating activities:		
Net surplus for the financial year / period	205,190	156,631
Operating income before working capital changes	<u>205,190</u>	<u>156,631</u>
Changes in working capital:		
Other receivable	(1,087)	-
Deposit and prepayment	90	630
Trade payable	17,120	-
Amount owing to a director	9 (1,555)	925
Accruals	<u>40,540</u>	<u>13,575</u>
Cash generated from operation, representing net cash generated from operating activities	<u>260,298</u>	<u>171,761</u>
Net increase in bank balances	260,298	171,761
Bank balances at beginning of the financial year / period	200,023	28,262
Bank balances at end of the financial year / period	7 <u><u>460,321</u></u>	<u><u>200,023</u></u>

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

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NOTES TO THE FINANCIAL STATEMENTS

These notes form an integral part of the financial statements.

1 GENERAL

The Company (Company Registration Number: 201713769M) is incorporated and domiciled in Singapore. The registered office and principal place of operations is at 2 Orchard Link, #04-01 SCAPE Singapore 237978.

The principal activities of the Company is that related to social services for children and youths with charitable and other supporting activities aimed at humanitarian work. There has been no significant changes in the nature of these activities during the financial year.

In accordance with Clause 5 and 7 of the Memorandum of Association of the Company, the Company have five members undertake to contribute towards the assets of the Company an amount of S\$5 in the event of the Company is wound up whilst they are still a member within one year after the cease to be a member.

2 BASIS OF PREPARATION**(a) Statement of compliance**

The financial statements are presented in Singapore dollar (“S\$”) which is the Company’s functional currency, have been prepared in accordance with the provisions of the Charities Act 1994 and other relevant regulations, the Companies Act 1967 and Financial Reporting Standards in Singapore (“FRSs”). 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 FRSs requires management to exercise its judgement in the process of applying the Company’s accounting policies. It also requires the use of accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of income and expenditure during the financial year.

(b) Use of estimates and judgements

These estimates and assumptions are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

The areas involving a higher degree of judgement or complexity or areas where assumptions significant to the financial statements are disclosed in Note 4.

The carrying amount of amount due to a related party approximate its respective fair value due to the relatively short-term maturity of this financial instrument.

(c) New and revised standards

In the current financial year, the Company has adopted all the new and revised FRSs and Interpretations of FRSs (“INT FRSs”) that are relevant to its operations and effective for the current financial year. The adoption of these new and revised FRSs and INT FRSs did not have any material effect on the financial statements.

New standards, amendments to standards and interpretations that have been issued at the balance sheet date but are not yet effective for the financial year ended 31 December 2021 have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Company.

NOTES TO THE FINANCIAL STATEMENTS

These notes form an integral part of the financial statements.

3 SIGNIFICANT ACCOUNTING POLICIES**(a) Financial instruments****(i) Financial assets*****Initial recognition and measurement***

Financial assets are recognised when, and only when the entity becomes party to the contractual provisions of the instruments.

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("FVPL"), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

Subsequent measurement***Investments in debt instruments***

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are amortised cost, fair value through other comprehensive income ("FVOCI") and FVPL. The Company only has debt instruments at amortised cost.

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through the amortisation process.

Investments in equity instruments

On initial recognition of an investment in equity instrument that is not held for trading, the Company may irrevocably elect to present subsequent changes in fair value in other comprehensive income which will not be reclassified subsequently to profit or loss. Dividends from such investments are to be recognised in profit or loss when the Company's right to receive payments is established. For investments in equity instruments which the Company has not elected to present subsequent changes in fair value in other comprehensive income, changes in fair value are recognised in profit or loss.

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

These notes form an integral part of the financial statements.

3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**(a) Financial instruments (Cont'd)****(ii) Financial liabilities*****Initial recognition and measurement***

Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at FVPL, directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at FVPL are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

(b) Impairment of financial assets

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at FVPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment which could affect debtors' ability to pay.

The Company considers a financial asset in default when contractual payments are 60 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

NOTES TO THE FINANCIAL STATEMENTS

These notes form an integral part of the financial statements.

3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**(c) Impairment of non-financial assets**

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less cost of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in profit or loss.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

(d) Employee benefits**(i) Defined contribution plans**

The Company 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 services are performed.

