

## **ST. JOHN'S HOME FOR ELDERLY PERSONS**

[UEN. S61SS0176G]

[IPC No. IPC000361]

[Registered under the Societies Act, Chapter 311  
in the Republic of Singapore]

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

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## **Fiducia LLP**

(UEN. T10LL0955L)

Public Accountants and

Chartered Accountants of Singapore

71 Ubi Crescent  
#08-01 Excalibur Centre  
Singapore 408571  
T: (65) 6846.8376  
F: (65) 6491.5218

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**STATEMENT BY THE MANAGEMENT COMMITTEE**

In the opinion of the Management Committee, the financial statements of **St. John's Home for Elderly Persons** (the "Home") are drawn up so as to present fairly, in all material respects, the state of affairs of the Home as at 31 December 2020 and the results, changes in funds and changes in cash flows of the Home for the financial year then ended.

At the date of this statement, there are reasonable grounds to believe that the Home will be able to pay its debts as and when they fall due.

The Management Committee comprising the following, authorised the issue of these financial statements on

*25 May 2021.*

Chairman	Woon Wee Yim
Vice-chairman	Andrew Lioe Hui Siang
Honorary Secretary	John Poopalan Kiramathypathy
Assistant Honorary Secretary	Jeyaraj Indra Raj
Honorary Treasurer	Victor Vijendran Alfreds
Committee Member	Lester Lee Keng Kok
Committee Member	David Alexander Ong Liang Bong
Committee Member	Pearl Lee Tuan Kee
Committee Member	Rachel Ong Chuan Chuan
Committee Member	Kenneth Chue Soon Seng

For and on behalf of the Management Committee,



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Woon Wee Yim  
Chairman



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Victor Vijendran Alfreds  
Honorary Treasurer

Singapore, *27 May 2021*

**St. John's Home for Elderly Persons**  
[UEN. S61SS0176G]  
[IPC No. IPC000361]

*Audited Financial Statements*  
*Financial Year Ended 31 December 2020*

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Independent auditor's report to the members of:

### **ST. JOHN'S HOME FOR ELDERLY PERSONS**

[UEN. S61SS0176G]  
[IPC No. IPC000361]  
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## **Report on the Audit of the Financial Statements**

### **Opinion**

We have audited the financial statements of **St. John's Home for Elderly Persons** (the "Home"), which comprise the statement of financial position as at 31 December 2020, and the statement of financial activities, statement of changes in funds and statement of cash flows of the Home for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Societies Act, Chapter 311 (the "Societies Act"), the Charities Act, Chapter 37 and other relevant regulations (the "Charities Act and Regulations") and Financial Reporting Standards in Singapore ("FRSs") so as to present fairly, in all material respects, the state of affairs of the Home as at 31 December 2020, and the results, changes in funds and cash flows of the Home for the financial year ended on that date.

### **Basis for Opinion**

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Home 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 other information. The other information comprises the Statement by the Management Committee but does not include the financial statements and our auditor's report thereon.

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

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

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(CONT'D)

Independent auditor's report to the members of:

### **ST. JOHN'S HOME FOR ELDERLY PERSONS**

[UEN. S61SS0176G]  
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## **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

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

In preparing the financial statements, management is responsible for assessing the Home'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 Home or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Home'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 Home's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

**St. John's Home for Elderly Persons**  
[UEN. S61SS0176G]  
[IPC No. IPC000361]

*Audited Financial Statements  
Financial Year Ended 31 December 2020*

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Independent auditor's report to the members of:

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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 Home'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 Home 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,

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

**St. John's Home for Elderly Persons**  
[UEN. S61SS0176G]  
[IPC No. IPC000361]

*Audited Financial Statements*  
*Financial Year Ended 31 December 2020*

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(CONT'D)

Independent auditor's report to the members of:

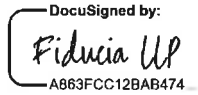
### **ST. JOHN'S HOME FOR ELDERLY PERSONS**

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#### **Report on other Legal and Regulatory Requirements (Cont'd)**

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

- (a) The Home 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
- (b) The Home has not complied with the requirements of Regulation 15 of the Charities (Institutions of a Public Character) Regulations.

DocuSigned by:  
  
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**Fiducia LLP**  
Public Accountants and  
Chartered Accountants

Singapore, 25 May 2021.

Partner-in-charge: Gan Chek Huat  
PAB No.: 01939

**STATEMENT OF FINANCIAL ACTIVITIES  
 FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

	Unrestricted Fund S\$	Restricted Funds			Total unrestricted fund and restricted funds S\$
		Building Fund S\$	Building and Lease Fund S\$	Endowment Fund S\$	
<b>2020</b>					
<b>INCOME</b>					
Income from generating voluntary funds	566,607	2,462,649	0	0	3,029,256
Grants	903,038	0	0	0	903,038
Income from provision of care services	621,407	0	0	0	621,407
Other income	275,499	19,290	0	5,140	299,929
	<u>2,366,551</u>	<u>2,481,939</u>	<u>0</u>	<u>5,140</u>	<u>4,853,630</u>
<b>EXPENDITURE</b>					
Cost of generating voluntary funds	62,871	0	0	0	62,871
Cost of provision of care services	1,268,574	0	96,002	0	1,364,576
Governance and administrative costs	242,441	171,660	0	0	414,101
	<u>1,573,886</u>	<u>171,660</u>	<u>96,002</u>	<u>0</u>	<u>1,841,548</u>
<b>NET SURPLUS / (DEFICIT)</b>	792,665	2,310,279	(96,002)	5,140	3,012,082
<b>Total funds brought forward</b>	<u>2,784,317</u>	<u>9,349,295</u>	<u>2,496,062</u>	<u>6,012,000</u>	<u>20,641,674</u>
<b>Total funds carried forward</b>	<u>3,576,982</u>	<u>11,659,574</u>	<u>2,400,060</u>	<u>6,017,140</u>	<u>23,653,756</u>

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

**STATEMENT OF FINANCIAL ACTIVITIES  
 FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019**

	Unrestricted Fund		Restricted Funds			Total unrestricted fund and restricted funds S\$
	General Fund S\$	Building Fund S\$	Building and Lease Fund S\$	Endowment Fund S\$	Total restricted funds S\$	
<b>2019</b>						
<b>INCOME</b>						
Income from generating voluntary funds	665,114	1,179,248	0	0	1,179,248	1,844,362
Grants	2,150	575,000	0	0	575,000	577,150
Income from provision of care services	688,358	0	0	0	0	688,358
Other income	180,940	79,201	0	0	79,201	260,141
	<u>1,536,562</u>	<u>1,833,449</u>	<u>0</u>	<u>0</u>	<u>1,833,449</u>	<u>3,370,011</u>
<b>EXPENDITURE</b>						
Cost of generating voluntary funds	46,432	0	0	0	0	46,432
Cost of provision of care services	1,298,422	0	96,002	0	96,002	1,394,424
Governance and administrative costs	199,513	338,287	0	0	338,287	537,800
	<u>1,544,367</u>	<u>338,287</u>	<u>96,002</u>	<u>0</u>	<u>434,289</u>	<u>1,978,656</u>
<b>NET (DEFICIT) / SURPLUS</b>	(7,805)	1,495,162	(96,002)	0	1,399,160	1,391,355
<b>Total funds brought forward</b>	<u>2,792,122</u>	<u>7,854,133</u>	<u>2,592,064</u>	<u>6,012,000</u>	<u>16,458,197</u>	<u>19,250,319</u>
<b>Total funds carried forward</b>	<u>2,784,317</u>	<u>9,349,295</u>	<u>2,496,062</u>	<u>6,012,000</u>	<u>17,857,357</u>	<u>20,641,674</u>

