

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

[UEN. S61SS0176G]

[IPC No. IPC000361]

[Registered under the Registrar of Societies]

**AUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 DECEMBER 2015**

---

**CONTENTS**

|                                   |    |
|-----------------------------------|----|
| Statement by Management Committee | 2  |
| Independent Auditor's Report      | 3  |
| Statement of Financial Activities | 5  |
| Statement of Financial Position   | 11 |
| Statement of changes in Funds     | 12 |
| Statement of Cash Flows           | 13 |
| Notes to the Financial Statements | 14 |

---

**Fiducia LLP**

(UEN. T10LL0955L)

Public Accountants and

Chartered Accountants of Singapore

71 Ubi Crescent,  
Excalibur Centre, #08-01  
Singapore 408571.  
T: (65) 6846.8376  
F: (65) 6725.8161

---

**STATEMENT BY MANAGEMENT COMMITTEE**

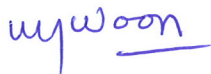
In the opinion of the Management Committee of St. John's Home for Elderly Persons (the "Home"), the accompanying financial statements as set out on pages 5 to 30 are drawn up in accordance to and comply with the provisions of the Societies Act (Chapter 311), Charities Act (Chapter 37) and the Singapore Financial Reporting Standards so as to give a true and fair view of the financial position of the Home as at 31 December 2015, and the financial performance, changes in funds and cash flows 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.

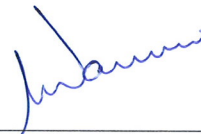
The Management Committee as at the date of this statement, comprising the following, authorised the issue of these financial statements on **29 MAR 2016**

|                              |  |
|------------------------------|--|
| Chairman                     | Woon Wee Yim                             |
| Vice-chairman                | Andrew Lioe Hui Siang                    |
| Honorary Secretary           | John Poopalan Kiramathypathy             |
| Assistant Honorary Secretary | Victor Vijendran Alfreds                 |
| Honorary Treasurer           | Warren Consigliere                       |
| Committee Member             | Chng Wee Lee Eugene                      |
| Committee Member             | Lester Lee Keng Kok                      |
| Committee Member             | David Alexander Ong Liang Bong (JP, PBM) |

For and on behalf of the Management Committee,



Woon Wee Yim  
Chairman



Warren Consigliere  
Honorary Treasurer

Singapore,

**29 MAR 2016**

## Fiducia LLP

Public Accountants and  
Chartered Accountants of Singapore

71 Ubi Crescent,  
#08-01 Excalibur Centre,  
Singapore 408571.  
T: (65) 6846.8376  
F: (65) 6725.8161

Independent auditor's report to the members of:

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

[UEN. S61SS0176G]  
[IPC No. IPC000361]  
[Registered under the Registrar of Societies]

### **Report on the Financial Statements**

We have audited the accompanying financial statements of **St. John's Home for Elderly Persons** (the "Home") set out on pages 5 to 30, which comprise the statement of financial position as at 31 December 2015, statement of financial activities and the statement of cash flows for the financial year then ended, and a summary of significant accounting policies and other explanatory information.

#### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Societies Act (Chapter 311), the Singapore Charities Act (Chapter 37) 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.

#### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Fiducia LLP**

Public Accountants and  
Chartered Accountants of Singapore

71 Ubi Crescent,  
#08-01 Excalibur Centre,  
Singapore 408571.  
T: (65) 6846.8376  
F: (65) 6725.8161

(CONT'D)

Independent auditor's report to the members of:

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

[UEN. S61SS0176G]

[IPC No. IPC000361]

[Registered under the Registrar of Societies]

#### *Opinion*

In our opinion, the financial statements of the Home are properly drawn up in accordance with the provisions of the Societies Act (Chapter 311), Charities Act (Chapter 37) and Singapore Financial Reporting Standards so as to give a true and fair view of the financial position of the Home as at 31 December 2015, and the financial performance, changes in funds and cash flows of the Home for the financial year ended on that date.

#### **Report on Other Legal and Regulatory Requirements**

In our opinion, the accounting and other records required by the regulations enacted under the Societies Act to be kept by the Home have been properly kept in accordance with those regulations.

During the course of our audit, nothing has come to our attention that the 30% cap mentioned in Regulation 15(1) of the Charities Act, Cap. 37 (Institutions of a Public Character) Regulations 2007 and as amended by Charities (Institutions of a Public Character) (Amendments) Regulations 2008 has been exceeded.

During the course of our audit, nothing has come to our attention that donation moneys are used for disbursements other than those in accordance with the objectives of the Home.



**Fiducia LLP**

Public Accountants and  
Chartered Accountants  
Singapore,

**29 MAR 2016**

---

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015**

|   | Unrestricted<br>Fund | Restricted<br>Fund |                  |
|---|----------------------|--------------------|------------------|
|   | General Fund         | Building           | Total Funds      |
|   | S\$                  | Fund               | S\$              |
|   | S\$                  | S\$                | S\$              |
| <b>2015</b>   |                      |                    |                  |
| <b>INCOME</b>                                       |                      |                    |                  |
| Income from generating funds                        |                      |                    |                  |
| - Voluntary income                                  | 812,769              | 600,234            | 1,413,003        |
| Grants  | 0                    | 1,815,846          | 1,815,846        |
| Income from charitable activities                   | 720,074              | 0                  | 720,074          |
| Other income  | 52,836               | 2,263              | 55,099           |
|   | <u>1,585,679</u>     | <u>2,418,343</u>   | <u>4,004,022</u> |
| <b>EXPENDITURES</b>                                 |                      |                    |                  |
| Cost of generating funds                            | 41,038               | 0                  | 41,038           |
| Cost of charitable activities                       | 993,668              | 85,000             | 1,078,668        |
| Governance and administrative costs                 | 160,394              | 0                  | 160,394          |
|   | <u>1,195,100</u>     | <u>85,000</u>      | <u>1,280,100</u> |
| <b>NET SURPLUS</b>                                  | 390,579              | 2,333,343          | 2,723,922        |
| <b>Transfer (from)/ to for Care and Share Grant</b> | (41,831)             | 41,831             | 0                |
| <b>Total</b>  | <u>348,748</u>       | <u>2,375,174</u>   | <u>2,723,922</u> |
| <b>Accumulated funds brought forward</b>            | <u>2,569,059</u>     | <u>1,160,768</u>   | <u>3,729,827</u> |
| <b>Accumulated funds carried forward</b>            | <u>2,917,807</u>     | <u>3,535,942</u>   | <u>6,453,749</u> |

