

CASA RAUDHA LTD.
(Co. Reg. No. 201713778N)

(Incorporated in the Republic of Singapore)

FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

MSA & PARTNERS PAC
Public Accountants and Chartered Accountants
Singapore

Table of Contents

	Pages
Directors' statement	1 – 2
Independent auditors' report	3 – 5
Statement of comprehensive income	6
Statement of financial position	7
Statement of changes in funds	8
Statement of cash flows	9
Notes to the financial statements	10 – 22

DIRECTORS	Hamzah Bin Abdul Mutalib Abdul Rohim Bin Sarip Aini Bte Maarof Mohamad Fairuz Bin Mohamad Adam Zhulkarnain Bin Abdul Rahim
SECRETARY	Yasmin Binte Syed Ahmad
COMPANY REGISTRATION NUMBER	201713778N
DATE OF INCORPORATION	18 May 2017
DATE OF CHARITY REGISTRATION	14 February 2019
CHARITY REGISTRATION NUMBER	Singapore Charities Act, Chapter 37 UEN 201713778N
COUNTRY OF INCORPORATION	Singapore
FUNCTIONAL CURRENCY	Singapore Dollar
PRESENTATION CURRENCY	Singapore Dollar

Directors' Statement
For the financial year ended 31 December 2020

The directors present their annual statement to the members together with the financial statements of the Company for the financial year ended 31 December 2020.

Opinion of the directors

In the opinion of the directors,

- (a) the financial statements of the Company are drawn up so as to give a true and fair view of the financial position of the Company as at 31 December 2020 and the financial performance, changes in funds and cash flows of the Company for the year then ended; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company is able to meet its liabilities as and when they fall due.

Directors

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

Hamzah Bin Abdul Mutalib
Abdul Rohim Bin Sarip
Aini Bte Maarof
Mohamad Fairuz Bin Mohamad Adam
Zhulkarnain Bin Abdul Rahim

Arrangements to enable directors to acquire shares or debentures

During and at the end of the financial year, the Company was not a party to any arrangement whose object is to enable the directors to acquire benefits through the acquisition of shares in or debentures of the Company or any other body corporate.

Directors' interests in shares or debentures

The Company has no share capital and its liability is limited by guarantee.

According to the register of directors' shareholding, none of the directors at the end of the financial year ended had any interest in the debentures of the Company either at the beginning or end of the financial year ended.

Share options

As the Company is limited by guarantee and has no share capital, the statutory information required to be disclosed under Section 201 (12) of the Companies Act, Chapter 50 does not apply.

CASA RAUDHA LTD.
(Co. Reg. No. 201713778N)

Directors' Statement
For the financial year ended 31 December 2020

Auditors


The auditors, Messrs MSA & Partners PAC, Public Accountants and Chartered Accountants, have expressed their willingness to accept re-appointment.

On behalf of the Board of Directors



Hamzah Bin Abdul Mutalib
Director

Singapore
17 May 2021



Mohamad Fairuz Bin Mohamad Adam
Director



MSA & Partners PAC
Public Accountants & Chartered Accountants
8A Jalan Pisang Singapore 199075
Tel: (65) 6296 2776 Fax: (65) 6296 5363
Email: enquiries@msac.com.sg
Website: www.msac.com.sg
Reg No. 201803933D

Chartered
Accountant
SINGAPORE

Accredited
Training
Organisation

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
CASA RAUDHA LTD.**

(Incorporated in the Republic of Singapore)

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Casa Raudha Ltd. (the "Company"), which comprise the statement of financial position as at 31 December 2020, the statement of comprehensive income, statement of changes in funds and statement of cash flows for the financial year then ended, and a summary of significant accounting policies and other explanatory notes.

In our opinion, the financial statements are properly drawn up in accordance with the provisions of the Singapore Companies Act, Cap. 50 ("the Act"), the Singapore Charities Act, Chapter 37 (the "Charities Act") and Singapore Financial Reporting Standards so as to give a true and fair view of the financial position of the Company as at 31 December 2020 and of the financial performance, changes in funds and cash flows of the Company for the financial year then ended.

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

The Directors are responsible for the other information. The other information comprises 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 consistent 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 the fact. We have nothing to report in this regard.

