

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

[UEN. S61SS0176G]

[IPC No. IPC000361]

[Registered under the Societies Act 1976
in the Republic of Singapore]

**AUDITED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
31 DECEMBER 2021**

CONTENTS

Statement by Management Committee	2
Independent Auditor's Report	3
Statement of Financial Activities	7
Statement of Financial Position	15
Statement of Changes in Funds	16
Statement of Cash Flows	17
Notes to the Financial Statements	18

Fiducia LLP

(UEN. T10LL0955L)

Public Accountants and
Chartered Accountants of Singapore

71 Ubi Crescent
#08-01 Excalibur Centre
Singapore 408571
T: (65) 6846.8376
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STATEMENT BY MANAGEMENT COMMITTEE

In the opinion of the Management Committee, the financial statements are drawn up so as to present fairly, in all material respects, the state of affairs of **St. John's Home for Elderly Persons** (the "Home") as at 31 December 2021, and the results, changes in funds and 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
26 APR 2022

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

For and on behalf of the Management Committee,



Woon Wee Yim
Chairman



Consigliere Warren Dolius Paolo
Honorary Treasurer

Singapore, **26 APR 2022**

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Chartered Accountants of Singapore

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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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in the Republic of Singapore]

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 2021, 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 1976 (the "Societies Act"), the Charities Act 1994 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 2021, 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 Management Committee (set out on page 2 and 3), but does not include the financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report, and the annual report, which is expected to be made available to us after that date.

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]
[IPC No. IPC000361]
[Registered under the Societies Act, Chapter 311
in the Republic of Singapore]

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.

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Independent auditor's report to the members of:

ST. JOHN'S HOME FOR ELDERLY PERSONS

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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]

Audited Financial Statements
Financial Year Ended 31 December 2021

Fiducia LLP

Public Accountants and
Chartered Accountants of Singapore

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Independent auditor's report to the members of:


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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, 26 April 2022

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

**STATEMENT OF FINANCIAL ACTIVITIES
 FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021**

	Note	Restricted Funds				Total Unrestricted Funds S\$
		Unrestricted Fund S\$	Building Fund S\$	Building and Lease Fund S\$	Endowment Fund S\$	
2021						
INCOME						
Income from generating voluntary funds		1,759,758	758,913	0	0	2,518,671
Grants		60,028	250,000	0	0	310,028
Income from provision of care services		570,197	0	0	0	570,197
Other income		123,275	19,002	0	42,462	184,739
		<u>2,513,258</u>	<u>1,027,915</u>	<u>0</u>	<u>42,462</u>	<u>3,583,635</u>
EXPENDITURE						
Cost of generating voluntary funds		504	0	0	0	504
Cost of provision of care services		1,671,694	30,214	96,002	81,655	1,879,565
Governance and administrative costs		330,948	123,742	0	0	454,690
		<u>2,003,146</u>	<u>153,956</u>	<u>96,002</u>	<u>81,655</u>	<u>2,334,759</u>
NET SURPLUS / (DEFICIT)		510,112	873,959	(96,002)	(39,193)	1,248,876
Transfer between funds	13, 14	(2,688,000)	2,700,000	0	(12,000)	0
Accumulated funds brought forward		<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>
Accumulated funds carried forward		<u>1,399,094</u>	<u>15,233,533</u>	<u>2,304,058</u>	<u>5,965,947</u>	<u>24,902,632</u>

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

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

	Unrestricted Fund	Restricted Funds			Total Unrestricted and Restricted Funds
	S\$	Building Fund S\$	Building and Lease Fund S\$	Endowment Fund S\$	Total Restricted Funds S\$
2020					
INCOME					
Income from generating voluntary funds	566,607	2,462,649	0	0	2,462,649
Grants	903,038	0	0	0	0
Income from provision of care services	621,407	0	0	0	0
Other income	275,499	19,290	0	5,140	24,430
	<u>2,366,551</u>	<u>2,481,939</u>	<u>0</u>	<u>5,140</u>	<u>2,487,079</u>
EXPENDITURE					
Cost of generating voluntary funds	62,871	0	0	0	0
Cost of provision of care services	1,268,574	0	96,002	0	96,002
Governance and administrative costs	242,441	171,660	0	0	171,660
	<u>1,573,886</u>	<u>171,660</u>	<u>96,002</u>	<u>0</u>	<u>267,662</u>
NET SURPLUS / (DEFICIT)	792,665	2,310,279	(96,002)	5,140	2,219,417
Accumulated funds brought forward	<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>
Accumulated funds carried forward	<u>3,576,982</u>	<u>11,659,574</u>	<u>2,400,060</u>	<u>6,017,140</u>	<u>20,076,774</u>
					<u>23,653,756</u>