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

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015**

|  | Unrestricted<br>Fund<br>General<br>Fund<br>S\$ | Restricted<br>Fund<br>Building<br>Fund<br>S\$ | Total Funds<br>S\$ |
|--|--|---|--------------------|
| <b>2014</b>                              |  |   |                    |
| <b>INCOME</b>                            |  |   |                    |
| Income from generating funds             |  |   |                    |
| - Voluntary income                       | 475,283  | 654,479                                       | 1,129,762          |
| Grants                                   | 41,831   | 167,323                                       | 209,154            |
| Income from charitable activities        | 696,095  | 0   | 696,095            |
| Other income                             | 40,550   | 0   | 40,550             |
|  | <u>1,253,759</u>                               | <u>821,802</u>                                | <u>2,075,561</u>   |
| <b>EXPENDITURES</b>                      |  |   |                    |
| Cost of generating funds                 | 33,263   | 0   | 33,263             |
| Cost of charitable activities            | 944,498  | 0   | 944,498            |
| Governance and administrative costs      | 146,836  | 0   | 146,836            |
|  | <u>1,124,597</u>                               | <u>0</u>                                      | <u>1,124,597</u>   |
| <b>NET SURPLUS</b>                       | 129,162  | 821,802                                       | 950,964            |
| <b>Accumulated funds brought forward</b> | <u>2,439,897</u>                               | <u>338,966</u>                                | <u>2,778,863</u>   |
| <b>Accumulated funds carried forward</b> | <u>2,569,059</u>                               | <u>1,160,768</u>                              | <u>3,729,827</u>   |

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

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED  
31 DECEMBER 2015**

|   |      | Unrestricted<br>Fund | Restricted<br>Fund |             |
|---|------|----------------------|--------------------|-------------|
|   |      | General<br>Fund      | Building Fund      | Total Funds |
| 2015  | Note | S\$                  | S\$                | S\$         |
| <b>INCOME</b>                                 |      |                      |                    |             |
| <b>Income from generating funds</b>           |      |                      |                    |             |
| Voluntary income                              |      |                      |                    |             |
| Donations                                     |      |                      |                    |             |
| - Tax exempt                                  | 4    | 590,961              | 269,647            | 860,608     |
| - Non-tax exempt                              |      | 221,808              | 330,587            | 552,395     |
|   |      | 812,769              | 600,234            | 1,413,003   |
| Care and share grant                          |      | 0                    | 1,815,846          | 1,815,846   |
| <b>Income from charitable activities</b>      |      |                      |                    |             |
| Membership subscriptions                      |      | 1,900                | 0                  | 1,900       |
| Residents public assistance grants            |      | 176,193              | 0                  | 176,193     |
| Residents upkeep contributions                |      | 541,981              | 0                  | 541,981     |
|   |      | 720,074              | 0                  | 720,074     |
| <b>Other income</b>                           |      |                      |                    |             |
| Interest income                               |      | 19,824               | 2,263              | 22,087      |
| Offertory                                     |      | 4,466                | 0                  | 4,466       |
| Sales of scrap/unused items                   |      | 0                    | 0                  | 0           |
| Sales of Toscano Wallet                       |      | 2,840                | 0                  | 2,840       |
| Special employment credit                     |      | 25,706               | 0                  | 25,706      |
|   |      | 52,836               | 2,263              | 55,099      |
|   |      | 1,585,679            | 2,418,343          | 4,004,022   |
| <b>EXPENDITURES</b>                           |      |                      |                    |             |
| <b>Cost of generating funds</b>               |      |                      |                    |             |
| Fund raising expenses                         |      | 41,038               | 0                  | 41,038      |
| <b>Cost of charitable activities</b>          |      |                      |                    |             |
| Cleaning                                      |      | 12,876               | 0                  | 12,876      |
| Counselling Services                          |      | 21,828               | 0                  | 21,828      |
| Depreciation of property, plant and equipment |      | 96,466               | 0                  | 96,466      |
| Donated expense                               |      | 56,255               | 0                  | 56,255      |
| Employment agency fee                         |      | 336                  | 0                  | 336         |
| Food and provisions                           |      | 112,252              | 0                  | 112,252     |
| General expenses                              |      | 1,739                | 0                  | 1,739       |
| Insurance                                     |      | 9,997                | 0                  | 9,997       |
| Landscape services                            |      | 25,300               | 0                  | 25,300      |
| License fees                                  |      | 112                  | 0                  | 112         |
| Medical and clinical expenses                 |      | 8,276                | 0                  | 8,276       |
| Pest control                                  |      | 3,980                | 0                  | 3,980       |
| Physiotherapist services                      |      | 8,460                | 0                  | 8,460       |
| Repair and maintenance                        |      | 58,738               | 85,000             | 143,738     |
| Residents' pocket money                       |      | 7,780                | 0                  | 7,780       |
| Sponsored purchases                           |      | 10,214               | 0                  | 10,214      |

**DOETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED  
31 DECEMBER 2015 (CONT'D)**

|  | Unrestricted<br>Fund<br>General Fund | Restricted<br>Fund<br>Building<br>Fund | Total Funds             |
|--|--------------------------------------|--|-------------------------|
|  | S\$                                  | S\$                                    | S\$                     |
| <b>2015</b>  |                                      |  |                         |
| <b>Cost of charitable activities (Cont'd)</b>      |                                      |  |                         |
| Staff costs  |                                      |  |                         |
| - CPF and SDL contribution                         | 26,943                               | 0                                      | 26,943                  |
| - Foreign workers' levy                            | 71,517                               | 0                                      | 71,517                  |
| - Salaries and annual wage supplements             | 345,498                              | 0                                      | 345,498                 |
| - Staff repatriation travel                        | 5,261                                | 0                                      | 5,261                   |
| - Staff welfare                                    | 2,461                                | 0                                      | 2,461                   |
| - Training   | 350                                  | 0                                      | 350                     |
| - Uniforms   | 1,360                                | 0                                      | 1,360                   |
| Special event                                      | 952                                  | 0                                      | 952                     |
| Transportation                                     | 5,120                                | 0                                      | 5,120                   |
| Utilities  | 94,097                               | 0                                      | 94,097                  |
| Workshop for residents                             | 5,500                                | 0                                      | 5,500                   |
|  | <u>993,668</u>                       | <u>85,000</u>                          | <u>1,078,668</u>        |
| <b>Governance and administrative costs</b>         |                                      |  |                         |
| Administrative                                     |                                      |  |                         |
| - Audit fees                                       | 13,985                               | 0                                      | 13,985                  |
| - Bank charges                                     | 1,168                                | 0                                      | 1,168                   |
| - Printing and stationeries                        | 6,657                                | 0                                      | 6,657                   |
| - Professional fees                                | 300                                  | 0                                      | 300                     |
| - Telecommunications                               | 2,501                                | 0                                      | 2,501                   |
| Staff costs  |                                      |  |                         |
| - CPF and SDL contribution                         | 18,175                               | 0                                      | 18,175                  |
| - Salaries and annual wage supplements             | 117,608                              | 0                                      | 117,608                 |
|  | <u>160,394</u>                       | <u>0</u>                               | <u>160,394</u>          |
|  | <u>1,195,100</u>                     | <u>85,000</u>                          | <u>1,280,100</u>        |
| <b>NET SURPLUS</b>                                 | 390,579                              | 2,333,343                              | 2,723,922               |
| <b>Transfer (from)/to for Care and Share Grant</b> | (41,831)                             | 41,831                                 | 0                       |
| <b>Total</b>                                       | <u>348,748</u>                       | <u>2,375,174</u>                       | <u>2,723,922</u>        |
| <b>Accumulated funds brought forward</b>           | <u>2,569,059</u>                     | <u>1,160,768</u>                       | <u>3,729,827</u>        |
| <b>Accumulated funds carried forward</b>           | <u><u>2,917,807</u></u>              | <u><u>3,535,942</u></u>                | <u><u>6,453,749</u></u> |

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

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED  
31 DECEMBER 2015 (CONT'D)**

|   |      | Unrestricted<br>Fund | Restricted<br>Fund |                  |
|---|------|----------------------|--------------------|------------------|
|   |      | General<br>Fund      | Building Fund      | Total Funds      |
|   | Note | S\$                  | S\$                | S\$              |
| <b>2014</b>                                     |      |                      |                    |                  |
| <b>INCOME</b>                                   |      |                      |                    |                  |
| <b><i>Income from generating funds</i></b>      |      |                      |                    |                  |
| Voluntary income                                |      |                      |                    |                  |
| Donations                                       |      |                      |                    |                  |
| - Tax exempt                                    | 4    | 326,996              | 279,323            | 606,319          |
| - Non-tax exempt                                |      | 148,287              | 375,156            | 523,443          |
|   |      | <u>475,283</u>       | <u>654,479</u>     | <u>1,129,762</u> |
| Care and share grant                            |      | <u>41,831</u>        | <u>167,323</u>     | <u>209,154</u>   |
| <b><i>Income from charitable activities</i></b> |      |                      |                    |                  |
| Membership subscriptions                        |      | 650                  | 0                  | 650              |
| Residents public assistance grants              |      | 140,255              | 0                  | 140,255          |
| Residents upkeep contributions                  |      | <u>555,190</u>       | <u>0</u>           | <u>555,190</u>   |
|   |      | <u>696,095</u>       | <u>0</u>           | <u>696,095</u>   |
| <b><i>Other income</i></b>                      |      |                      |                    |                  |
| Interest income                                 |      | 21,020               | 0                  | 21,020           |
| Offertory                                       |      | 2,951                | 0                  | 2,951            |
| Sales of scrap/unused items                     |      | 4                    | 0                  | 4                |
| Special employment credit                       |      | <u>16,575</u>        | <u>0</u>           | <u>16,575</u>    |
|   |      | <u>40,550</u>        | <u>0</u>           | <u>40,550</u>    |
|   |      | <u>1,253,759</u>     | <u>821,802</u>     | <u>2,075,561</u> |
| <b>EXPENDITURES</b>                             |      |                      |                    |                  |
| <b><i>Cost of generating funds</i></b>          |      |                      |                    |                  |
| Fund raising expenses                           |      | <u>33,263</u>        | <u>0</u>           | <u>33,263</u>    |
| <b><i>Cost of charitable activities</i></b>     |      |                      |                    |                  |
| Cleaning  |      | 11,542               | 0                  | 11,542           |
| Counselling Services                            |      | 21,400               | 0                  | 21,400           |
| Depreciation of property, plant and equipment   |      | 100,246              | 0                  | 100,246          |
| Donated expense                                 |      | 54,071               | 0                  | 54,071           |
| Employment agency fee                           |      | 30                   | 0                  | 30               |
| Food and provisions                             |      | 113,853              | 0                  | 113,853          |
| General expenses                                |      | 3,060                | 0                  | 3,060            |
| Insurance                                       |      | 8,168                | 0                  | 8,168            |
| Landscape services                              |      | 24,300               | 0                  | 24,300           |
| License fees                                    |      | 100                  | 0                  | 100              |
| Lease renewal fee                               |      | 880                  | 0                  | 880              |
| Medical and clinical expenses                   |      | 11,158               | 0                  | 11,158           |
| Newspapers and periodicals                      |      | 573                  | 0                  | 573              |
| Pest control                                    |      | 4,655                | 0                  | 4,655            |
| Physiotherapist services                        |      | 9,837                | 0                  | 9,837            |
| Repair and maintenance                          |      | 38,447               | 0                  | 38,447           |
| Residents' pocket money                         |      | 6,200                | 0                  | 6,200            |
| Sponsored purchases                             |      | <u>6,964</u>         | <u>0</u>           | <u>6,964</u>     |