(ii) Short-term employee benefits

Short-term employee benefits obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(e) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company 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 reporting period, 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.

NOTES TO THE FINANCIAL STATEMENTS

These notes form an integral part of the financial statements.

3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**(f) Government grants**

Government grants are recognised as a receivable when there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, the fair value is recognised as deferred income on the statement of financial position and is recognised as income in equal amounts over the expected useful life of the related asset.

(g) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities representing the obligations to make lease payments and right-of-use assets representing the right to use the underlying leased assets.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in Note 3(c).

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

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NOTES TO THE FINANCIAL STATEMENTS

These notes form an integral part of the financial statements.

3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**(g) Leases (Cont'd)****As lessee (Cont'd)***Lease liabilities (Cont'd)*

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

As lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising from operating leases on the Company's investment properties is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

(h) Revenue

Revenue is recognised to the extent that it is probable that the economic benefits associated with the transactions will flow to the Company, and the amount of revenue and related costs can be reliably measured.

Donations and government grants

Donations and government grants are recognised when received. Income recognition is only deferred when the donor specifies that the donations can only be used in future accounting periods or the donor has imposed certain conditions, which must be met before the Company has unconditional entitlement.

(i) Taxation

The Company has been registered as a Charity under the Singapore Charities Act and is exempted from income tax under the section 13(1)(zm) of the Income Tax Act.

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NOTES TO THE FINANCIAL STATEMENTS

These notes form an integral part of the financial statements.

3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**(j) Related party**

FRS 24 defines a related party as a person or entity that is related to the reporting entity and it includes (a) A person or a close member of that person's family if that person: (i) has control or joint control over the reporting entity; (ii) has significant influence over the reporting entity; or (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

(b) An entity is related to the reporting entity if any of the following conditions apply: (i) The entity and the reporting entity are members of the same group. (ii) One entity is an associate or joint venture of the other entity. (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 party. (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. (vi) The entity is controlled or jointly controlled by a person identified in (a). (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). (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Company.

4 KEY SOURCES OF ESTIMATION UNCERTAINTY**(i) Key sources of estimation uncertainty**

There are no financial statement line items that require estimates to be made.

(ii) Critical judgements made in applying accounting policies.

Management is of the opinion that there are no significant judgements made in applying accounting estimates and policies that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

LIMITLESS (LTD.)

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(Incorporated in the Republic of Singapore)

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NOTES TO THE FINANCIAL STATEMENTS*These notes form an integral part of the financial statements.***5 OTHER RECEIVABLE**

	2021	2020
	S\$	S\$
Third party	<u>1,087</u>	<u>-</u>

The carrying amount of other receivable at the end of the reporting period approximate to its fair value because this is subject to normal trade credit term and is denominated in Singapore dollar.

6 DEPOSIT

	2021	2020
	S\$	S\$
Deposit - refundable	<u>-</u>	<u>90</u>

In the previous financial period, deposit at the end of the reporting period was denominated in Singapore dollar.

7 BANK BALANCES

	2021	2020
	S\$	S\$
Cash at bank	<u>460,321</u>	<u>200,023</u>
Cash and cash equivalent in the Cash Flow Statement	<u>460,321</u>	<u>200,023</u>

Cash at bank at the end of the reporting period is denominated in Singapore dollar.

8 TRADE PAYABLE

	2021	2020
	S\$	S\$
Third party	<u>17,120</u>	<u>-</u>

Trade payable is non-interest bearing and is generally on 30 days term.

The carrying amount of trade payable at the end of the financial year approximates to its fair value.

9 AMOUNT OWING TO A DIRECTOR

	2021	2020
	S\$	S\$
At beginning of the financial year	72,665	71,740
Net cash flow		
- Additions	47,376	40,925
- Repayments	(48,931)	(40,000)
	(1,555)	925
At end of the financial year	<u>71,110</u>	<u>72,665</u>

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NOTES TO THE FINANCIAL STATEMENTS*These notes form an integral part of the financial statements.***9 AMOUNT OWING TO A DIRECTOR (CONT'D)**

	2021	2020
	S\$	S\$
Presented in the statement of financial position as:		
Current	71,110	-
Non-current	-	72,665
	<u>71,110</u>	<u>72,665</u>

The amount due to a director is non-trade in nature, unsecured, interest-free, repayable on demand and is denominated in Singapore Dollar.