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

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
 FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021**

	Note	Restricted Funds				Total Unrestricted and Restricted Funds S\$
		Unrestricted Fund S\$	Building Fund S\$	Building and Lease Fund S\$	Endowment Fund S\$	
2021						
INCOME						
Income from generating voluntary funds						
Donations						
- Tax exempt	4	1,428,890	646,683	0	0	2,075,573
- Non-tax exempt		330,868	112,230	0	0	443,098
		<u>1,759,758</u>	<u>758,913</u>	<u>0</u>	<u>0</u>	<u>2,518,671</u>
Grants						
Tote Board		60,028	250,000	0	0	310,028
Income from provision of care services						
Membership subscriptions		320	0	0	0	320
Residents public assistance grants		141,309	0	0	0	141,309
Residents upkeep contributions		428,568	0	0	0	428,568
		<u>570,197</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>570,197</u>
Other income						
COVID-19 related rent concessions *		40,800	0	0	0	40,800
Interest income		6,809	0	0	41,211	48,020
Fair value gain on investment assets		0	0	0	1,251	1,251
Jobs support scheme		23,159	0	0	0	23,159
Miscellaneous income		14	0	0	0	14
Reimbursement		0	19,002	0	0	19,002
Special employment credit		900	0	0	0	900
Silver Support		<u>123,275</u>	<u>19,002</u>	<u>0</u>	<u>42,462</u>	<u>184,739</u>
TOTAL INCOME		<u>2,513,258</u>	<u>1,027,915</u>	<u>0</u>	<u>42,462</u>	<u>3,583,635</u>
EXPENDITURES						
Cost of generating voluntary funds						
Fund raising expenses		504	0	0	0	504
		<u>504</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>504</u>

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONT'D)**

	Note	Unrestricted Fund		Restricted Funds			Total Unrestricted and Restricted Funds S\$
		General Fund S\$	Building Fund S\$	Building and Lease Fund S\$	Endowment Fund S\$	Total Restricted Funds S\$	
2021							
EXPENDITURES (CONT'D)							
Cost of provision of care services							
Fair value loss on bonds investment	10	0	0	0	81,655	81,655	81,655
Allowance for impairment on resident upkeep fee		6,300	0	0	0	0	6,300
Service costs							
- Cleaning		19,503	0	0	0	0	19,503
- Counselling services		14,000	0	0	0	0	14,000
- Landscape services		11,750	0	0	0	0	11,750
- Pest control		4,500	0	0	0	0	4,500
- Physiotherapist services		15,654	0	0	0	0	15,654
Depreciation	8	191,661	0	96,002	0	96,002	287,663
Donated expense		65,924	0	0	0	0	65,924
Employment agency fee		25,973	0	0	0	0	25,973
Food and provisions		65,949	0	0	0	0	65,949
General expenses		3,275	0	0	0	0	3,275
Insurance		16,316	0	0	0	0	16,316
Interest expenses on lease liabilities		3,854	0	0	0	0	3,854
License fees		12	0	0	0	0	12
Medical and clinical expenses		41,413	0	0	0	0	41,413
Moving expense		11,164	0	0	0	0	11,164
Reinstatement expenses		157,755	0	0	0	0	157,755
Repair and maintenance		83,265	3,585	0	0	3,585	86,850
Residents' pocket money		3,200	0	0	0	0	3,200
Sponsored purchases		10,020	0	0	0	0	10,020
Staff costs							
- CPF and SDL contribution		54,727	0	0	0	0	54,727
- Foreign workers' levy		100,438	0	0	0	0	100,438
- Salaries and annual wage supplements		668,362	0	0	0	0	668,362
- Staff repatriation travel		1,746	0	0	0	0	1,746
- Staff training		2,423	0	0	0	0	2,423
- Staff welfare		1,929	0	0	0	0	1,929
- Uniforms		20	0	0	0	0	20
Balance carried forward		1,581,133	3,585	96,002	81,655	181,242	1,762,375