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED  
31 DECEMBER 2015 (CONT'D)**

|   | Unrestricted<br>Fund<br>General<br>Fund<br>S\$ | Restricted<br>Fund<br>Building<br>Fund<br>S\$ | Total Funds<br>S\$ |
|---|--|---|--------------------|
| <b>2014</b>                                   |  |   |                    |
| <b>Cost of charitable activities (Cont'd)</b> |  |   |                    |
| Staff costs                                   |  |   |                    |
| - CPF and SDL contribution                    | 22,634   | 0   | 22,634             |
| - Foreign workers' levy                       | 67,189   | 0   | 67,189             |
| - Salaries and annual wage supplements        | 324,237  | 0   | 324,237            |
| - Staff repatriation travel                   | 1,381  | 0   | 1,381              |
| - Staff welfare                               | 2,233  | 0   | 2,233              |
| - Training                                    | 1,009  | 0   | 1,009              |
| - Uniforms                                    | 612  | 0   | 612                |
| Special event                                 | 952  | 0   | 952                |
| Transportation                                | 4,062  | 0   | 4,062              |
| Utilities                                     | 104,705  | 0   | 104,705            |
|   | <u>944,498</u>                                 | <u>0</u>                                      | <u>944,498</u>     |
| <b>Governance and administrative costs</b>    |  |   |                    |
| Administrative                                |  |   |                    |
| - Audit fees                                  | 8,334  | 0   | 8,334              |
| - Bank charges                                | 2,067  | 0   | 2,067              |
| - Printing and stationeries                   | 8,696  | 0   | 8,696              |
| - Professional fees                           | 850  | 0   | 850                |
| - Telecommunications                          | 2,456  | 0   | 2,456              |
| Staff costs                                   |  |   |                    |
| - CPF and SDL contribution                    | 16,276   | 0   | 16,276             |
| - Salaries and annual wage supplements        | 108,157  | 0   | 108,157            |
|   | <u>146,836</u>                                 | <u>0</u>                                      | <u>146,836</u>     |
|   | <u>1,124,597</u>                               | <u>0</u>                                      | <u>1,124,597</u>   |
| <b>NET SURPLUS</b>                            | 129,162  | 821,802                                       | 950,964            |
| <b>Accumulated funds brought forward</b>      | <u>2,439,897</u>                               | <u>338,966</u>                                | <u>2,778,863</u>   |
| <b>Accumulated funds carried forward</b>      | <u>2,569,059</u>                               | <u>1,160,768</u>                              | <u>3,729,827</u>   |

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

---

**STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2015**

|                               | Note | 2015<br>S\$      | 2014<br>S\$      |
|-------------------------------|------|------------------|------------------|
| <b>ASSETS</b>                 |      |                  |                  |
| <b>Current assets</b>         |      |                  |                  |
| Cash and cash equivalents     | 5    | 3,233,441        | 3,350,127        |
| Other receivables             | 6    | <u>2,999,281</u> | <u>46,450</u>    |
|                               |      | <u>6,232,722</u> | <u>3,396,577</u> |
| <b>Non-current assets</b>     |      |                  |                  |
| Held-to-maturity investment   | 7    | 200,000          | 200,000          |
| Property, plant and equipment | 8    | <u>122,795</u>   | <u>204,261</u>   |
|                               |      | <u>322,795</u>   | <u>404,261</u>   |
| <b>Total assets</b>           |      | <u>6,555,517</u> | <u>3,800,838</u> |
| <b>LIABILITIES</b>            |      |                  |                  |
| <b>Current liabilities</b>    |      |                  |                  |
| Accruals and other payables   | 9    | <u>101,768</u>   | <u>71,011</u>    |
| <b>Total liabilities</b>      |      | <u>101,768</u>   | <u>71,011</u>    |
| <b>NET ASSETS</b>             |      | <u>6,453,749</u> | <u>3,729,827</u> |
| <b>FUNDS</b>                  |      |                  |                  |
| Unrestricted fund             |      |                  |                  |
| - General fund                |      | 2,917,807        | 2,569,059        |
| Restricted fund               |      |                  |                  |
| - Building fund               | 10   | <u>3,535,942</u> | <u>1,160,768</u> |
|                               |      | <u>6,453,749</u> | <u>3,729,827</u> |

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

---

**STATEMENT OF CHANGES IN FUNDS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015**

|  | Unrestricted<br>Fund<br>S\$ | Restricted<br>Fund<br>S\$ | Total Funds<br>S\$ |
|--|-----------------------------|---------------------------|--------------------|
| <b>2015</b>                                      |                             |                           |                    |
| <b>Balance at beginning of year</b>              | 2,569,059                   | 1,160,768                 | 3,729,827          |
| Net Surplus                                      | 390,579                     | 2,333,343                 | 2,723,922          |
| Transfer (from) / to for Care and<br>Share Grant | (41,831)                    | 41,831                    | 0                  |
| <b>Balance at end of year</b>                    | <u>2,917,807</u>            | <u>3,535,942</u>          | <u>6,453,749</u>   |
|  | Unrestricted<br>Fund<br>S\$ | Restricted<br>Fund<br>S\$ | Total Funds<br>S\$ |
| <b>2014</b>                                      |                             |                           |                    |
| <b>Balance at beginning of year</b>              | 2,439,897                   | 338,966                   | 2,778,863          |
| Net Surplus                                      | 129,162                     | 821,802                   | 950,964            |
| <b>Balance at end of year</b>                    | <u>2,569,059</u>            | <u>1,160,768</u>          | <u>3,729,827</u>   |