In the previous financial period, the amount due to a director was non-trade in nature, unsecured, interest-free and was not expected to be repaid within the next 12 months. Hence, it was classified as non-current liability.

10 ACCRUALS

The carrying amount of accrued operating expenses, at the end of the reporting period, approximates to its fair value and is denominated in Singapore Dollar.

11 REVENUE

	01.01.2021	01.07.2019
	to	to
	31.12.2021	31.12.2020
	S\$	S\$
Revenue from contracts with customers	<u>804,329</u>	<u>390,869</u>

The following information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies:

Donation income and government grants

Nature of services	The Company received donations from donors and grants from the government.
When revenue is recognised	Donations from donor and grants from the government are recognised when rights to receive have been established.

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NOTES TO THE FINANCIAL STATEMENTS*These notes form an integral part of the financial statements.***11 REVENUE (CONT'D)****Disaggregation of revenue from contracts with customers:****Major service line**

	01.01.2021	01.07.2019
	to	to
	31.12.2021	31.12.2020
	S\$	S\$
Counselling fees	4,310	6,293
Donation income	292,901	168,319
Government grants	432,776	213,269
Training, talks and workshops	74,342	2,988
	<u>804,329</u>	<u>390,869</u>
Timing of revenue recognition		
At a point in time	<u>804,329</u>	<u>390,869</u>

12 OTHER INCOME

	01.01.2021	01.07.2019
	to	to
	31.12.2021	31.12.2020
	S\$	S\$
Government grants	33,406	34,140
Miscellaneous income	-	2,310
	<u>33,406</u>	<u>36,450</u>

13 EMPLOYEE BENEFITS EXPENSE

	01.01.2021	01.07.2019
	to	to
	31.12.2021	31.12.2020
	S\$	S\$
CPF, CDAC and SINDA contribution	58,957	25,862
Director's fees	-	16,380
Director's remuneration	59,200	58,259
Staff salaries	316,445	126,470
Staff training	5,977	1,638
Wages - Fundraisers	7,487	-
	<u>448,066</u>	<u>228,609</u>

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NOTES TO THE FINANCIAL STATEMENTS*These notes form an integral part of the financial statements.***14 OTHER EXPENSES**

	01.01.2021	01.07.2019
	to	to
	31.12.2021	31.12.2020
	S\$	S\$
Other expenses included the following:		
Audit fee	4,000	3,300
Dues and subscriptions	36,792	1,807
Office expenses	15,264	-
Rental expenses	7,318	1,666
Vision fund costs	15,015	-
	<u>15,015</u>	<u>-</u>

15 RELATED PARTY RELATIONSHIPS AND TRANSACTIONS**(a) Related party transactions**

These are transactions and arrangements between the reporting entity and related parties and effects of these on the basis determined between the parties are reflected in these financial statements.

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

	01.01.2021	01.07.2019
	to	to
	31.12.2021	31.12.2020
	S\$	S\$
<u>With directors</u>		
Donation received	3,577	21,035
	<u>3,577</u>	<u>21,035</u>
(b) Compensation of key management personnel		
CPF contribution	10,064	10,038
Director's fees	-	16,380
Director's remuneration	59,200	58,259
	<u>69,264</u>	<u>84,677</u>

16 OPERATING LEASE COMMITMENT

The Company has entered into a commercial lease on workspace. This lease has a tenure of one year with renewal option. Minimum lease payments recognised as rental expenses in the statement of profit or loss and other comprehensive income for the financial year ended 31 December 2021 amounted to S\$7,318 (2020: S\$1,666).

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NOTES TO THE FINANCIAL STATEMENTS*These notes form an integral part of the financial statements.***17 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES****Financial risk management**

The Company's exposure to the financial risks arises on the financial instruments such as credit risk and liquidity risk. The management maintains certain practices for the management of financial risks which are carried out and monitored by directors. However, these are not formally documented.

Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables.

The Company performs ongoing credit evaluation of its counterparties' financial condition and generally do not require a collateral.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The Company has determined the default event on a financial asset to be when internal and/or external information indicates that the financial asset is unlikely to be received, which could include default of contractual payments due for more than 30 days, default of interest due for more than 30 days or there is significant difficulty of the counterparty.