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



**DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

	Note	Restricted Funds				Total unrestricted fund and restricted funds S\$
		Unrestricted Fund	Building Fund S\$	Building and Lease Fund S\$	Endowment Fund S\$	
		General Fund S\$	Building Fund S\$	Building and Lease Fund S\$	Endowment Fund S\$	Total restricted funds S\$
<b>2020 INCOME</b>						
<b>Income from generating voluntary funds</b>						
Donations						
- Tax exempt	4	253,071	2,269,289	0	0	2,269,289
- Non-tax exempt		313,536	193,360	0	0	193,360
		566,607	2,462,649	0	0	2,462,649
<b>Grants</b>						
Bicentennial Community Fund		400,000	0	0	0	400,000
National Council of Social Service		488,038	0	0	0	488,038
Others		15,000	0	0	0	15,000
		903,038	0	0	0	903,038
<b>Income from provision of care services</b>						
Membership subscriptions		440	0	0	0	440
Residents public assistance grants		156,258	0	0	0	156,258
Residents upkeep contributions		464,709	0	0	0	464,709
		621,407	0	0	0	621,407
<b>Other income</b>						
COVID-19 related rent concessions		54,400	0	0	0	54,400
Interest income		61,859	12,175	0	5,140	79,174
Jobs support scheme		131,012	0	0	0	131,012
Miscellaneous income		25	0	0	0	25
Reimbursement		0	7,115	0	0	7,115
Special employment credit		27,003	0	0	0	27,003
Silver Support		1,200	0	0	0	1,200
		275,499	19,290	0	5,140	299,929
<b>TOTAL INCOME</b>		2,366,551	2,481,939	0	5,140	4,853,630
<b>EXPENDITURES</b>						
<b>Cost of generating voluntary funds</b>						
Fund raising expenses		1,836	0	0	0	1,836
Fund raising dinner expenses	5	61,035	0	0	0	61,035
		62,871	0	0	0	62,871

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020 (CONT'D)**

	Note	Unrestricted Fund				Restricted Funds			Total unrestricted fund and restricted funds S\$
		General Fund S\$	Building Fund S\$	Building and Lease Fund S\$	Endowment Fund S\$	Total restricted funds S\$			
<b>2020 (CONT'D)</b>									
<b>EXPENDITURES (CONT'D)</b>									
<b>Cost of provision of care services</b>									
Service costs									
- Cleaning		17,025	0	0	0	0	0	17,025	
- Counselling services		14,792	0	0	0	0	0	14,792	
- Landscape services		32,150	0	0	0	0	0	32,150	
- Pest control		2,568	0	0	0	0	0	2,568	
- Physiotherapist services		12,336	0	0	0	0	0	12,336	
Depreciation	8	180,153	0	96,002	0	96,002	0	276,155	
Donated expense		83,225	0	0	0	0	0	83,225	
Employment agency fee		478	0	0	0	0	0	478	
Food and provisions		83,953	0	0	0	0	0	83,953	
General expenses		5,934	0	0	0	0	0	5,934	
Insurance		9,082	0	0	0	0	0	9,082	
Interest expenses on lease liabilities		11,986	0	0	0	0	0	11,986	
License fees		100	0	0	0	0	0	100	
Medical and clinical expenses		29,166	0	0	0	0	0	29,166	
Repair and maintenance		45,531	0	0	0	0	0	45,531	
Residents' pocket money		760	0	0	0	0	0	760	
Sponsored purchases		5,091	0	0	0	0	0	5,091	
Staff costs									
- CPF and SDL contribution		43,195	0	0	0	0	0	43,195	
- Foreign workers' levy		40,831	0	0	0	0	0	40,831	
- Salaries and annual wage supplements		565,528	0	0	0	0	0	565,528	
- Staff repatriation travel		502	0	0	0	0	0	502	
- Staff welfare		1,602	0	0	0	0	0	1,602	
- Uniforms		1,667	0	0	0	0	0	1,667	
Transportation		3,992	0	0	0	0	0	3,992	
Utilities		76,927	0	0	0	0	0	76,927	
		<u>1,268,574</u>	<u>0</u>	<u>96,002</u>	<u>0</u>	<u>96,002</u>	<u>0</u>	<u>1,364,576</u>	

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020 (CONT'D)**

	Unrestricted Fund	Restricted Funds			Total unrestricted fund and restricted funds
	General Fund S\$	Building Fund S\$	Building and Lease Fund S\$	Endowment Fund S\$	Total restricted funds S\$
<b>2020 (CONT'D)</b>					
<b>EXPENDITURES (CONT'D)</b>					
<b>Governance and administrative costs</b>					
- Administrative	11,450	0	0	0	0
- Audit fees	3,963	7	0	0	7
- Bank charges	14,311	13,525	0	0	13,525
- GST expenses	17,118	0	0	0	0
- Printing and stationeries	19,329	94,223	0	0	94,223
- Professional fees	3,024	0	0	0	0
- Telecommunications					
- Staff costs	24,241	4,904	0	0	4,904
- CPF and SDL contribution	149,005	59,001	0	0	59,001
- Salaries and annual wage supplements	242,441	171,660	0	0	171,660
TOTAL EXPENDITURE	1,573,886	171,660	96,002	0	267,662
<b>NET SURPLUS / (DEFICIT)</b>	792,665	2,310,279	(96,002)	5,140	2,219,417
<b>Total funds brought forward</b>	2,784,317	9,349,295	2,496,062	6,012,000	17,857,357
<b>Total funds carried forward</b>	3,576,982	11,659,574	2,400,060	6,017,140	20,076,774
					23,653,756

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

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019**

	Note	Restricted Funds				Total unrestricted fund and restricted funds S\$
		Unrestricted Fund	Building Fund S\$	Building and Lease Fund S\$	Endowment Fund S\$	
		General Fund S\$	Building Fund S\$	Building and Lease Fund S\$	Endowment Fund S\$	Total unrestricted fund and restricted funds S\$
<b>2019 INCOME</b>						
<b>Income from generating voluntary funds</b>						
Donations						
- Tax exempt	4	451,716	1,052,418	0	0	1,504,134
- Non-tax exempt		213,398	126,830	0	0	340,228
		665,114	1,179,248	0	0	1,844,362
<b>Grants</b>						
Tote Board Grants		0	575,000	0	0	575,000
Others		2,150	0	0	0	2,150
		2,150	575,000	0	0	577,150
<b>Income from provision of care services</b>						
Membership subscriptions		200	0	0	0	200
Residents public assistance grants		164,000	0	0	0	164,000
Residents upkeep contributions		524,158	0	0	0	524,158
		688,358	0	0	0	688,358
<b>Other income</b>						
Interest income		142,120	79,201	0	0	221,321
Special employment credit		37,620	0	0	0	37,620
Silver Support		1,200	0	0	0	1,200
		180,940	79,201	0	0	260,141
<b>TOTAL INCOME</b>		1,536,562	1,833,449	0	0	3,370,011
<b>EXPENDITURES</b>						
<b>Cost of generating voluntary funds</b>						
Fund raising expenses	5	9,682	0	0	0	9,682
Fund raising dinner expenses		36,750	0	0	0	36,750
		46,432	0	0	0	46,432

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019 (CONT'D)**

	Note	Unrestricted Fund				Restricted Funds			Total unrestricted fund and restricted funds S\$
		General Fund S\$	Building Fund S\$	Building and Lease Fund S\$	Endowment Fund S\$	Total restricted funds S\$			
<b>2019 (CONT'D)</b>									
<b>EXPENDITURES (CONT'D)</b>									
<b>Cost of provision of care services</b>									
Service costs									
- Cleaning		7,753	0	0	0	0	0	7,753	
- Counselling services		20,972	0	0	0	0	0	20,972	
- Landscape services		32,100	0	0	0	0	0	32,100	
- Pest control		2,568	0	0	0	0	0	2,568	
- Physiotherapist services		16,812	0	0	0	0	0	16,812	
Depreciation	8	180,458	0	96,002	0	96,002	0	276,460	
Donated expense		74,128	0	0	0	0	0	74,128	
Employment agency fee		952	0	0	0	0	0	952	
Food and provisions		108,755	0	0	0	0	0	108,755	
General expenses		2,963	0	0	0	0	0	2,963	
Insurance		12,193	0	0	0	0	0	12,193	
Interest expenses on lease liabilities		19,704	0	0	0	0	0	19,704	
License fees		112	0	0	0	0	0	112	
Medical and clinical expenses		17,852	0	0	0	0	0	17,852	
Membership fee		376	0	0	0	0	0	376	
Repair and maintenance		63,719	0	0	0	0	0	63,719	
Residents' pocket money		4,800	0	0	0	0	0	4,800	
Sponsored purchases		8,940	0	0	0	0	0	8,940	
Staff costs									
- CPF and SDL contribution		39,724	0	0	0	0	0	39,724	
- Foreign workers' levy		73,026	0	0	0	0	0	73,026	
- Salaries and annual wage supplements		508,089	0	0	0	0	0	508,089	
- Staff repatriation travel		4,603	0	0	0	0	0	4,603	
- Staff welfare		3,934	0	0	0	0	0	3,934	
- Training		2,233	0	0	0	0	0	2,233	
- Uniforms		2,995	0	0	0	0	0	2,995	
Special event		2,969	0	0	0	0	0	2,969	
Transportation		4,935	0	0	0	0	0	4,935	
Utilities		80,757	0	0	0	0	0	80,757	
		<u>1,298,422</u>	<u>0</u>	<u>96,002</u>	<u>0</u>	<u>96,002</u>	<u>0</u>	<u>1,394,424</u>	