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

---

**STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015**

|  | Note | 2015<br>S\$      | 2014<br>S\$      |
|--|------|------------------|------------------|
| <b>Cash flows from operating activities</b>                  |      |                  |                  |
| Net Surplus  |      | 2,723,922        | 950,964          |
| Adjustments for:   |      |                  |                  |
| - Depreciation   | 8    | 96,466           | 100,246          |
| - Interest income  |      | (22,087)         | (21,020)         |
| Operating cash flow before working capital changes           |      | 2,798,301        | 1,030,190        |
| Changes in operating assets and liabilities:                 |      |                  |                  |
| - Other receivables  |      | (2,949,973)      | 49,589           |
| - Accruals and other payables                                |      | 30,757           | (519)            |
| <b>Net cash (used in)/provided from operating activities</b> |      | <u>(120,915)</u> | <u>1,079,260</u> |
| <b>Cash flows from investing activities</b>                  |      |                  |                  |
| Interest received  |      | 19,229           | 2,815            |
| Purchases of property, plant and equipment                   | 8    | (15,000)         | (7,500)          |
| <b>Net cash provided from investing activities</b>           |      | <u>4,229</u>     | <u>(4,685)</u>   |
| <b>Net (decrease)/increase in cash and cash equivalents</b>  |      | (116,686)        | 1,074,575        |
| Cash and cash equivalents at beginning of financial year     |      | <u>3,350,127</u> | <u>2,275,552</u> |
| <b>Cash and cash equivalents at end of financial year</b>    |      | <u>3,233,441</u> | <u>3,350,127</u> |
| <b>Cash and cash equivalents comprise:</b>                   |      |                  |                  |
| Cash in bank   |      | 831,941          | 1,586,611        |
| Cash on hand   |      | 1,500            | 1,500            |
| Fixed deposits   |      | <u>2,400,000</u> | <u>1,762,016</u> |
|  | 5    | <u>3,233,441</u> | <u>3,350,127</u> |

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

---

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015**

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 October 2014 to 31 March 2018.

These financial statements are presented in Singapore Dollar (S\$), which is the Home's functional currency.

### **2. Significant accounting policies**

#### **2.1 Basis of preparation**

The financial statements have been prepared in accordance with Singapore Financial Reporting Standard ("FRS") and is subject to the provision of 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 preparation of these financial statements in conformity with FRS requires management to exercise its judgment 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 judgment 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 2015**

On 1 January 2015, the Home adopted the new or amended FRS and Interpretations of FRS ("INT FRS") that are mandatory for application for the financial year. Changes to the Home's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The adaptation of these new or amended FRS and INT FRS did not result in substantial changes to the accounting policies of the Home and had no material effect on the amounts reported for the current or prior financial years.

#### **New or amended Standards and Interpretations effective after 1 January 2015**

The following are the new or amended Standards and Interpretations (issued up to 04 January 2016) that are not yet applicable, but may be early adopted for the current financial year:

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

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

#### Interpretations and amendments to published standards effective in 2015 (Cont'd)

| Descriptions   | Annual periods commencing on |
|--|------------------------------|
| FRS 114 Regulatory Deferral Accounts<br>Amendments to FRS 27: Equity Method in Separate Financial Statements<br>Amendments to FRS 16 and FRS 38: Clarification of Acceptable Methods of Depreciation and Amortisation<br>Amendments to FRS 16 and FRS 41: Agricultural - Bearer Plants<br>Amendments to FRS 111: Accounting for Acquisitions of Interests in Joint Operations<br>Amendments to FRS 110 and FRS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture<br>Amendments to FRS 110, FRS 112 and FRS 28 : Investment Entities: Applying the Consolidation Exception<br>FRS 1 Amendments to FRS 1 : Disclosure Initiative | 1 January 2016               |
| FRS 109 Financial Instruments<br>FRS 115 Revenue from Contracts with Customers   | 1 January 2018               |

### 2.2 Income recognition

Income comprises the fair value of the consideration received or receivable for the services rendered in the ordinary course of the Home's activities. Revenue is recognised as follows:

- 2.2.1 Donations are taken up and accrued as and when they are committed. Uncommitted donations, income from charitable activities and all income except as listed below, are recognised on receipt basis. Donations-in-kind are recognised when the fair value of the assets received can be reasonably ascertained.
- 2.2.2 Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Home will comply with all the attached conditions.
- 2.2.3 Revenue from rendering of services is recognised over the period in which the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be performed.
- 2.2.4 Interest income is recognised on a time-proportion basis using the effective interest method.
- 2.2.5 Other income is recognised when incurred.

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

### **2.3 Expense 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.

2.3.1 Cost of charitable activities comprises all costs incurred in the pursuit of the charitable objects of the Home. The total costs of charitable expenditure are apportionment of overhead and shared costs.

2.3.2 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.

### **2.4 Property, plant and equipment**

#### **2.4.1 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.

#### **2.4.2 Depreciation**

Depreciation on leasehold land and building, and renovation are calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives. Other assets are depreciated on the reducing balance method to write off the assets at the following rates:

|                             | Useful life        |
|-----------------------------|--------------------|
| Equipment                   | 5 years            |
| Furniture and fittings      | 5 years            |
| Leasehold land and building | 30 years from 1986 |
| Motor vehicle               | 10 years           |
| Renovation                  | 10 years           |

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

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

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

#### **2.4.3 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. Other subsequent expenditure is recognised as repair and maintenance expenses in the statement of financial activities during the financial year in which it is incurred.

#### **2.4.4 Disposal**

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

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

Property, plant and equipment are reviewed for impairment whenever there is any indication that these assets may be impaired. If any such indication exists, the recoverable amount (i.e. the higher of the fair value less cost to sell and value in use) of the assets is estimated to determine the amount of impairment loss.

For the purpose of impairment testing of the assets, recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, 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 impairment loss is recognised in the statement of financial activities.

An impairment loss for an asset is reversed if, there has been a change in the estimates used to determine the assets' recoverable amount since the last impairment loss was recognised. The carrying amount of an 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 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.