Responsibilities of Directors for the Financial Statements

The Directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Cap.50 (the “Act”), the Singapore Charities Act, Chapter 37 (the “Charities Act”) and Singapore Financial Reporting Standards, 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, the Directors are 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 the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The Directors’ responsibilities include overseeing the Company’s financial reporting process.

Auditors’ Responsibilities

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 auditors’ 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:

- a) 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;
- b) 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;
- c) evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors;
- d) conclude on the appropriateness of Directors’ 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 auditors’ 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 auditors’ report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
- e) 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,

- a) the accounting and other records required by the regulations under the Singapore Charities Act and Companies Act to be kept by the Company have been properly kept in accordance with the provisions of the Acts; and
- b) the receipt and expenditure by the Company during the year ended 31 December 2020 have been in accordance with provisions of the Companies Act and the Charities Act.

MSA & Partners PAC

MSA & Partners PAC
Public Accountants and
Chartered Accountants

Singapore
17 May 2021

Statement of Comprehensive Income
For the financial year ended 31 December 2020

	Notes	2020	2019
		\$	\$
Revenue	4	108,507	158,267
Cost of programme		-	-
Gross operating income		<u>108,507</u>	<u>158,267</u>
Other income		138	2,594
Total income		<u>108,645</u>	<u>160,861</u>
Other operating expenses		<u>(38,865)</u>	<u>(3,995)</u>
Net surplus for the year before tax		<u>69,780</u>	<u>156,866</u>
Income tax expense	5	-	-
Net surplus for the year after tax		<u><u>69,780</u></u>	<u><u>156,866</u></u>

CASA RAUDHA LTD.
(Co. Reg. No. 201713778N)

Statement of Financial Position
As at 31 December 2020

	Notes	2020 S	2019 S
ASSETS			
Non-current asset			
Plant and equipment	6	132,311	-
Current assets			
Amount owing by related party	7	-	154,271
Other receivables	8	573,143	-
Cash and cash equivalents	9	4,211,164	-
		<u>4,784,307</u>	<u>154,271</u>
Total assets		<u><u>4,916,618</u></u>	<u><u>154,271</u></u>
LIABILITY AND FUNDS			
Current liability			
Other payable	10	65,743	2,155
Funds			
Accumulated fund	15	4,669,795	152,116
Other funds - restricted	15	178,375	-
Zakat fund - restricted	15	2,705	-
Total funds		<u><u>4,850,875</u></u>	<u><u>152,116</u></u>
Total liability and funds		<u><u>4,916,618</u></u>	<u><u>154,271</u></u>

CASA RAUDHA LTD.
(Co. Reg. No. 201713778N)

Statement of Changes in Funds
For the financial year ended 31 December 2020

	Accumulated Fund	Other Funds	Zakat Fund	Total
	\$	\$	\$	\$
Balance at 1 January 2019	(4,750)	-	-	(4,750)
Net surplus for the year	156,866	-	-	156,866
Balance at 31 December 2019	152,116	-	-	152,116
Net surplus for the year	69,780	-	-	69,780
Takeover of funds from CRWH	4,447,899	178,375	2,705	4,628,979
Balance at 31 December 2020	4,669,795	178,375	2,705	4,850,875

CASA RAUDHA LTD.
(Co. Reg. No. 201713778N)

Statement of Cash Flows
For the financial year ended 31 December 2020

	2020	2019
	\$	\$
Cash flows from operating activities		
Surplus for the year before tax	69,780	156,866
<u>Changes in working capital:</u>		
Other receivables	(25,401)	-
Other payables	35,010	-
	9,609	-
Net cash generated from operating activities	<u>79,389</u>	<u>156,866</u>
Cash flows from financing activities		
Amount owing by related party	154,271	(154,271)
Amount owing to related party	-	(2,595)
Net cash generated from/(used in) financing activity	<u>154,271</u>	<u>(156,866)</u>
Net increase in cash & cash equivalents	233,660	-
Cash and cash equivalents at the beginning of year	-	-
Takeover of cash and cash equivalents from CRWH	3,977,504	-
Cash and cash equivalents at the end of year	<u>4,211,164</u>	<u>-</u>

Notes to Financial Statements
For the financial year ended 31 December 2020

1. GENERAL INFORMATION

Casa Raudha Ltd. (the “Company”) with Co. Reg. No 201713778N is incorporated and domiciled in the Republic of Singapore as a Company limited by Guarantee.