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONT'D)**

	Note	Restricted Funds				Total Unrestricted and Restricted Funds S\$
		Unrestricted Fund S\$	Building Fund S\$	Building and Lease Fund S\$	Endowment Fund S\$	
2021						
EXPENDITURES (CONT'D)						
<i>Cost of provision of care services (Cont'd)</i>						
Balance brought forward		1,581,133	3,585	96,002	81,655	1,762,375
Transportation		6,114	0	0	0	6,114
Utilities		78,147	26,629	0	0	104,776
Resident's upkeep fee written off		6,300	0	0	0	6,300
		<u>1,671,694</u>	<u>30,214</u>	<u>96,002</u>	<u>81,655</u>	<u>1,879,565</u>
Governance and administrative costs						
Administrative						
- Audit fees		6,388	0	0	0	6,388
- Bank charges		2,348	19	0	0	2,367
- GST expenses		107,352	29,022	0	0	136,374
- Printing and stationeries		9,847	0	0	0	9,847
- Professional fees		10,763	55,543	0	0	66,306
- Telecommunications		11,485	0	0	0	11,485
Staff costs						
- CPF and SDL contribution		24,158	2,843	0	0	27,001
- Salaries and annual wage supplements		158,607	36,315	0	0	194,922
		<u>330,948</u>	<u>123,742</u>	<u>0</u>	<u>0</u>	<u>454,690</u>
TOTAL EXPENDITURE		<u>2,003,146</u>	<u>153,956</u>	<u>96,002</u>	<u>81,655</u>	<u>2,334,759</u>
NET SURPLUS / (DEFICIT)		510,112	873,959	(96,002)	(39,193)	1,248,876
Transfer between funds	13, 14	(2,688,000)	2,700,000	0	(12,000)	0
Accumulated funds brought forward		<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>
Accumulated funds carried forward		<u>1,399,094</u>	<u>15,233,533</u>	<u>2,304,058</u>	<u>5,965,947</u>	<u>24,902,632</u>

* Included COVID-19 related rent concessions received from landlord of S\$40,800 (2020: S\$54,400) to which the Home applied the practical expedient.

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 and Restricted Funds S\$
		Unrestricted Fund S\$	Building Fund S\$	Building and Lease Fund S\$	Endowment Fund S\$	
2020						
INCOME						
Income from generating voluntary funds						
Donations						
- Tax exempt	4	253,071	2,269,289	0	0	2,522,360
- Non-tax exempt		313,536	193,360	0	0	506,896
		566,607	2,462,649	0	0	3,029,256
Grants						
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
Income from provision of care services						
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
Other income						
COVID-19 related rent concessions *		54,400	0	0	0	54,400
Interest income		61,859	12,175	5,140	0	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	5,140	0	299,929
TOTAL INCOME		2,366,551	2,481,939	5,140	2,487,079	4,853,630
EXPENDITURES						
Cost of generating voluntary funds						
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	Restricted Funds				Total Unrestricted and Restricted Funds S\$
		Unrestricted Fund S\$	Building Fund S\$	Building and Lease Fund S\$	Endowment Fund S\$	
2020						
EXPENDITURES (CONT'D)						
Cost of provision of care services						
Service costs						
- Cleaning		17,025	0	0	0	17,025
- Counselling services		14,792	0	0	0	14,792
- Landscape services		32,150	0	0	0	32,150
- Pest control		2,568	0	0	0	2,568
- Physiotherapist services		12,336	0	0	0	12,336
Depreciation	8	180,153	0	96,002	0	276,155
Donated expense		83,225	0	0	0	83,225
Employment agency fee		478	0	0	0	478
Food and provisions		83,953	0	0	0	83,953
General expenses		5,934	0	0	0	5,934
Insurance		9,082	0	0	0	9,082
Interest expenses on lease liabilities		11,986	0	0	0	11,986
License fees		100	0	0	0	100
Medical and clinical expenses		29,166	0	0	0	29,166
Repair and maintenance		45,531	0	0	0	45,531
Residents' pocket money		760	0	0	0	760
Sponsored purchases		5,091	0	0	0	5,091
Staff costs						
- CPF and SDL contribution		43,195	0	0	0	43,195
- Foreign workers' levy		40,831	0	0	0	40,831
- Salaries and annual wage supplements		565,528	0	0	0	565,528
- Staff repatriation travel		502	0	0	0	502
- Staff welfare		1,602	0	0	0	1,602
- Uniforms		1,667	0	0	0	1,667
Transportation		3,992	0	0	0	3,992
Utilities		76,927	0	0	0	76,927
		<u>1,268,574</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 and Restricted Funds
	General Fund S\$	Building Fund S\$	Building and Lease Fund S\$	Endowment Fund S\$	Total Restricted Funds S\$
2020					
EXPENDITURES (CONT'D)					
Governance and administrative costs					
Administrative					
- Audit fees	11,450	0	0	0	11,450
- Bank charges	3,963	7	0	0	3,970
- GST expenses	14,311	13,525	0	0	27,836
- Printing and stationeries	17,118	0	0	0	17,118
- Professional fees	19,329	94,223	0	0	113,552
- Telecommunications	3,024	0	0	0	3,024
Staff costs					
- CPF and SDL contribution	24,241	4,904	0	0	29,145
- Salaries and annual wage supplements	149,005	59,001	0	0	208,006
	242,441	171,660	0	0	414,101
TOTAL EXPENDITURE	1,573,886	171,660	96,002	0	1,841,548
NET SURPLUS / (DEFICIT)	792,665	2,310,279	(96,002)	5,140	3,012,082
Accumulated funds brought forward	2,784,317	9,349,295	2,496,062	6,012,000	20,641,674
Accumulated funds carried forward	3,576,982	11,659,574	2,400,060	6,017,140	23,653,756