The carrying amount of the financial assets represented the Company's maximum exposure to credit risk. The maximum exposure to credit risk at the reporting date was:

	2021	2020
	S\$	S\$
Other receivable (Note 5)	1,087	-
Deposit (Note 6)	-	90
Bank balances (Note 7)	460,321	200,023
	<u>461,408</u>	<u>200,113</u>

The Company has adopted the policy of dealing with creditworthy counterparties as a means of minimising credit risks. Further, the Company places its cash with creditworthy financial institutions only. There are no significant concentrations of credit risk.

The Company determined that its financial assets are credit-impaired when:

- There is significant difficulty of the debtor.
- A breach of contract, such as a default or pass due event.
- It is becoming probable that the debtor will enter bankruptcy or other financial reorganisation.

Financial assets are written off when there is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery.

NOTES TO THE FINANCIAL STATEMENTS*These notes form an integral part of the financial statements.***17 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)****Financial risk management (Cont'd)****Liquidity risk**

The Company is only exposed to liquidity risk arises in the general funding of the Company's activities. It includes the risks of being able to fund business activities in a timely manner. The Company manages the liquidity risk by maintaining sufficient bank balance to enable them to meet their normal operating commitments.

The following are the contractual maturities of financial liabilities based on contractual undiscounted cash flows.

	Within 1 year	More than	Total
	S\$	5 years	S\$
	S\$	S\$	S\$
31 December 2021			
<u>Financial assets</u>			
Other receivable	1,087	-	1,087
Bank balances	460,321	-	460,321
Total undiscounted financial assets	<u>461,408</u>	<u>-</u>	<u>461,408</u>
<u>Financial liabilities</u>			
Trade payable	17,120	-	17,120
Amount owing to a director	71,110	-	71,110
Accruals	59,633	-	59,633
Total undiscounted financial liabilities	<u>147,863</u>	<u>-</u>	<u>147,863</u>
Total net undiscounted financial assets	<u>313,545</u>	<u>-</u>	<u>313,545</u>
31 December 2020			
<u>Financial assets</u>			
Other receivable	90	-	90
Bank balance	200,023	-	200,023
Total undiscounted financial assets	<u>200,113</u>	<u>-</u>	<u>200,113</u>
<u>Financial liabilities</u>			
Amount owing to a director	-	72,665	72,665
Accruals	19,093	-	19,093
Total undiscounted financial liability	<u>19,093</u>	<u>72,665</u>	<u>91,758</u>
Total net undiscounted financial assets / (liabilities)	<u>181,020</u>	<u>(72,665)</u>	<u>108,355</u>

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NOTES TO THE FINANCIAL STATEMENTS*These notes form an integral part of the financial statements.***17 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)****Financial risk management (Cont'd)****(a) Categories of financial instruments**

Set out below is a comparison by category of carrying amounts of all the Company's financial instruments that are carried in the financial statements:

	Financial assets at amortised cost S\$	Financial liabilities at amortised cost S\$	Non-financial assets / liabilities S\$	Total S\$
31 December 2021				
<u>Financial assets</u>				
Other receivable	1,087	-	-	1,087
Bank balances	460,321	-	-	460,321
	<u>461,408</u>	<u>-</u>	<u>-</u>	<u>461,408</u>
<u>Financial liabilities</u>				
Trade payable	-	17,120	-	17,120
Amount owing to a director	-	71,110	-	71,110
Accruals	-	59,633	-	59,633
	<u>-</u>	<u>147,863</u>	<u>-</u>	<u>147,863</u>
31 December 2020				
<u>Financial assets</u>				
Deposit	90	-	-	90
Bank balances	200,023	-	-	200,023
	<u>200,113</u>	<u>-</u>	<u>-</u>	<u>200,113</u>
<u>Financial liabilities</u>				
Amount owing to a director	-	72,665	-	72,665
Accruals	-	19,093	-	19,093
	<u>-</u>	<u>91,758</u>	<u>-</u>	<u>91,758</u>

(b) Fair value of financial instruments that are not carried at fair value

The fair value of a financial instrument is the amount at which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction.

The carrying amounts of the deposit, other payable and accrual are approximate their fair value due to their short-term nature.

18 FUND MANAGEMENT

The Company's objectives when managing these funds are to safeguard the Company's ability to maintain adequate working capital to continue as going concern, to promote its objective to build hope, empower the next generation to live purpose driven lives, and to fulfil their potential in life and these objectives remain unchanged from the previous financial period.