The principal place of the business and registered office is located at 1 Pasir Ris Drive 4 #05-11 Singapore 519457.

The principal activities of the Company are to carry on those of social services for children, youth and families without accommodation. There have been no significant changes in the Company’s activities during the financial year.

The Company obtained charity status on 14 February 2019 and registered under Singapore Charities Act, Chapter 37 and an Institution of Public Character (IPC). Its present IPC status is effective from 20 January 2020 to 19 January 2022.

Members’ Guarantee

The Company is a Company limited by guarantee whereby each member of the Company undertakes to meet the debts and liabilities of the Company, in the event of its liquidation, to an amount not exceeding \$100.00 per member.

These financial statements were approved by the directors and authorised for issue on the date of the statement by the directors.

On 31 December 2020, the Company took over all the funds, assets, liabilities, rights, obligations and commitments from a related party known as Casa Raudha Women Home (“CRWH”), which is an approved charity registered and domiciled in Singapore.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

Statement of compliance

The financial statements have been prepared in accordance with the provision of the Singapore Companies Act, Cap 50 (“the Act”), the Singapore Charities Act, Chapter 37 (the “Charities Act”) and Singapore Financial Reporting Standard (“SFRS”) issued by the Accounting Standards Council.

Basis of preparation

Functional and presentation currency

The financial statements are expressed in Singapore Dollars (\$), which is the Company’s functional and presentation currency.

Basis of measurement

The COVID-19 outbreak and the measures taken to contain the spread of the pandemic have created a high level of uncertainty to global economic prospects and this has negatively impacted the Company’s operations and its financial performance for the financial year.

Notes to Financial Statements
For the financial year ended 31 December 2020

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (Continued)

The Company reported a net surplus of \$69,780 and an operating cash inflow of \$79,389 for the financial year ended 31 December 2020. This surplus arises despite the suspension of operations during the circuit breaker from 7 April 2020 to 1 June 2020.

The Company has taken the following actions to mitigate the impact of the pandemic in its operations and cashflows:

- Equipped its staff with the necessary tools and use of online platform; and
- Reduced non-essential capital expenditure and deferring discretionary spending.

However, there is still significant uncertainty over the future development of the outbreak and how it would impact the Company's operations. The overall financial effect of the above cannot be reliably estimated as of the date of these financial statements. The Company will pay close attention to the development of the above-mentioned events and continue to evaluate the impact on the financial position and operating results of the Company.

These financial statements have been prepared on a going concern basis and do not include any adjustments to the carrying amounts and classification of assets, liabilities and reported expenses that may otherwise be required if the going concern basis was not appropriate.

These financial statements have been prepared in accordance with the accounting principles applicable to a going concern and have been prepared on historical cost basis except as described in the accounting policies below.

Adoption of New and Revised Standards

During the financial year, the Company has adopted all the new and revised FRSs and Interpretations of FRSs ("INT FRS") that are relevant to its operations and effective for the current financial year. The adoption of these new/revised FRSs and INT FRSs does not result in changes to the Company's accounting policies and has no material effect on the amounts reported for the current year except as disclosed in these financial statements.

Adoption of New/Revised Standards Not Effective Yet

The Company has not adopted the following standards that have been issued but not yet effective:

<i>Description</i>	<i>Effective for annual periods beginning on or after</i>
Amendments to FRS 109 Financial Instruments, FRS 39 Financial Instruments: Recognition and Measurement, FRS 107 Financial Instruments: Disclosure, FRS 104 Insurance Contracts, FRS 116 Leases: Interest Rate Benchmark Reform – Phase 2	1 January 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 and Non-current	1 January 2023

Notes to Financial Statements
For the financial year ended 31 December 2020

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (Continued)

<i>Description</i>	<i>Effective for annual periods beginning on or after</i>
Amendments to FRS 110 and FRS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Date to be determined

At the date of authorisation of these financial statements, management has considered and anticipated that the adoption of the above FRS and amendments to the FRS in future periods will not have a material impact on the financial statements of the Company in the period of their initial application.

Currency Translation

Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (“the functional currency”). The financial statements are presented in Singapore Dollars, which is the Company’s functional and presentation currency.