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019 (CONT'D)**

	Unrestricted Fund	Restricted Funds			Total unrestricted fund and restricted funds S\$
		Building Fund S\$	Building and Lease Fund S\$	Endowment Fund S\$	
<b>2019</b>					
<b>EXPENDITURES (CONT'D)</b>					
<b>Governance and administrative costs</b>					
- Administrative					
- Audit fees	12,088	0	0	0	12,088
- Bank charges	5,024	3	0	0	5,027
- Printing and stationeries	13,736	0	0	0	13,736
- Professional fees	2,507	273,645	0	0	276,152
- Telecommunications	3,569	0	0	0	3,569
- Recruitment advertisement expense	196	0	0	0	196
Staff costs					
- CPF and SDL contribution	22,028	6,094	0	0	28,122
- Salaries and annual wage supplements	140,365	58,545	0	0	198,910
	199,513	338,287	0	0	537,800
TOTAL EXPENDITURE	1,544,367	338,287	96,002	0	1,978,656
<b>NET (DEFICIT) / SURPLUS</b>	(7,805)	1,495,162	(96,002)	0	1,391,355
<b>Total funds brought forward</b>	2,792,122	7,854,133	2,592,064	6,012,000	19,250,319
<b>Total funds carried forward</b>	2,784,317	9,349,295	2,496,062	6,012,000	20,641,674

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

**STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2020**

	Note	2020 S\$	2019 S\$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	6	8,979,790	13,011,531
Other receivables	7	539,803	222,270
		<u>9,519,593</u>	<u>13,233,801</u>
<b>Non-current assets</b>			
Property, plant and equipment	8	13,531,533	8,731,118
Financial assets, at FVPL	10	1,174,550	0
		<u>14,706,083</u>	<u>8,731,118</u>
<b>Total assets</b>		<u>24,225,676</u>	<u>21,964,919</u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Other payables and accruals	11	412,574	1,012,685
Lease liabilities	12	159,346	151,214
		<u>571,920</u>	<u>1,163,899</u>
<b>Non-current liabilities</b>			
Lease liabilities	12	0	159,346
<b>Total liabilities</b>		<u>571,920</u>	<u>1,323,245</u>
<b>NET ASSETS</b>		<u>23,653,756</u>	<u>20,641,674</u>
<b>FUNDS</b>			
<b>Unrestricted fund</b>			
- General fund	13	3,576,982	2,784,317
<b>Restricted funds</b>			
- Building fund (current development)	14	11,659,574	9,349,295
- Building and land lease	14	2,400,060	2,496,062
- Endowment fund	14	6,017,140	6,012,000
		<u>20,076,774</u>	<u>17,857,357</u>
<b>TOTAL FUNDS</b>		<u>23,653,756</u>	<u>20,641,674</u>

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

**STATEMENT OF CHANGES IN FUNDS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

	Balance at beginning of financial year S\$	Surplus / (deficit) S\$	Balance at end of financial year S\$
<b>2020</b>			
<b>Unrestricted fund</b>			
General fund	<u>2,784,317</u>	<u>792,665</u>	<u>3,576,982</u>
<b>Restricted funds</b>			
Building fund	9,349,295	2,310,279	11,659,574
Building and lease fund	2,496,062	(96,002)	2,400,060
Endowment fund	6,012,000	5,140	6,017,140
Total	<u>17,857,357</u>	<u>2,219,417</u>	<u>20,076,774</u>
Total funds	<u>20,641,674</u>	<u>3,012,082</u>	<u>23,653,756</u>
	Balance at beginning of financial year S\$	(Deficit)/ surplus S\$	Balance at end of financial year S\$
<b>2019</b>			
<b>Unrestricted fund</b>			
General fund	<u>2,792,122</u>	<u>(7,805)</u>	<u>2,784,317</u>
<b>Restricted funds</b>			
Building fund	7,854,133	1,495,162	9,349,295
Building and lease fund	2,592,064	(96,002)	2,496,062
Endowment fund	6,012,000	0	6,012,000
Total	<u>16,458,197</u>	<u>1,399,160</u>	<u>17,857,357</u>
Total funds	<u>19,250,319</u>	<u>1,391,355</u>	<u>20,641,674</u>

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



**STATEMENT OF CASH FLOWS  
 FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

	Note	2020 S\$	2019 S\$
<b>Cash flows from operating activities</b>			
Net surplus for the financial year		3,012,082	1,391,355
Adjustments for:			
- Depreciation of property, plant and equipment	8	276,155	276,460
- Interest expenses on lease liabilities		11,986	19,704
- Interest income		(78,041)	(221,321)
- COVID-19 related rent concessions		(54,400)	0
Operating cash flow before changes in working capital		<u>3,167,782</u>	<u>1,466,198</u>
Changes in working capital:			
- Other receivables		(324,233)	63,027
- Other payables and accruals		39,212	(2,721)
Net cash flows from operations		<u>2,882,761</u>	<u>1,526,504</u>
Interest received		4,756	1,443
<b>Net cash generated from operating activities</b>		<u>2,887,517</u>	<u>1,527,947</u>
<b>Cash flows from investing activities</b>			
Fixed deposits pledge for credit card facilities		0	(50,000)
Interest received		79,985	246,900
Purchases of bonds		(1,174,550)	0
Purchases of property, plant and equipment	8	(5,715,893)	(4,952,937)
<b>Net cash used in investing activities</b>		<u>(6,810,458)</u>	<u>(4,756,037)</u>
<b>Cash flows from financing activities</b>			
Payment of principal portion of lease liabilities		(96,814)	(143,496)
Interest paid		(11,986)	(19,704)
<b>Net cash used in financing activities</b>		<u>(108,800)</u>	<u>(163,200)</u>
<b>Net decrease in cash and cash equivalents</b>		(4,031,741)	(3,391,290)
Cash and cash equivalents at beginning of financial year		<u>12,961,531</u>	<u>16,352,821</u>
<b>Cash and cash equivalents at end of financial year</b>	6	<u>8,929,790</u>	<u>12,961,531</u>

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

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

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

**1. General information**

St. John's Home for Elderly Persons (the "Home") is established in the Republic of Singapore and is registered with the Registrar of Societies, Singapore under the Societies Act, Chapter 311 on 18 October 1961. The Home's registered address is located at 69 Wan Tho Avenue, Sennett Estate, Singapore 347601.

The objective of the Home is to provide shelter and to care for the physical and spiritual needs of such elderly persons as have no home or suitable accommodation and no children or close relatives who have adequate facilities for looking after them. The Home is open to all regardless of race or creed.

The Home is a charity registered under the Charities Act, Chapter 37 since 12 March 1988. The Home is granted Institutions of a Public Character ("IPC") status for the period from 01 April 2018 to 31 March 2022.

In compliance with GST rule for existing and future services, the Home was registered as a GST entity with effect from 01 July 2020.

**2. Significant accounting policies**

**2.1 Basis of preparation**

The financial statements have been prepared in accordance with Financial Reporting Standards ("FRSs") in Singapore and the disclosure requirements of the Societies Act, Chapter 311, the Charities Act, Chapter 37. The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollar ("S\$"), which is the Home's functional currency. Functional currency is the currency of the primary economic environment in which the Home operates. All financial information presented is denominated in Singapore Dollar unless otherwise stated.

The preparation of the financial statements in conformity with FRSs requires management to exercise its judgement in the process of applying the Home's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

**Interpretations and amendments to published standards effective in 2020**

In the current financial year, the Home adopted the new or revised FRSs and Interpretations to FRSs ("INT FRSs") that are relevant and mandatory to its operations and effective on 1 January 2020. The adoption of the standard did not have any material effect on the financial statements.

## 2. Significant accounting policies (Cont'd)

### 2.1 Basis of preparation (Cont'd)

#### Interpretations and amendments to published standards effective in 2020 (Cont'd)

Except for the adoption of amendments to FRS 116 Leases as described below, the adoption of these new or amended FRSs and INT FRSs did not result in substantial changes to the Home's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

#### Early adoption of Amendments to FRS 116 Leases – COVID-19 Related Rent Concessions

The Home has elected to early adopt the amendments to FRS 116 which introduced a practical expedient for a lessee to elect not to assess whether a rent concession is a lease modification, if all the following conditions are met:

- (a) the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
- (b) any reduction in lease payments affects only payments originally due on or before 30 June 2021; and
- (c) there is no substantive change to other terms and conditions of the lease.