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

### **2.6 Financial assets**

#### **2.6.1 Classification**

The Home classifies its financial assets in the following categories: loans and receivables and held-to-maturity investments. The classification depends on the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date.

##### Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except those maturing later than 12 months after the statement of financial position date, which are classified as non-current assets. Loans and receivables are classified within "Other receivables" and "Cash and cash equivalents" on the statement of financial position.

##### Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Home's Management Committee has the positive intention and ability to hold to maturity. If the Home were to sell other than an insignificant amount of held-to-maturity investments, the whole category would be tainted and reclassified as available-for-sale. They are presented as non-current assets, except for those maturing within 12 months after the statement of financial position date which are presented as current assets.

#### **2.6.2 Recognition and derecognition**

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 financial asset, the difference between the carrying amount and the sale proceeds is recognised in the statement of financial activities.

#### **2.6.3 Measurement**

Financial assets are initially recognised at fair value plus transaction costs. Loans and receivables and held-to-maturity investments are subsequently carried at amortised cost using the effective interest method.

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

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

#### **2.6.4 Impairment**

The Home assesses at each statement of financial position date whether there is objective evidence that a financial asset or a group of financial assets is impaired and recognises an allowance for impairment when such evidence exists.

##### Loans and receivables and Held-to-maturity investments

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy, and default or significant delay in payments are objective evidence that these financial assets are impaired.

The carrying amount of these assets is reduced through the use of an impairment allowance account which is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. When the asset becomes uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are recognised against the same line item in the statement of financial activities.

The allowance for impairment loss account is reduced through statement of financial activities in a subsequent period when the amount of impairment loss decreases and the related decrease can be objectively measured. The carrying amount of the asset previously impaired is increased to the extent that the new carrying amount does not exceed the amortised cost had no impairment been recognised in prior periods.

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

Cash and cash equivalents include cash on hand, and deposits with financial institutions, which are subject to an insignificant risk of change in value. Cash and cash equivalents are carried at cost.

### **2.8 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 "Accruals and other payables".

Financial liabilities are derecognised when the obligations under the liability are discharged, 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. Significant accounting policies (Cont'd)**

**2.9 Accruals and other payables**

Accruals and other payables are initially recognised at fair value, and subsequently carried at amortised cost, using the effective interest method.

**2.10 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.

**2.11 Fair value estimation of financial assets and liabilities**

The carrying amounts of current financial assets and liabilities, carried at amortised cost, approximate their fair values due to their short-term nature.

**2.12 Operating lease**

Leases where substantially all risks and rewards incidental to the ownership are retained by the lessor. Leases of assets in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are taken to the statement of comprehensive income on a straight-line basis over the period of the lease. When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

Rental on operating lease is charged to statement of comprehensive income. Contingent rents are recognised as an expense in the statement of comprehensive income in the financial year in which they are incurred.

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

### **2.14 Employee compensation**

#### 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.

#### Employee leave 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 statement of financial position date.

### **2.15 Related parties**

A related party is defined as follows:

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

### 3. Critical accounting estimates, assumptions and judgments

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 judgments in applying the entity's accounting policies

The key assumptions concerning the future and other key sources of estimation uncertainty 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.

#### *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 operating 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.

#### *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 year and a suitable discount rate.

#### *Allowance for impairment of receivables*

The Home reviews the adequacy of allowance for impairment of receivables at each closing by reference to the ageing analysis of receivables, and evaluates the risks of collection according to the credit standing and collection history of individual resident. If there are indications that the financial position of a resident has deteriorated resulting in an adverse assessment of his risk profile, an appropriate amount of allowance will be provided.

### 4. Tax deductible receipts

During the financial year, the Home issued tax-exempt receipts for donations collected amounting to S\$860,608 (2014: S\$606,319) as follows:

|  | 2015<br>S\$    | 2014<br>S\$    |
|--|----------------|----------------|
| <u>Statement of financial activities</u> |                |                |
| General fund                             |                |                |
| • Donations                              | 590,961        | 326,996        |
| Building fund                            |                |                |
| • Donations                              | 124,612        | 104,123        |
| • Fund raising : GALA dinner             | 145,035        | 175,200        |
|  | <u>860,608</u> | <u>606,319</u> |

## 5. Cash and cash equivalents

|                | 2015<br>S\$      | 2014<br>S\$      |
|----------------|------------------|------------------|
| Cash in bank   | 831,941          | 1,586,611        |
| Cash on hand   | 1,500            | 1,500            |
| Fixed deposits | <u>2,400,000</u> | <u>1,762,016</u> |
|                | <u>3,233,441</u> | <u>3,350,127</u> |

Cash in bank earns interest at bank deposit rates.

Fixed deposits are with interest from 1.13% to 1.50% (F2014: 0.30% to 1.35%) per annum. Interest earned but not yet received as at reporting date is recognised under other receivables as shown in Note 6. The principal and interest will be rolled forward for the same tenor until further instructions from the Home.

As at the end of the reporting period, the tenures of the fixed deposits are:

|                    | 2015<br>S\$      | 2014<br>S\$      |
|--------------------|------------------|------------------|
| 6 months to 1 year | <u>2,400,000</u> | <u>1,762,016</u> |

The fixed deposits may be uplifted by the Home prior to maturity date if necessary and included in cash and cash equivalents in the Statement of Cash Flows.