Transactions and balances

Transactions in a currency other than the functional currency (“foreign currency”) are translated into the functional currency using the exchange rates prevailing at the date of transactions. Currency translations gains and losses resulting from the settlement of such transactions and translations at year ended-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit or loss.

When a gain or loss on a non-monetary item is recognised directly in equity, any exchange component of that gain or loss shall be recognised directly in equity. The translation difference is taken directly to Currency Translation Reserve within equity.

Revenue Recognition

Revenue is measured based on the 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 parties.

Revenue is recognised when the Company satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. 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.

Fundraising income

Revenue from fundraising are recognised as earned when the program/event has been completed. Revenue represents net invoiced value.

Donations, corporate sponsorship and zakat

Donations from individuals, corporate sponsorship and zakat are accounted for when received, except for committed donations and corporate cash sponsorship which are recorded when the commitments are signed.

Notes to Financial Statements
For the financial year ended 31 December 2020

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (Continued)

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation. All items of property, plant and equipment are initially recorded at cost.

The initial cost of property, plant and equipment comprises its purchase price, including legal and brokerage fees, import duties and non-refundable purchase taxes, after deducting trade discounts and rebates. It also comprises of any direct attributable costs of bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property, plant and equipment beyond its originally assessed standard of performance, the expenditure is capitalised as an additional cost of property, plant and equipment.

Individual asset items in excess of \$1,000 are capitalised when acquired.

Depreciation is charged so as to allocate the cost of assets less their residual values over their estimated useful lives, using the straight-line method. The following annual rate is used for the depreciation of property, plant and equipment:

Leasehold improvements	9 years
Office equipment	3-5 years
Furniture and fittings	9 years

The residual values and useful lives of property, plant and equipment are reviewed and adjusted as appropriate, at each statement of financial position date. The effects of any revision of the residual values and useful lives are included in the statement of financial activities for the financial year in which the changes arise.

Fully depreciated assets still in use are retained in the financial statements.

Subsequent expenditure relating to property, plant and equipment that have already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Cost of day-to-day servicing of an item of property, plant and equipment such as repairs and maintenance are normally charged to the statement of financial activities in the period in which the costs are incurred.

On disposal of an item of property, plant and equipment, the difference between the net disposal proceeds and its carrying amount is taken to the statement of financial activities.

Impairment of Assets

At each statement of financial position date, the Company reviews the carrying amounts of its 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).

Notes to Financial Statements
For the financial year ended 31 December 2020

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (Continued)

Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. 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 is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so 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 in prior years.

A reversal of an impairment loss is recognised immediately in the statement of profit or loss.

Financial Instruments

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 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.

Accounts 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 accounts 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, 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.

Notes to Financial Statements
For the financial year ended 31 December 2020

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (Continued)

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.

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.

Trade and other receivables

Trade and other receivables, excluding prepayments, are initially recognised at their transaction price, excluding transaction costs, if any. Transaction costs are recognised as expenditure in the statement of financial activities. Prepayments are initially recognised at the amount paid in advance for the economic resources expected to be received in the future.

Subsequent to initial recognition, trade and other receivables, excluding prepayments, are measured at cost less any accumulated impairment losses. Prepayments are measured at the amount paid less the economic resources received or consumed during the financial period.

Notes to Financial Statements
For the financial year ended 31 December 2020

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (Continued)

Cash and cash equivalents

Cash and cash equivalent comprise of cash at banks, on hand and short-term deposits, highly liquid investments that are readily convertible to known amount of cash which are subject to insignificant risk of changes in value.

Trade and other payables

Trade and other payables, excluding accruals, are recognised at their transaction price excluding transaction costs, if any, at both initial recognition and subsequent measurement. Transaction costs are recognised as expenditure in the statement of financial activities as incurred. Accruals are recognised at the best estimate of the amount payable.

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 statement of financial position date, 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.

Related Party Transactions

Parties are considered to be related to the Company if the Company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGMENTS

The preparation of financial statements in conformity with SFRS requires the use of estimated and assumptions, which affect the reported amounts of assets and liabilities, and disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the financial period. Although these estimates are based on directors' best knowledge of the current events and actions, actual results may ultimately differ from those estimates.

Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Notes to Financial Statements
For the financial year ended 31 December 2020

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGMENTS (Continued)

Critical judgements in applying the Company's accounting policies

Management is of the opinion that any instances of application of judgements are not expected to have a significant effect on the amounts recognised in the financial statements.

Key sources of estimation uncertainty

Management is of the opinion that there are no key sources of estimation of uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Impairment of financial and non-financial assets

The management makes reasonable judgments as to whether an impairment loss should be recorded in the statement of profit or loss by using estimates based on historical loss experience for assets with similar credit risk characteristics.

4. REVENUE

	2020	2019
	\$	\$
Fundraising income - related party	-	158,267
Donations	104,097	-
Zakat harta	4,410	-
	<u>108,507</u>	<u>158,267</u>

5. INCOME TAX

The Company is a registered Charity under the Charities Act, Chapter 37. No provision for taxation has been made in the financial statements as the Company is exempt from income tax in accordance with the provisions of the Income Tax Act, Chapter 134.

Notes to Financial Statements
For the financial year ended 31 December 2020

6. PLANT AND EQUIPMENT

	Leasehold improvements \$	Furniture and fittings \$	Office equipment \$	Total \$
Cost				
At 31 December 2019	-	-	-	-
Taken over from CRWH	90,201	40,207	1,903	132,311
At 31 December 2020	<u>90,201</u>	<u>40,207</u>	<u>1,903</u>	<u>132,311</u>
Accumulated Depreciation				
At 31 December 2019	-	-	-	-
Depreciation charge	-	-	-	-
At 31 December 2020	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Carrying amounts				
At 31 December 2020	<u>90,201</u>	<u>40,207</u>	<u>1,903</u>	<u>132,311</u>
At 31 December 2019	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The plant and equipment were taken over from CRWH on 31 December 2020. Thus, no depreciation is provided during the year.

7. AMOUNT OWING BY RELATED PARTY

The amount owing by related party refers to a company related with common directors and repayable upon demand, unsecured and non-interest bearing.

8. OTHER RECEIVABLES

	2020 \$	2019 \$
Deposits (taken over from CRWH)	42,960	-
Grant receivables (taken over from CRWH)	504,782	-
Donation receivables	25,401	-
	<u>573,143</u>	<u>-</u>

9. CASH AND CASH EQUIVALENTS

	2020 \$	2019 \$
Cash at bank	233,660	-
Taken over from CRWH	3,977,504	-
	<u>4,211,164</u>	<u>-</u>

Notes to Financial Statements
For the financial year ended 31 December 2020

10. OTHER PAYABLE

	2020	2019
	\$	\$
Accruals	18,506	2,155
Taken over from CRWH	47,237	-
	<u>65,743</u>	<u>2,155</u>

11. TAX-EXEMPT RECEIPTS

During the financial year, the Company issued tax-exempt receipts for donations collected amounting to \$88,248 (2019: Nil).

12. RELATED PARTY TRANSACTIONS

Parties are considered related if one party has the ability, directly or indirectly, to control the other party, or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related party if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities.

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Company and related parties at terms agreed between the parties:

Significant transactions with related parties:

	2020	2019
	\$	\$
Sponsorship to related party	<u>25,000</u>	<u>-</u>

13. KEY MANAGEMENT PERSONNEL COMPENSATION

During the year, there is no key management personnel receives compensation from the Company.

14. OPERATING LEASE COMMITMENTS

At the end of the financial year, the Company was committed to making the following lease rental payments under non-cancellable operating leases for office and shelter home premises:

	2020	2019
	\$	\$
Not later than one year	161,880	-
Later than one year but not later than five years	202,350	-
	<u>364,230</u>	<u>-</u>

On 31 December 2020, the above commitments were taken over from CRWH.

Notes to Financial Statements
For the financial year ended 31 December 2020

15. FUNDS

Unrestricted – General fund

	2020	2019
	\$	\$
Balance at 1 January 2020	152,116	(4,750)
Income	108,645	160,861
Expenditures	(38,865)	(3,995)
Net Income for the financial year	69,780	156,866
Taken over of fund from CRWH	4,447,899	-
Balance at 31 December 2020	4,669,795	152,116

Unrestricted general fund is expendable at the discretion of the management committee in furtherance of the Company's objects.

On 31 December 2020, the fund was taken over from CRWH.