The Home has elected to apply this practical expedient to all property leases. As a result of applying the practical expedient, rent concessions of S\$54,400 was recognised as negative variable lease payments in the statement of financial activities income during the year.

#### Standards and issued but not yet effective

The Home has not adopted the following relevant new/ revised FRSs, INT FRSs and amendments to FRSs that were issued but not yet effective:

Descriptions	Annual periods commencing on
Amendments to: - FRS 109, FRS 39 and FRS 107, FRS 104, FRS 116: Interest Rate Benchmark Reform – Phase 2	1 January 2021
Amendments to: - FRS 103 : Reference to the Conceptual Framework - FRS 16 : Property, Plant and Equipment – Proceeds before intended Use - FRS 37 : Onerous Contracts – Cost of Fulfilling a Contract  Annual Improvements to FRSs 2018-2020	1 January 2022
Amendments to: - FRS 1 : Classification of Liabilities as Current or Non-current	1 January 2023
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

The management expects that the adoption of the revised standards and interpretations will have no material impact on the financial statements in the period of initial application.

## **2. Significant accounting policies (Cont'd)**

### **2.2 Income recognition**

Income is measured based on the consideration to which the Home expects to be entitled in exchange for transferring promised service to a customer, excluding amounts collected on behalf of third parties.

Income is recognised when the Home satisfies a performance obligation by transferring a promised service to the customer, which is when the customer obtains control of the service. A performance obligation may be satisfied at a point in time or over time. The amount of income recognised is the amount allocated to the satisfied performance obligation.

#### **2.2.1 Donations**

Donations, income from charitable activities and all income except as listed below, are recognised on receipt. In the case of donations received through Giving.sg, donations committed as at year end are recognised as donations receivable. Donations-in-kind are recognised when the fair value of the assets received can be reasonably ascertained.

#### **2.2.2 Rendering of services – Resident upkeep fee**

Revenue from services is recognised over the period in which the services are rendered, in accordance with the relevant agreements.

#### **2.2.3 Interest income**

Interest income is recognised on a time-proportion basis using the effective interest method.

#### **2.2.4 Other income**

Other income is recognised when earned.

### **2.3 Government grants**

Grants from the Government and non-profit organisations are recognised at their fair value where there is a reasonable assurance that the grants will be received and the Home will comply with all attached conditions.

Government grants receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately as other income. Government grants, relating to costs, are deferred and recognised over the period necessary to match them with the costs they are intended to compensate.

### **2.4 Expenditure recognition**

All expenditures are accounted for on accrual basis, aggregated under the respective areas. Direct costs are attributed to the activity where possible. Where costs are not wholly attributable to an activity, they are apportioned on a basis consistent with the use of resources.

#### **2.4.1 Cost of generating funds**

Cost of generating funds consists of costs of generating voluntary income, costs that are directly attributable to the fund-raising activities and are separated from those costs incurred in undertaking charitable activities.

#### **2.4.2 Cost of provision of care services**

Cost of provision of care services comprises all costs incurred in the pursuit of the charitable objects of the Home. The total costs of provision of care services are apportionment of overhead and shared costs.

## **2. Significant accounting policies (Cont'd)**

### **2.4 Expenditure recognition (Cont'd)**

#### **2.4.3 Governance and administrative costs**

Governance and administrative costs of governance arrangement, which relate to the general running of the Home, providing governance infrastructure and ensuring public accountability. These costs include costs related to constitutional and statutory requirements and an apportionment of overhead and shared costs.

### **2.5. Employee compensation**

#### **2.5.1 Defined contribution plans**

Defined contribution plans are post-employment benefit plans under which the Home pays fixed contributions into separate entities such as the Central Provident Fund ("CPF"), on a mandatory, contractual or voluntary basis. The Home has no further payment obligations once the contribution has been paid. The Home's contribution to defined contribution plans are recognised as employee compensation expense when they are due.

#### **2.5.2 Employee leaves entitlement**

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the reporting date.

### **2.6 Financial assets**

#### **(a) Classification and measurement**

The Home classifies its financial assets into the following measurement categories:

- Amortised cost; and
- Fair value through profit or loss (FVPL).

The classification of debt instruments depends on the Home's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

The Home reclassifies debt instruments when and only when its business model for managing those assets changes.

#### At initial recognition

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

**2. Significant accounting policies (Cont'd)**

**2.6 Financial assets (Cont'd)**

(a) Classification and measurement (Cont'd)

At subsequent measurement

Debt instruments

Debt instruments of the Home mainly comprise of cash and cash equivalents, and other receivables.

There are three prescribed subsequent measurement categories, depending on the Home's business model in managing the assets and the cash flow characteristic of the assets. The Home managed these group of financial assets by collecting the contractual cash flow and these cash flows represents solely payment of principal and interest. Accordingly, these group of financial assets are measured at amortised cost subsequent to initial recognition.

A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in statement of financial activities when the asset is derecognised or impaired. Interest income from these financial assets are recognised using the effective interest rate method.

Investments in bonds

The Home subsequently measures all its bond investments at their fair values. Equity instruments are classified as FVPL with movements in their fair values recognised in statement of financial activities in the period in which the changes arise and presented in "Investment income".

(b) Impairment

The Home assesses on a forward-looking basis the expected credit losses associated with its debt financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For cash and bank balances and other receivables, the general 3 stage approach is applied. Credit loss allowance is based on 12-month expected credit loss if there is no significant increase in credit risk since initial recognition of the assets. If there is a significant increase in credit risk since initial recognition, lifetime expected credit loss will be calculated and recognised.

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## **2. Significant accounting policies (Cont'd)**

### **2.6 Financial assets (Cont'd)**

#### (c) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Home commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Home has transferred substantially all risks and rewards of ownership.

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in the statement of financial activities.

### **2.7 Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and on hand and short term deposits with financial institutions that are readily convertible to known amount of cash and are subject to an insignificant risk of changes in values.

### **2.8 Property, plant and equipment**

#### 2.8.1 Measurement

All items of property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any costs that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal and restoration is included as a consequence of acquiring or using the property, plant and equipment.

#### 2.8.2 Depreciation

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

	Useful lives
Equipment	5 years
Furniture and fittings	5 years
Leasehold land and building	30 years
Motor vehicle	10 years
Renovation	10 years
Right-of-use assets - Premises	Over the remaining lease term

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each reporting date. The effects of any revision are recognised in the statement of financial activities when the changes arise.

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

## **2. Significant accounting policies (Cont'd)**

### **2.8 Property, plant and equipment (Cont'd)**

#### **2.8.3 Subsequent expenditure**

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 Home and the cost of the item can be measured reliably. All other repairs and maintenance expenses are recognised in the statement of financial activities when incurred.

#### **2.8.4 Disposal**

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

### **2.9 Impairment of non-financial assets**

Non-financial assets are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the cash generating unit ("CGU") to which the asset belongs.

If the recoverable amount of the asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset or CGU is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in the statement of financial activities, unless the asset is carried at revalued amount, in which case, such impairment loss is treated as a revaluation decrease.

An impairment loss for an asset is reversed if, and 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. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset is recognised in the statement of financial activities, unless the asset is carried at revalued amount, in which case, such reversal is treated as a revaluation increase. However, to the extent that an impairment loss on the same revalued asset was previously recognised as an expense, a reversal of that impairment is also recognised in the statement of financial activities.



## **2. Significant accounting policies (Cont'd)**

### **2.10 Financial liabilities**

Financial liabilities are recognised when the Home becomes a party to the contractual agreements of the instrument and are classified according to the substance of the contractual arrangements entered into. All interest related charges are recognised in the statement of financial activities. Financial liabilities include "Other payables and accruals" and "Lease liabilities" in the statement of financial position.

Financial liabilities which are due to be settled within 12 months after the reporting date are presented as current liabilities in the statement of financial position even though the original term was for a period longer than 12 months and an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the reporting date and before the financial statements are authorised for issue. Other financial liabilities due to be settled more than 12 months after the reporting date are presented as non-current liabilities in the statement of financial position.

Financial liabilities is derecognised when the obligations under the liability is discharged or cancelled or expires. When existing financial liabilities are replaced by another from the same lender on substantially different terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognised in the statement of financial activities.

### **2.11 Other payable and accruals**

Other payables excluding accruals are recognised at their transaction price, excluding transaction cost, if any, both at initial recognition and at 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.