NOTES TO THE FINANCIAL STATEMENTS*These notes form an integral part of the financial statements.***19 NEW OR AMENDED STANDARDS IN ISSUE BUT NOT YET EFFECTIVE**

The following are new or revised Singapore Financial Reporting Standards and the related Interpretations to FRS issued by Singapore Accounting Standards Council and these will only be effective for future reporting years. The Company has performed an assessment of the impact of adopting the new financial reporting framework. The Company expects that the adoption of the new framework will have no material impact on the financial statements in the year of initial application.

Title	Effective date for periods beginning on or after
Amendment to FRS 116 Leases: Covid-19-Related Rent Concessions beyond 30 June 2021	1 April 2021
Amendments to FRS 16 Property, Plant and Equipment: Proceeds before Intended Use	1 January 2022
Amendments to FRS 37 Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022
Annual Improvements to FRSs 2018-2020	1 January 2022
Amendments to FRS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to FRS 1 Presentation of Financial Statements and FRS Practice Statement 2: Disclosure of Accounting Policies	1 January 2023
Amendments to FRS 8 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates	1 January 2023
Amendments to FRS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023

20 IMPACT OF COVID-19

The COVID-19 outbreak and the measures taken to manage the spread of the pandemic has immensely impacted global commercial activities. The situation continues to adversely impact on economic and market conditions. The management is monitoring developments and coordinating its response based on guidelines and regulations provided by the authorities. As the global COVID-19 situation remains very fluid as at the date these financial statements were authorised for issuance, the Company cannot reasonably ascertain the full extent of the probable impact of the COVID-19 disruptions on its operating and financial performance for the financial period ending 31 December 2022. If the situation persists beyond management's current expectations, revenue may be impacted during this period of continued economic uncertainty, the Company's assets may be subject to further write downs in the subsequent financial periods.

21 COMPARATIVE INFORMATION

The financial statements for the financial year ended 31 December 2021 covered the financial period from 1 January 2021 to 31 December 2021. The financial statements for the financial period ended 31 December 2020 covered 18 months from 1 July 2019 to 31 December 2020. Therefore, the comparative amounts for the statement of financial activities and other comprehensive income, statement of changes in funds, statement of cash flows and related notes are not entirely comparable.

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**DETAILED INCOME STATEMENT
for the financial year ended 31 December 2021**

	01.01.2021 to 31.12.2021 S\$	01.07.2019 to 31.12.2020 S\$
Income		
Counselling fees	4,310	6,293
Donation income	292,901	168,319
Government grants	432,776	213,269
Training, talks and workshops	74,342	2,988
	804,329	390,869
Other income		
Government grants	33,406	34,140
Miscellaneous income	-	2,310
	33,406	36,450
Less : Operating expenses (APPENDIX I)	(632,545)	(270,688)
Net surplus for the financial year / period	<u>205,190</u>	<u>156,631</u>

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**DETAILED INCOME STATEMENT
for the financial year ended 31 December 2021**

	01.01.2021 to 31.12.2021 S\$	01.07.2019 to 31.12.2020 S\$
APPENDIX I		
Expenditure		
Audit fee	4,000	3,300
Bank charges	66	275
CDAC and SINDA	-	43
CPF contribution	58,957	25,440
Consulting and accounting	2,047	-
Director's fee	-	16,380
Director's remuneration	59,200	58,259
Dues and subscriptions	36,792	1,807
Event expenses	83,092	29,411
Freight and courier charges	424	-
Graphic design	-	1,050
Insurance	-	214
Interest expense	50	-
Late payment interests	-	73
Nominal fee	-	567
Office expenses	15,264	-
Printing and postage	6,336	2,613
Professional fees	-	270
Rental expenses	7,318	1,666
Secretary fee	3,603	-
Skill development levy	-	379
Staff benefits	9,218	-
Staff salaries	316,445	126,470
Staff training	5,977	1,638
Telephone and internet	877	-
Transportation	377	-
Vision fund costs	15,015	-
Wages - Fundraisers	7,487	-
Web design, maintenance and infrastructure	-	833
	<u>632,545</u>	<u>270,688</u>

The accompanying notes does not form an integral part of these financial statements.