Restricted funds

Restricted funds are funds subject to specific trusts, which maybe declared by the donor(s) or with their authority or created through legal process, but still within the wider objects of the Company.

As at reporting date, the Company has the following restricted funds:

Zakat fund

	2020	2019
	\$	\$
Balance at 1 January 2020	-	-
Taken over of fund from CRWH	2,705	-
Balance at 31 December 2020	2,705	-

This represents obligatory contributions received from Muslims.

Zakat received is allocated to four asnaf i.e. fisabillillah (in the way of God), fakir (poverty stricken), miskin (poor), and riqab (individuals needing scholarships, grants, bursaries).

On 31 December 2020, the fund was taken over from CRWH.

Notes to Financial Statements
For the financial year ended 31 December 2020

15. FUNDS (Continued)

Other funds

	2020	2019
	\$	\$
Balance at 1 January 2020	-	-
Taken over of funds from CRWH	178,375	-
Balance at 31 December 2020	<u>178,375</u>	<u>-</u>

The funds were established to assist women to take up self-development courses/life skills that could improve their lives and to also assist their children in their studies and moral development. Unless specifically indicated, funds balances are not represented in any specific accounts, but are represented by all assets of the Company. On 31 December 2020, the funds were taken over from CRWH.

16. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND FINANCIAL RISK MANAGEMENT

The main risks arising from the Company's financial instruments are liquidity risk and capital risk. The Directors' review and agree policies for managing these risks and they are summarised as follows:

Liquidity risk

In the management of liquidity risk, the Company monitors and maintains a level of cash and cash equivalents deemed adequate by management to finance the Company's operations and mitigate the effects of fluctuations in cash flows. In adopting a prudent liquidity risk management, the management places its available funds in current accounts with creditworthy and reputable financial institutions, namely the banks.

For the analysis of the maturity profile of the Company's financial liabilities based on contractual or undiscounted cash flow, the other payable is due less than 1 year.

The Company manages the liquidity risk by maintaining sufficient cash to enable it to meet its normal operating commitments.

Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. For other financial assets, the Company adopts the policy of dealing only with high credit quality counterparties. Credit exposure to an individual counterparty is restricted by credit limits that are approved by the directors based on ongoing credit evaluation. The counterparty's payment pattern and credit exposure are continuously monitored by the management.

As the Company do not hold any collateral, the maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the statement of financial position.

Financial assets that are neither past due nor impaired

Bank deposits that are neither past due nor impaired are mainly deposits with banks with high credit-ratings assigned by international credit-rating agencies.

Notes to Financial Statements
For the financial year ended 31 December 2020

Financial assets that are past due but not impaired

There is no class of financial assets that is past due but not impaired except for accounts receivables.

Exposure to credit risk

The Company has no significant concentration of credit risk. The Company has credit policies and procedures in place to minimise and mitigate its credit risk exposure.

Capital risk management policies and objectives

The Company reviews its capital structure at least annually to ensure that the Company will be able to continue as a going concern. The capital structure of the Company consists of the general fund, zakat fund and other fund. The Company's overall strategy has remain unchanged during the financial year except for the funds taken over from CRWH on 31 December 2020.

Fair value of financial assets and financial liabilities

The carrying values of financial assets and financial liabilities as reported in the statement of financial position are assumed to approximate their fair values due to short-term maturity of the financial instruments.

Casa Raudha Ltd.
Detailed Income Statement
For the financial year ended 31 December 2020

	2020	2019
	\$	\$
REVENUE	108,507	158,267
COST OF PROGRAMME	<u>-</u>	<u>-</u>
GROSS OPERATING INCOME	108,507	158,267
OTHER INCOME		
Interest income	138	-
Amount owing to related party written off	-	2,594
	<u>138</u>	<u>2,594</u>
TOTAL INCOME	108,645	160,861
OTHER OPERATING EXPENSES		
Audit fee	2,580	1,500
Bookkeeping fee	2,760	300
General expenses	1,377	-
Legal and professional fee	770	2,115
Medical expenses	172	-
Printing and stationery	-	80
Security fees	6,206	-
Sponsorship to a related party	25,000	-
	<u>38,865</u>	<u>3,995</u>
NET SURPLUS FOR THE YEAR	<u><u>69,780</u></u>	<u><u>156,866</u></u>

The above schedule does not form part of the statutory financial statements