### **2.12 Borrowing costs**

Borrowing costs are recognised in the statement of financial activities using the effective interest method except for those costs that are directly attributable to the construction or development of properties and assets under construction. Borrowing costs may include interest in respect of lease liability recognised in accordance with FRS 116.

### **2.13 Leases**

#### When the Home is the lessee:

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

At the inception of the contract, the Home assesses if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

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## 2. Significant accounting policies (Cont'd)

### 2.13 Leases (Cont'd)

#### When the Home is the lessee: (cont'd)

- Right-of-use assets

The Home recognised a right-of-use asset and lease liabilities at the date which the underlying asset is available for use. Right-of-use assets are measured at cost which comprises the initial measurement of lease liabilities adjusted of any lease payments made at or before the commencement date and lease incentive received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

These right-of-use assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The accounting policy for impairment is disclosed in Note 2.9. The Home's right-of-use assets are presented within property, plant and equipment as disclosed in Note 8.

- Lease liabilities

The initial measurement of lease liability is measured at the present value of the lease payments discounted using the implicit rate in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Home shall use its incremental borrowing rate.

Lease payments include the following:

- Fixed payment (including in-substance fixed payments), less any lease incentives receivables;
- Variable lease payment that are based on an index or rate, initially measured using the index or rate as at the commencement date;
- Amount expected to be payable under residual value guarantees;
- The exercise price of a purchase option if it is reasonably certain to exercise the option; and
- Payment of penalties for terminating the lease, if the lease term reflects the Home exercising that option.

For contract that contain both lease and non-lease components, the Home allocates the consideration to each lease component on the basis of the relative stand-alone price of the lease and non-lease component. The Home has elected to not separate lease and non-lease component for property lease and account these as one single lease component.

Lease liability is measured at amortised cost using the effective interest method. Lease liability shall be remeasured when:

- There is a change in future lease payments arising from changes in an index or rate;
- There is a changes in the Home's assessment of whether it will exercise an extension option;  
or
- There is modification in the scope or the consideration of the lease that was not part of the original term.

Lease liability is remeasured with a corresponding adjustment to the right-of-use asset, or is recorded in statement of financial activities if the carrying amount of the right-of-use asset has been reduced to zero.

## **2. Significant accounting policies (Cont'd)**

### **2.13 Leases (Cont'd)**

#### When the Home is the lessee: (Cont'd)

- **Lease liabilities (Cont'd)**

The Home's lease liabilities are disclosed in Note 12.

The Home has applied the amendment to FRS 116 Leases: Covid-19-Related Rent Concessions. The Home applies the practical expedient allowing it not to assess whether a rent concession related to COVID-19 is a lease modification. The Home applies the practical expedient consistently to contracts with similar characteristics and in similar circumstances. For rent concessions in leases to which the Home chooses not to apply the practical expedient, or that do not qualify for the practical expedient, the Home assesses whether there is a lease modification.

- **Short-term and low-value leases**

The Home has elected to not recognised right-of-use assets and lease liabilities for short-term leases that have lease term of 12 months or less from the commencement date and do not contain a purchase option and leases of low value leases, except for sublease arrangements. Lease payments relating to these leases are expensed to the statement of financial activities on a straight-line basis over the lease term.

- **Variable lease payments**

Variable lease payments that are not based on an index or a rate are not included as part of the measurement and initial recognition of the lease liability. The Home shall recognise those lease payments in the statement of financial activities in the periods that triggered those lease payments.

### **2.14 Provisions for other liabilities and charges**

Provisions for other liabilities and charges are recognised when the Home has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

### **2.15 Funds**

Fund balances restricted by outside sources are so indicated and are distinguished from unrestricted funds allocated to specific purposes, if any, by action of the Management Committee. Externally restricted funds may only be utilised in accordance with the purposes for which they are established. The Management Committee retains full control over the use of unrestricted funds for any of the Home's purposes.

### **2.16 Contingencies**

Contingent liabilities are not recognised in the financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is not recognised in the financial statements but disclosed when an inflow of economic benefit is probable.

## **2. Significant accounting policies (Cont'd)**

### **2.17 Events after the reporting date**

Post year-end events that provide additional information about the Home's position at the reporting date (adjusting events) are reflected in the financial statements. Post year-end events that are not adjusting events are disclosed in the notes to the financial statements when material.

## **3. Critical accounting estimates, assumptions and judgements**

Estimates, assumptions and judgements 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.

### Critical accounting estimates and assumptions

The Home makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

#### *Impairment of property, plant and equipment*

Property, plant and equipment are reviewed for impairment whenever there is any indication that the assets are impaired. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and value in use) of the assets is estimated to determine the impairment loss. The key assumptions for the value in use calculation are those regarding the growth rates, and expected change to selling price and direct costs during the financial year and a suitable discount rate.

#### *Estimated useful lives of property, plant and equipment*

The Home reviews annually the estimated useful lives of property, plant and equipment based on factors such as business plans and strategies, expected level of usage and future technological developments. It is possible that future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned.

### Critical judgements in applying the entity's accounting policies

The critical judgements in applying the entity's accounting policies at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

#### *Government grants*

Government grants to meet operating expenses are recognised as income in the statement of financial activities on the accrual basis in the financial year these operating expenses were incurred and there is reasonable assurance that the Home will comply with the conditions attached to it. For certain grants, the government agencies reserve the right to withdraw, withhold or reduce the amount of any funds approved but not yet disbursed or to call for the refund of all funds which have been disbursed to the Home if the conditions are not met. In 2020, the Home received grants from Bicentennial Community Fund (to match donations raised), and from National Council of Social Service (to fund IT projects to improve productivity and provide better service to residents in the new building).

#### 4. Tax deductible receipts

During the financial year, the Home issued tax-exempt receipts for donations collected amounting to S\$2,522,360 (2019: S\$1,504,134) pursuant to its Institution of a Public Character ("IPC") status. They are recorded as follows:

	Note	2020 S\$	2019 S\$
<u>Statement of financial activities</u>			
General fund			
• Donations		<u>253,071</u>	<u>451,716</u>
Building fund			
• Donations		2,017,106	631,238
• Fund raising : Fund raising dinner	5	<u>252,183</u>	<u>421,180</u>
		<u>2,269,289</u>	<u>1,052,418</u>
Total		<u>2,522,360</u>	<u>1,504,134</u>

#### 5. Fund raising events

	Note	2020 S\$	2019 S\$
<i>Income from fund-raising event:</i>			
Donations - Tax exempt	4	252,183	421,180
Donations - Non tax exempt		72,495	25,704
Donate as you wish		<u>0</u>	<u>7,028</u>
		<u>324,678</u>	<u>453,912</u>
<i>Costs of fund raising expenses:</i>			
Fund raising dinner food & provisions		40,200	26,359
Fund raising dinner general expense		20,755	7,866
Fund raising dinner printing & stationery		<u>80</u>	<u>2,525</u>
		<u>61,035</u>	<u>36,750</u>
Net proceeds		<u>263,643</u>	<u>417,162</u>
Percentage of fund raising expenses over income from fund raising event		<u>19%</u>	<u>8%</u>

Meals for the 2020 Fundraising Dinner were delivered to the diners' homes.

#### 6. Cash and cash equivalents

	2020 S\$	2019 S\$
Cash on hand	1,500	1,500
Cash at bank	4,106,152	2,560,031
Fixed deposits	<u>4,872,138</u>	<u>10,450,000</u>
	<u>8,979,790</u>	<u>13,011,531</u>

Cash at bank earns interest at bank deposit rates.

At the reporting date, the fixed deposits are with interest from 0.25% to 0.41% (2019: 0.25% to 1.65%) per annum. Interest earned but not yet received as at reporting date is recognised under other receivables as shown in Note 7. The principal and interest will be rolled forward for the same tenor until further instructions from the Home.

**6. Cash and cash equivalents (Cont'd)**

For the purpose of presenting the statement of cash flows, cash and cash equivalents comprise the following:

	2020 S\$	2019 S\$
Cash and cash equivalents (as above)	8,979,790	13,011,531
Less: Fixed deposits pledge for credit card facilities	<u>(50,000)</u>	<u>(50,000)</u>
	<u>8,929,790</u>	<u>12,961,531</u>

As at the end of the reporting date, the tenures of the fixed deposits are as follows:

	2020 S\$	2019 S\$
Within 1 year	<u>4,872,138</u>	<u>10,450,000</u>

The fixed deposits may be uplifted by the Home prior to maturity date if necessary.