Cash and cash equivalents are attributable to:

|                 | 2015<br>S\$      | 2014<br>S\$      |
|-----------------|------------------|------------------|
| - Building fund | 655,872          | 1,160,768        |
| - General fund  | <u>2,577,569</u> | <u>2,189,359</u> |
|                 | <u>3,233,441</u> | <u>3,350,127</u> |

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

## 6. Other receivables

|                      | Note | 2015<br>S\$      | 2014<br>S\$   |
|----------------------|------|------------------|---------------|
| Deposits             |      | 45,965           | 5,450         |
| Donations receivable |      | 31,578           | 16,326        |
| Interest receivable  | 5, 7 | 2,858            | 18,205        |
| Residents upkeep fee |      | 3,778            | 5,937         |
| Prepayments          |      | <u>2,915,102</u> | <u>532</u>    |
|                      |      | <u>2,999,281</u> | <u>46,450</u> |

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

**7. Held-to-maturity investment**

|                    | 2015<br>S\$    | 2014<br>S\$    |
|--------------------|----------------|----------------|
| Structured deposit | <u>200,000</u> | <u>200,000</u> |

In a Management Committee meeting held on 3 August 2010, it was resolved to invest \$200,000 of the Home's cash in principal guaranteed structured deposit for a period of 5 years and 6 months with guaranteed total interest of 7.5% over the tenor and possible bonus interest of up to 3% if deposit is held to maturity.

Interest earned but not yet received as at reporting date is recognised under other receivables as shown in Note 6.

At the reporting date, the carrying amounts of held-to-maturity investment approximated their fair values.

**8. Property, plant and equipment**

|  | Equipment<br>S\$ | Furniture<br>and fittings<br>S\$ | Leasehold<br>land and<br>building<br>S\$ | Motor<br>vehicle<br>S\$ | Renovation<br>S\$ | Total<br>S\$     |
|--|------------------|----------------------------------|--|-------------------------|-------------------|------------------|
| <b>2015</b>                                    |                  |                                  |  |                         |                   |                  |
| <b>Cost</b>                                    |                  |                                  |  |                         |                   |                  |
| Beginning of financial year                    | 374,014          | 213,841                          | 1,606,290                                | 66,372                  | 1,098,728         | 3,359,245        |
| Additions                                      | 15,000           | 0                                | 0  | 0                       | 0                 | 15,000           |
| Disposals                                      | (245)            | (455)                            | 0  | 0                       | 0                 | (700)            |
| End of financial year                          | <u>388,769</u>   | <u>213,386</u>                   | <u>1,606,290</u>                         | <u>66,372</u>           | <u>1,098,728</u>  | <u>3,373,545</u> |
| <b>Accumulated depreciation</b>                |                  |                                  |  |                         |                   |                  |
| Beginning of financial year                    | 358,258          | 212,954                          | 1,547,743                                | 50,243                  | 985,786           | 3,154,984        |
| Depreciation                                   | 9,901            | 887                              | 58,547                                   | 6,637                   | 20,494            | 96,466           |
| Disposals                                      | (245)            | (455)                            | 0  | 0                       | 0                 | (700)            |
| End of financial year                          | <u>367,914</u>   | <u>213,386</u>                   | <u>1,606,290</u>                         | <u>56,880</u>           | <u>1,006,280</u>  | <u>3,250,750</u> |
| <b>Net book value at end of financial year</b> | <u>20,855</u>    | <u>0</u>                         | <u>0</u>                                 | <u>9,492</u>            | <u>92,448</u>     | <u>122,795</u>   |
| <b>2014</b>                                    |                  |                                  |  |                         |                   |                  |
| <b>Cost</b>                                    |                  |                                  |  |                         |                   |                  |
| Beginning of financial year                    | 372,188          | 214,101                          | 1,606,290                                | 66,372                  | 1,098,728         | 3,357,679        |
| Additions                                      | 7,500            | 0                                | 0  | 0                       | 0                 | 7,500            |
| Disposals                                      | (5,674)          | (260)                            | 0  | 0                       | 0                 | (5,934)          |
| End of financial year                          | <u>374,014</u>   | <u>213,841</u>                   | <u>1,606,290</u>                         | <u>66,372</u>           | <u>1,098,728</u>  | <u>3,359,245</u> |
| <b>Accumulated depreciation</b>                |                  |                                  |  |                         |                   |                  |
| Beginning of financial year                    | 352,955          | 210,476                          | 1,489,208                                | 43,606                  | 964,427           | 3,060,672        |
| Depreciation                                   | 10,977           | 2,738                            | 58,535                                   | 6,637                   | 21,359            | 100,246          |
| Disposals                                      | (5,674)          | (260)                            | 0  | 0                       | 0                 | (5,934)          |
| End of financial year                          | <u>358,258</u>   | <u>212,954</u>                   | <u>1,547,743</u>                         | <u>50,243</u>           | <u>985,786</u>    | <u>3,154,984</u> |
| <b>Net book value at end of financial year</b> | <u>15,756</u>    | <u>887</u>                       | <u>58,547</u>                            | <u>16,129</u>           | <u>112,942</u>    | <u>204,261</u>   |

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

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 year lease from 1 January 1986 expired on 31 Dec 2015.

On 18 November 2015, after months of discussion, the Trustees, authorized 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 \$2,880,070, paid on 14 December 2015. A five storey building, estimated to cost \$12 million, will be erected.

On 18 November 2015, the Trustees, authorized 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 \$162,060 per annum. This allows the Home time to consolidate its activities onto the reduced site.

During the financial year, the Management Committee approved the disposal of several plant and equipment items that were beyond economical repair.

## **9. Accruals and other payables**

|   | 2015<br>S\$    | 2014<br>S\$   |
|---|----------------|---------------|
| Accruals  | 26,124         | 8,761         |
| Advanced upkeep fee                             | 1,800          | 16,230        |
| CPF and FWL payables                            | 23,126         | 5,718         |
| Refundable upkeep deposit                       | 37,080         | 40,072        |
| Public assistance allowance received in advance | 13,488         | 0             |
| Others  | 150            | 230           |
|   | <u>101,768</u> | <u>71,011</u> |

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

## **10. Building Fund**

In April 2013, a fund was set up specifically for the purpose of building redevelopment.

Receipts from the SG50 Care & Share Grant (\$209,154 in 2014 and \$1,815,846 in 2015) were paid into this Fund.

On 14 December 2015, \$2,880,070 was paid to the Commissioner of Lands SLA as prepayment for the 30 year lease beginning on 1 January 2016 for 3,300 square meter of the land, on which a five storey building is to be constructed. The building is estimated to cost \$12 million.