Cash and cash equivalents are attributable to:

	Note	2020 S\$	2019 S\$
- General fund		3,395,380	2,675,666
- Building fund	14	750,272	4,323,865
- Endowment fund	14	<u>4,834,138</u>	<u>6,012,000</u>
		<u>8,979,790</u>	<u>13,011,531</u>

The cash and cash equivalents are denominated in the following currencies:

	2020 S\$	2019 S\$
- Singapore Dollar	4,145,652	13,011,531
- United States Dollar	<u>4,834,138</u>	<u>0</u>
	<u>8,979,790</u>	<u>13,011,531</u>

At the reporting date, the carrying amounts of cash and cash equivalents approximated their fair values.

**7. Other receivables**

	2020 S\$	2019 S\$
Deposits	44,020	44,020
Donation receivables	107,395	33,206
Grant receivables – Jobs Support Scheme	376	0
GST receivables	80,559	0
Interest receivable	8,522	15,222
Residents upkeep fees	18,690	22,124
Prepayments	104,921	3,495
Other receivables	<u>175,320</u>	<u>104,203</u>
	<u>539,803</u>	<u>222,270</u>

**7. Other receivables (Cont'd)**

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

The Jobs Support Scheme (JSS) provides wage support to employers to help them retain their local employees (Singapore citizens and Permanent Residents) during this period of economic and pandemic uncertainty. JSS payouts are intended to offset local employees wages and help protect their jobs.

At the reporting date, the carrying amounts of other receivables approximated their fair values.

**8. Property, plant and equipment**

	Balance at beginning of year S\$	Additions S\$	(Written off) S\$	Balance at end of year S\$
<b>2020</b>				
<b>At cost</b>				
Equipment	494,851	13,482	(1,848)	506,485
Furniture and fittings	201,292	0	0	201,292
Leasehold land and building	2,880,070	0	0	2,880,070
Motor vehicles	66,372	0	0	66,372
Renovation	1,098,728	0	0	1,098,728
Right-of-use assets	454,056	0	0	454,056
Capital work-in-progress	5,854,983	5,063,088	0	10,918,071
	<u>11,050,352</u>	<u>5,076,570</u>	<u>(1,848)</u>	<u>16,125,074</u>
	Balance at beginning of year S\$	Depreciation charge S\$	(Written off) S\$	Balance at end of Year S\$
<b>Accumulated depreciation</b>				
Equipment	417,482	28,801	(1,848)	444,435
Furniture and fittings	201,292	0	0	201,292
Leasehold land and building	384,008	96,002	0	480,010
Motor vehicles	66,372	0	0	66,372
Renovation	1,098,728	0	0	1,098,728
Right-of-use assets	151,352	151,352	0	302,704
Capital work-in-progress	0	0	0	0
	<u>2,319,234</u>	<u>276,155</u>	<u>(1,848)</u>	<u>2,593,541</u>
	Balance at beginning of year S\$			Balance at end of Year S\$
<b>Carrying amount</b>				
Equipment	77,369			62,050
Furniture and fittings	0			0
Leasehold land and building	2,496,062			2,400,060
Motor vehicles	0			0
Renovation	0			0
Right-of-use assets	302,704			151,352
Capital work-in-progress	<u>5,854,983</u>			<u>10,918,071</u>
	<u>8,731,118</u>			<u>13,531,533</u>

**8. Property, plant and equipment (Cont'd)**

	Balance at beginning of year S\$	Additions S\$	(Disposals)/ (Written off) S\$	Balance at end of year S\$
<b>2019</b>				
<b>At cost</b>				
Equipment	503,092	3,745	(11,986)	494,851
Furniture and fittings	202,282	0	(990)	201,292
Leasehold land and building	2,880,070	0	0	2,880,070
Motor vehicles	66,372	0	0	66,372
Renovation	1,098,728	0	0	1,098,728
Right-of-use assets	0	454,056	0	454,056
Capital work-in-progress	82,527	5,772,456	0	5,854,983
	<u>4,833,071</u>	<u>6,230,257</u>	<u>(12,976)</u>	<u>11,050,352</u>
	Balance at beginning of year S\$	Depreciation charge S\$	(Disposals)/ (Written off) S\$	Balance at end of Year S\$
<b>Accumulated depreciation</b>				
Equipment	400,362	29,106	(11,986)	417,482
Furniture and fittings	202,282	0	(990)	201,292
Leasehold land and building	288,006	96,002	0	384,008
Motor vehicles	66,372	0	0	66,372
Renovation	1,098,728	0	0	1,098,728
Right-of-use assets	0	151,352	0	151,352
Capital work-in-progress	0	0	0	0
	<u>2,055,750</u>	<u>276,460</u>	<u>(12,976)</u>	<u>2,319,234</u>
	Balance at beginning of year S\$			Balance at end of Year S\$
<b>Carrying amount</b>				
Equipment	102,730			77,369
Furniture and fittings	0			0
Leasehold land and building	2,592,064			2,496,062
Motor vehicles	0			0
Renovation	0			0
Right-of-use assets	0			302,704
Capital work-in-progress	82,527			5,854,983
	<u>2,777,321</u>			<u>8,731,118</u>

The property located at 69 Wan Tho Avenue, Sennett Estate, Singapore 347601, with an area of 12,293.8 square meters, has been held in trust by the Board of Trustees since 1955. The 30 years lease from 1 January 1986 and expired on 31 December 2015.



**8. Property, plant and equipment (Cont'd)**

On 18 November 2015,

- after months of discussion, the Trustees, authorised by the Management Committee, accepted the offer from the Singapore Land Authority for a fresh 30 year lease for 3,300 square meters of the current site, at a premium of S\$2,880,070, paid on 14 December 2015. A five storey building is being built at an initial estimated construction costs of S\$15.4 million.
- the Trustees, authorised by the Management Committee, accepted the offer of the Singapore Land Authority for a lease of 3 years, with an option for a further 3 years, on the land and buildings on the remaining 8,923.7 square meters of the current premises for a rental of S\$162,060 per annum. This allows the Home to have sufficient time to consolidate its activities onto the reduced site.
- The Home exercised the option for a lease of further three years from 01 January 2019 for a rental of S\$163,200 per annum.

During the financial year, the constructions costs was increased by S\$0.7 million from S\$15.4 million to S\$16.1million to include the variation order works.

Capital work-in-progress represents construction costs in progress as at the reporting date for the new S\$16.4 million (inclusive of GST, Government fees, and fees to consultants) five storey building at 1 Willow Avenue Singapore 347508. Capital work-in-progress included in property, plant and equipment is not depreciated as the construction of the building has yet to be completed and available for use. Capital work-in-progress amounting to S\$10,918,071 of which S\$266,468 has not been paid and is included in other payables as at 31 December 2020.

During the financial year, the Home acquired property, plant and equipment and right-of-use assets with an aggregate cost of S\$5,076,570 (2019: S\$6,230,257), of which S\$NIL (2019: S\$454,056) related to right-of-use assets. Cash payments of S\$5,715,893 (2019: S\$4,952,937) were made to purchase property, plant and equipment.

**9. Leases – The Home as a lessee**

Nature of the Home's leasing activities

The Home leases premises for the purpose of Home's operation.

- (a) Carrying amount

Right-of-use ("ROU") assets classified within property, plant and equipment

	2020 S\$	2019 S\$
Premises	<u>151,352</u>	<u>302,704</u>
(b) Depreciation charged during the financial year		
	2020 S\$	2019 S\$
Premises	<u>151,352</u>	<u>151,352</u>

**9. Leases – The Home as a lessee (Cont'd)**

(c) Interest expense on lease liabilities

	2020 S\$	2019 S\$
Premises	11,986	19,704

(a) Total cash outflow for all the leases in 2020 was \$108,800 (2019: S\$163,200).

**10. Financial assets, at FVPL**

	2020 S\$	2019 S\$
<u>At fair value – unquoted</u>		
Beginning of financial year	0	0
Additions	1,174,550	0
End of financial year	1,174,550	0

At the reporting date, financial assets at FVPL consist of:

	2020 S\$	2019 S\$
▫ HDB 2.598% p.a. and maturity date of 30.10.2029	565,750	0
▫ LTA 2.50% p.a. and maturity of 18.09.2030	608,800	0
	1,174,550	0

All the balances are denominated in United States Dollar ("USD").

**11. Other payables and accruals**

	2020 S\$	2019 S\$
Other payable on capital work-in-progress	266,468	905,791
Accounts payables and accruals	70,406	63,826
Refundable upkeep deposit	32,878	36,150
Contract liabilities	19,663	6,918
Deferred grant income - Jobs support scheme	23,159	0
	412,574	1,012,685

Contract liabilities relates to the Home's obligation to render services to customers for the advance from residents. Contract liabilities is recognised as revenue when the services are rendered to the residents.

The deferred grant income – Jobs Support Scheme (JSS) will be recognised as a grant income, on a systematic basis, over the estimated 17 months of economic uncertainty till August 2021 in which the entity recognises the related salary costs.

At the reporting date, the carrying amounts of accruals and other payables approximated their fair values.

**12. Lease liabilities**

	2020 S\$	2019 S\$
Current	159,346	151,214
Non-current	0	159,346
	159,346	310,560

A reconciliation of liabilities arising from financing activities is as follows:

	01.01.2020 S\$	Cash flows S\$	Non-cash changes			31.12.2020 S\$
			Accretion of interests S\$	Rent concession S\$	Other S\$	
<b>Liabilities</b>						
Lease liabilities						
- current	151,214	(108,800)	11,986	(54,400)	159,346	159,346
- non-current	159,346	0	0	0	(159,346)	0
	310,560	(108,800)	11,986	(54,400)	0	159,346

	01.01.2019 S\$	Additions S\$	Cash flows S\$	Non-cash changes		31.12.2019 S\$
				Accretion of interests S\$	Other S\$	
<b>Liabilities</b>						
Lease liabilities						
- current	0	143,496	(163,200)	19,704	151,214	151,214
- non-current	0	310,560	0	0	(151,214)	159,346
	0	454,056	(163,200)	19,704	0	310,560

**13. Unrestricted fund**

**General fund**

General fund is available for use at the discretion of the Management Committee in furtherance of the Home's objective.

**14. Restricted funds**

Restricted funds comprised:

Building fund (current development)

The Building Fund was setup in 2013 for the purpose of erecting a new building on 3,300 sq.m of land leased for 30 years. The construction was successfully tendered out at S\$15.4 million including GST. Another S\$969,139 is for consultants fees and fees to Government. The ground breaking ceremony was held on 1 September 2018, and construction is continued in progress. The new building is expected to open in mid-2021.

In 2019, Home received grant from Tote Board amounting to S\$575,000 for the building fund.

During the financial year, the constructions costs has increased by S\$694,942 from S\$15.4 million to S\$16.1million to include the variation order works.

**14. Restricted funds (Cont'd)**

Building and lease fund

The building and lease fund was established in 2017 to reflect the net book value of the cost of the land. \$2,880,070 was paid to the Commissioner of Lands SLA as prepayment on 14 December 2015 for the 30 year lease beginning on 1 January 2016 for 3,300 square meter of the land, on which the new five storey building is being constructed.

Net assets of the Building fund and Building and lease fund are as follows:

	Note	2020 S\$	2019 S\$
<b>Building fund and Building and lease fund</b>		<u>14,059,634</u>	<u>11,845,357</u>
<b>Represented by:</b>			
Cash and cash equivalents	6	750,272	4,323,865
Property, plant and equipment		13,318,131	8,351,045
Accounts receivable		130,834	62,827
Donations receivable		27,680	12,024
GST receivables for building progress claim		99,185	0
Interest receivable		0	1,387
Other payables		<u>(266,468)</u>	<u>(905,791)</u>
		<u>14,059,634</u>	<u>11,845,357</u>

Endowment fund

The endowment fund was established in 2017 as a long-term source of the Home's funds. No capital of the Endowment Fund shall be expended without obtaining the approval of at least three-quarter (3/4) votes of the Ordinary Members and Life Members present at a General Meeting of the Home. Amounts in excess of capital earned (which for the avoidance of doubt shall include net income, dividends, interest, accumulated surplus and capital gains) shall be applied by the Management Committee for the purposes as set out in Clause 3 of the Constitution.

Net assets of the Endowment fund are as follows:

	2020 S\$	2019 S\$
Endowment fund	<u>6,017,140</u>	<u>6,012,000</u>
<b>Represented by:</b>		
Cash and cash equivalents	4,834,138	6,012,000
Financial assets, at FVPL	1,174,550	0
Interest receivable	8,452	0
	<u>6,017,140</u>	<u>6,012,000</u>

**15. Income tax**

The Home is a charity registered under the Charities Act. Consequently, the income of the Home is exempt from tax under the provisions of Section 13 of the Income Tax Act, Chapter 134.

**16. Related party transactions**

The Home had no significant transactions with related parties during the financial year (2019: S\$NIL).

The Management Committee members did not receive any remuneration from the Home during the financial year (2019: S\$NIL).

There are no paid staffs who are close members of the Executive Head or Board Members during the financial year.

**17. Key management personnel compensation**

Key management personnel compensation for the financial year is as follows:

	2020 No. of key management personnel	2019 No. of key management personnel
Remuneration band S\$50,001 to S\$100,000	<u>4</u>	<u>4</u>

The remuneration of the Executive Head did not exceed \$100,000.

The Management Committee is of the opinion that the Home's General Manager, the Accounts cum Administration Executive, the Community Partnership/Fund Raising Manager and Operations Manager are key personnel of the Home. The remuneration of key management personnel is determined by the Management Committee.

**18. Commitments**

(a) Capital commitments

Capital expenditure contracted for at the reporting date not recognised in the financial statements is as follows:

	2020 S\$	2019 S\$
New 5 storey building (inclusive of consultant and government fees)	4,827,644	9,874,422
New beds and physiotherapy equipment	857,863	530,000
IT Projects	896,663	0
	<u>6,582,170</u>	<u>10,404,422</u>

**19. Management of conflict of interest**

There is no paid staff on the Home's Management Committee.

Committee members are required to disclose any interest that they may have, whether directly or indirectly, that the Home may enter into or in any organisations that the Home has dealings with or is considering dealing with; and any personal interest accruing to him as one of the Home's supplier, user of services or beneficiary. Should there be any potential conflict of interest, the affected Management Committee member may not vote on the issue that was the subject matter of the disclosure. Detailed minutes will be taken on the disclosure as well as the basis for arriving at the final decision in relation to the issue at stake.

**20. Governance**

*A. Board and executive management*

Honorary Treasurer of the Home has the maximum term limit of four consecutive years or less. The current Honorary Treasurer of the Home was appointed in May 2017.

*B. Financial management and internal control*

The Management Committee ensures that the internal control systems are in place with documented standard operating procedures for the key areas of financial matters such as procurement, payment and receipting. To ensure that the internal control systems are adequate and performed effectively, reviews are conducted during the financial year by the Management Committee and an independent internal auditor appointed by the Home to review its internal control systems and operations management.

The Home does not make any loans nor any donations to any external party.

*C. Conduct of fund raising activities*

The Home held various fund raising activities during the financial year. The major fund raising activities are as follows:

- a. The Fundraising Dinner held on 18 October 2020;
- b. "Donate a room" and "Naming Rights" approaches to several corporates and individuals;
- c. Appeal letters sent to donors once a year. In 2020, the appeal letters were sent out in August;
- d. Use of our webpage to create awareness of our Home's cause and our needs. We have online donation campaigns via our own websites;
- e. Subscription to the Giving.sg, Give.asia and Simply Giving donation portals; and
- f. Organisations that chose us as beneficiary of their own fund raising campaign. A number of them come to know us from our webpage publicity.

	2020	2019
	S\$	S\$
Total gross receipts	3,029,256	1,844,362
Total expenses	62,871	46,432
Fund raising efficiency ratio	<u>2%</u>	<u>3%</u>

The Home has not used and does not use any commercial fundraiser.

**21. Reserve position and policy**

The Home's reserve position (excluding non-current assets) for the financial year 31 December 2020 is as follows:

	2020	2019	Increase (Decrease)	Percentage of Increase (Decrease)
	S\$'000	S\$'000	S\$'000	%
<b>A Unrestricted Funds</b>				
Accumulated General funds	3,577	2,784	793	28%
<b>B Building Funds</b>	11,660	9,350	2,310	25%
<b>C Building and Lease Funds</b>	2,400	2,496	(96)	(4%)
<b>D Endowment Funds</b>	6,017	6,012	5	1%
<b>E Total Funds</b>	23,654	20,642	3,012	15%
<b>F Total Annual Operating Expenditure</b>	1,842	1,979	(137)	(7%)
<b>G Ratio of Funds to Annual Operating Expenditure (A/F)</b>	1.94	1.41		

Reference:

D. An endowment fund consists of assets, funds or property, which is held in perpetuity which produces annual income flow for a foundation to spend as grants.

E. Total Funds include unrestricted, restricted / designated and endowment funds.

F. Total Annual Operating Expenditure includes expenses related to Cost of Charitable Activities and Governance and Administrative Costs.