**10. Building Fund (Cont'd)**

Net assets of the restricted fund are as follows:

|   | 2015<br>S\$      | 2014<br>S\$      |
|---|------------------|------------------|
| <b>Total restricted fund as at reporting date</b> | <u>3,535,942</u> | <u>1,160,768</u> |
| <b>Represented by:</b>                            |                  |                  |
| Cash and cash equivalents                         | 655,872          | 1,160,768        |
| Prepayment  | <u>2,880,070</u> | <u>0</u>         |
|   | <u>3,535,942</u> | <u>1,160,768</u> |

**11. 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 Cap. 134.

**12. Related party transactions**

The Home had no significant transactions with related parties during the financial year (2014: NIL).

The Management Committee members did not receive any remuneration from the Home during the financial year (2014: NIL).

**13. Key management personnel compensation**

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

|  | 2015<br>No. of key<br>management<br>personnel | 2014<br>No. of key<br>management<br>personnel |
|--|---|---|
| Remuneration band                        |   |   |
| S\$50,000 and above but below S\$100,000 | 2   | 2   |
| Below S\$50,000                          | <u>1</u>                                      | <u>1</u>                                      |

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

The remuneration of key management personnel is determined by the Management Committee.

---

**14. Operating lease commitments**

At the reporting date, the Home has commitments for future minimum lease payments under non-cancellable operating leases as follows:

|   | 2015<br>S\$    | 2014<br>S\$ |
|---|----------------|-------------|
| Not later than one year                           | 162,060        | 0           |
| Later than one year but not later than five years | 324,120        | 0           |
|   | <u>486,180</u> | <u>0</u>    |

The above operating lease commitments are based on known rental rates as at the date of this report and do not include any revision in rates which may be determined by the lessor.

**15. 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.

## **16. 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 April 2013.

### *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 Gala Dinner as our Home's main fund raising event for building development purpose;
- b. Appeal letters sent to donors once a year. In 2015, the appeal letters were sent out in October;
- c. Use of our webpage to create awareness of our Home's cause and our needs. We have online donation campaigns via our own websites;
- d. Subscription to the SG Gives/Giving.sg and Simply Giving donation portals; and
- e. Organizations that chose us as beneficiary of their own fund raising campaign, such as Charity Golf and other similar events. A number of them come to know us from our webpage publicity.

|                               | 2015<br>S\$ | 2014<br>S\$ |
|-------------------------------|-------------|-------------|
| Total Gross receipts          | 1,413,003   | 1,129,762   |
| Total expenses                | 41,038      | 33,263      |
| Fund raising efficiency ratio | <u>3%</u>   | <u>3%</u>   |

The Home has not used any commercial fundraiser.

## 17. Reserve position and policy

The Home's reserve position (excluding non-current assets) for the financial year 31 December 2015 is as follows:

|  | 2015    | 2014    | Increase<br>(Decrease) | Percentage<br>of Increase<br>(Decrease) |
|--|---------|---------|------------------------|---|
|  | S\$'000 | S\$'000 | S\$'000                | %                                       |
| A Unrestricted Funds                                   |         |         |                        |   |
| Accumulated General funds                              | 2,595   | 2,165   | 430                    | 20                                      |
| B Restricted or Designated Funds                       | 3,536   | 1,161   | 2,375                  | 205                                     |
| C Endowment Funds                                      | N/A     | N/A     | N/A                    |   |
| D Total Funds  | 6,131   | 3,326   | 2,805                  | 84                                      |
| E Total Annual Operating Expenditure                   | 1,280   | 1,125   | 155                    | 14                                      |
| F Ratio of Funds to Annual Operating Expenditure (A/E) | 2.03    | 1.92    |                        |   |

Reference:

- C. An endowment fund consists of assets, funds or property, which is held in perpetuity which produce annual income flow for a foundation to spend as grants.
- D. Total Funds include unrestricted, restricted / designated and endowment funds.
- E. 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:

*The funds that the Home has set aside provide financial stability and the means for the development of principal activity. The Home intends to maintain unrestricted funds at a level, which is equivalent to \$3,000,000 (approximately two years of expenditure including depreciation).*

**a. Reason for funds level set**

Unrestricted Funds (Reserves):

*Approximately two years of expenditure including depreciation.*

**b. Steps the Home is taking to establish or maintain funds at agreed level**

*The Home plans to build up its funds to \$3,000,000.*

**c. Thereafter, any balance of funds above the \$3,000,000 funds will be channeled to our Building Fund (Designated Funds)**

Building Fund Budget:

*\$12 million (as advised by the architect commissioned for the feasibility study)*

*The Management Committee will review annually the amount of funds that are required to ensure that they are adequate to fulfill the Home's continuing obligations.*

## 18. 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*

The Home is exposed to credit risk in the event that counterparties fail to perform their obligations, resulting in a financial loss to the Home. The Home has no major concentration of credit risk.

The carrying amount of financial assets recorded in the financial statements represents the Home's maximum exposure to credit risk.

### *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.

The Home manages its liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate by the management Committee to fund the Home's activities. It places its cash with creditworthy institutions.

|                                | 2015<br>S\$      | 2014<br>S\$      |
|--------------------------------|------------------|------------------|
| <i>Payable within one year</i> |                  |                  |
| <u>Financial assets</u>        |                  |                  |
| Cash and cash equivalents      | 3,233,441        | 3,350,127        |
| Other receivables              | 84,179           | 45,918           |
|                                | <u>3,317,620</u> | <u>3,396,045</u> |
| <u>Financial liabilities</u>   |                  |                  |
| Amortised cost                 | <u>101,768</u>   | <u>71,011</u>    |

### *Interest rate risk*

Surplus funds are placed with reputable banks. The Home's policy is to obtain a favourable interest rate reasonably available.

### Fair values

The carrying amounts of the financial assets and liabilities recorded in the financial statements of the Home approximate their fair values.

## 19. Authorisation of financial statements

These financial statements were authorised for issue in accordance with a resolution of the Management Committee of the Home on **29 MAR 2016**