The Home's Reserve Policy is as follows:

- (a) The Home intends to follow the guidelines in the Code of Governance for the Charities and IPCs.
- (b) Funds in the Reserve are to provide for financial stability and the means for the development of our principal activity.
- (c) Should these funds be required for the construction of the new building, they may be drawn down.
- (d) Once the building has been paid for, the Home intends to build up its Reserve to a level which is equivalent to two years of operating expenditure, excluding depreciation. Annual operating surpluses will be transferred to the Reserve.
- (e) Once the Reserve has two years of operating expenditures, operating surpluses will be transferred to a Sinking Fund, to be used for:
  - (i) cyclical maintenance and renovations of the building occupied by the Home;
  - (ii) renewal in 2045 of the land lease.

## 22. Financial instruments

The financial assets and liabilities of the Home as at the end of financial year are as follows:

	2020 S\$	2019 S\$
<b>Financial assets at amortised cost</b>		
Cash and cash equivalents	8,979,790	13,011,531
Other receivables (excluding prepayments and GST receivables)	<u>354,323</u>	<u>218,775</u>
	<u>9,334,113</u>	<u>13,230,306</u>
<b>Financial assets at FVPL</b>	<u>1,174,550</u>	<u>0</u>
<b>Financial Liabilities at amortised cost</b>		
Accrual and other payables (excluding contract liabilities and deferred grant income)	369,752	1,005,767
Lease liabilities	<u>159,346</u>	<u>310,560</u>
	<u>529,098</u>	<u>1,316,327</u>

## 23. Financial risk management

The Home's activities expose it to minimal financial risks and overall risk management is determined and carried out by the Management Committee of the Home on an informal basis.

### *Credit risk*

Credit risk refers to the risk that counterparty will default on its contractual obligations, resulting in financial loss to the Home.

The Home adopts the following policy to mitigate the credit risk.

For banks and financial institutions, the Home mitigate its credit risk by transacting only with banks and brokerage that are licensed by MAS and for investments, it is guided by the investment policy approved by MC.

There is no significant concentration of credit risk, whether through exposure to specific industry sectors and/or regions.

There are no credit loss allowance for other financial assets at amortised cost as at 31 December 2020 and 31 December 2019.

### *Liquidity risk*

The Home manages its liquidity risk by monitoring and maintaining a level of cash and bank balances deemed adequate by the Management Committee to fund the Home's operations and to mitigate the effects of fluctuations in short-term cash flows.

	Within one year S\$	Later than one year but not later than five years S\$	Total S\$
<b>2020</b>			
<b>Financial liabilities, at amortised cost</b>			
Other payables and accruals	369,752	0	369,752
Lease liabilities	<u>163,200</u>	<u>0</u>	<u>163,200</u>
	<u>532,952</u>	<u>0</u>	<u>532,952</u>



**23. Financial risk management (Cont'd)**

*Liquidity risk (Cont'd)*

	Within one year S\$	Later than one year but not later than five years S\$	Total S\$
<b>2019</b>			
<b>Financial liabilities, at amortised cost</b>			
Other payables and accruals	1,005,767	0	1,005,767
Lease liabilities	163,200	163,200	326,400
	<u>1,168,967</u>	<u>163,200</u>	<u>1,332,167</u>

*Interest rate risk*

The Home is exposed to interest rate risk on its bank deposits. The Home periodically reviews and monitors interest rate fluctuations to ensure that the exposure to interest rate risk is within acceptable levels.

The bank deposits are mainly denominated in Singapore Dollar. At 31 December 2020, if the Singapore Dollar interest rates had increased/decreased by 1% (2019: 1%) with all other variables including tax rate being held constant, the surplus for the year would have been lower/higher by S\$792 (2019: S\$2,213) as a result of higher/lower interest income on these bank deposits.

*Foreign currency risk*

Foreign currency risk arises when transactions are denominated in foreign currencies. The Home's foreign currency risk results mainly from cash flows of transaction denominated in foreign currencies. It is the Home's policy not to enter into derivative forward foreign exchange contracts for hedging and speculative purposes.

The Home's foreign currency exposure based on the information provided by the management is as follows:

	Assets 2020 S\$	Liabilities 2020 S\$	Assets 2019 S\$	Liabilities 2019 S\$
United States Dollar	<u>6,008,688</u>	<u>0</u>	<u>0</u>	<u>0</u>

*Sensitivity analysis for foreign currency risk*

The loss of the Home will increase by approximately S\$1,300 if there is a 10% increase in the relevant foreign currency against Singapore Dollar.

For 10% strengthening of foreign currency against the Singapore Dollar, there would be an equal and opposite impact on the profit or loss. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and presents the effects of a 10% change in foreign currency rates. This analysis assumes that all other variables remain constant.

**24. Fair values**

The table below presents financial instruments measured at fair value and classified by level of the following fair value measurement hierarchy:

- (i) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- (ii) inputs other than quoted prices included (i.e. as prices) or indirectly (i.e. derived from prices)(Level 2); and
- (iii) inputs for the assets or liability that are not based on observable market data (unobservable inputs)(Level 3).

<b>2020</b>	Level 1 S\$	Level 2 S\$	Level 3 S\$
Financial assets, at FVPL (Note 10)	<u>1,174,550</u>	<u>0</u>	<u>0</u>

The fair value of financial instruments traded in active markets (such financial asset, at fair value through profit and loss and available-for-sale financial assets) is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the Home is the current bid price. These instruments are included in Level 1.

There were no transfers between level 1 and level 2 during the financial years ended 31 December 2020 and 31 December 2019.

*Cash and cash equivalents, other receivables, other payables and accruals and current portion of lease liabilities*

The carrying amounts of the financial assets and liabilities recorded in the financial statements of the Home approximated their fair values due to their short term nature.

The carrying amounts of non-current lease liabilities approximate their fair values as they are subject to interest rates close to market rate of interests for similar arrangements with financial institutions.

**25. Comparative figures**

Certain reconciliations have been made to the comparative information to enhance comparability with current year's financial statements.

The following reclassifications were made:

<b>2019</b>	As previously reported S\$	Reclassification S\$	As reclassified S\$
<b>Statement of Financial Activities Expenditure</b>			
Gala dinner expenses	36,750	(36,750)	0
Fund raising expenses	<u>0</u>	<u>36,750</u>	<u>36,750</u>

**26. Events after the reporting period**

Subsequent to the reporting date, for the period from January 2021 to March 2021, the Home transfer S\$1,500,000 from the General Fund to the Building Fund account for the settlement of the payment of construction New Home at 1 Willow Avenue Singapore 347508.

**27. Impact of COVID-19 (Coronavirus Disease 2019)**

The COVID-19 pandemic has affected almost all countries of the world, and resulted in border closures, production stoppages, workplace closures, movement controls and other measures imposed by the various governments. The Home's operations are based in Singapore and its business in 2020 in terms of financial viability has not been adversely impacted by the COVID-19 pandemic with donations raised from public and grant income provided by the government authority. Below is the summary of the impact of COVID-19 on the Home's financial performance reflected in this set of financial statements for the year ended 31 December 2020:

- i. The Home has assessed that the going concern basis of preparation for this set of financial statements remains appropriate. The Management Committee is continuously monitoring the COVID-19 pandemic situation and will take further action as necessary in response to the service disruption.
- ii. The Singapore Multi-Ministry Taskforce implemented an elevated set of safe distancing measures as a circuit breaker from 7 April 2020 to 1 June 2020, to pre-empt the trend of increasing local transmission of COVID-19. Except for those providing essential services and selected economic sectors which are critical for our local and the global supply chains, all businesses are required to suspend all in-person activities and the Home's physical operations were temporarily closed to adhere to the respective governments' movement control measures.
- iii. In 2020, the Home received rental rebates for its premise rental. The effects of such rental concessions received are disclosed in Note 2.1.
- iv. The government has also implemented assistant measures which might mitigate some of the impact of COVID-19 on the Home results and liquidity

As the global COVID-19 situation remains very fluid as at the date these financial statements were authorised for issuance, the Home cannot reasonably ascertain the full extent of the probable impact of the COVID-19 disruptions on its operating and financial performance for the financial year ending 31 December 2021. If the situation persists beyond management's current expectations, the Home's assets may be subject to further write downs in the subsequent financial periods.

**28. Authorisation of financial statements**

These financial statements for the year ended 31 December 2020 were authorised for issue in accordance with a resolution of the Management Committee of the Home on *25 May 2021.*