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

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2021

	Note	2021 S\$	2020 S\$
ASSETS			
Current assets			
Cash and cash equivalents	6	5,894,982	8,979,790
Other receivables	7	215,272	539,803
		<u>6,110,254</u>	<u>9,519,593</u>
Non-current assets			
Property, plant and equipment	8	17,962,573	13,531,533
Financial assets, at FVPL	10	1,134,511	1,174,550
		<u>19,097,084</u>	<u>14,706,083</u>
Total assets		<u>25,207,338</u>	<u>24,225,676</u>
LIABILITIES			
Current liabilities			
Other payables and accruals	11	304,706	412,574
Lease liabilities	12	0	159,346
		<u>304,706</u>	<u>571,920</u>
Total liabilities		<u>304,706</u>	<u>571,920</u>
NET ASSETS		<u>24,902,632</u>	<u>23,653,756</u>
FUNDS			
Unrestricted fund			
- General fund	13	1,399,094	3,576,982
Restricted funds			
- Building fund (current development)	14	15,233,533	11,659,574
- Building and land lease	14	2,304,058	2,400,060
- Endowment fund	14	5,965,947	6,017,140
		<u>23,503,538</u>	<u>20,076,774</u>
TOTAL FUNDS		<u>24,902,632</u>	<u>23,653,756</u>

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

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

	Balance at beginning of financial year S\$	Surplus / (deficit) S\$	Transfer between funds S\$	Balance at end of financial year S\$
2021				
Unrestricted fund				
General fund	<u>3,576,982</u>	<u>510,112</u>	<u>(2,688,000)</u>	<u>1,399,094</u>
Restricted funds				
Building fund	11,659,574	873,959	2,700,000	15,233,533
Building and lease fund	2,400,060	(96,002)	0	2,304,058
Endowment fund	<u>6,017,140</u>	<u>(39,193)</u>	<u>(12,000)</u>	<u>5,965,947</u>
Total restricted funds	<u>20,076,774</u>	<u>738,764</u>	<u>2,688,000</u>	<u>23,503,538</u>
Total unrestricted and restricted funds	<u>23,653,756</u>	<u>1,248,876</u>	<u>0</u>	<u>24,902,632</u>
2020				
Unrestricted fund				
General fund		<u>2,784,317</u>	<u>792,665</u>	<u>3,576,982</u>
Restricted funds				
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		<u>6,012,000</u>	<u>5,140</u>	<u>6,017,140</u>
Total restricted funds		<u>17,857,357</u>	<u>2,219,417</u>	<u>20,076,774</u>
Total unrestricted and restricted funds		<u>20,641,674</u>	<u>3,012,082</u>	<u>23,653,756</u>

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

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

	Note	2021 S\$	2020 S\$
Cash flows from operating activities			
Net surplus for the financial year		1,248,876	3,012,082
Adjustments for:			
- Depreciation of property, plant and equipment	8	287,663	276,155
- Interest expenses on lease liabilities		3,854	11,986
- Interest income		(48,020)	(78,041)
- COVID-19 related rent concessions		(40,800)	(54,400)
Operating cash flow before changes in working capital		1,451,573	3,167,782
Changes in working capital:			
- Other receivables		323,329	(324,233)
- Other payables and accruals		158,600	39,212
Net cash flows from operations		1,933,502	2,882,761
Interest received		6,726	4,756
Net cash generated from operating activities		1,940,228	2,887,517
Cash flows from investing activities			
Interest received		42,496	79,985
Purchases of bonds		0	(1,174,550)
Purchases of equities		40,039	0
Purchases of property, plant and equipment	8	(4,985,171)	(5,715,893)
Net cash used in investing activities		(4,902,636)	(6,810,458)
Cash flows from financing activities			
Payment of principal portion of lease liabilities		(118,546)	(96,814)
Interest paid		(3,854)	(11,986)
Net cash used in financing activities		(122,400)	(108,800)
Net decrease in cash and cash equivalents		(3,084,808)	(4,031,741)
Cash and cash equivalents at beginning of financial year		8,929,790	12,961,531
Cash and cash equivalents at end of financial year	6	5,844,982	8,929,790

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

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

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") was established in the Republic of Singapore and is registered with the Registrar of Societies, Singapore under the Societies Act 1976 (the "Society Act") on 18 October 1961. The Home's registered address is located at 69 Wan Tho Avenue, Sennett Estate, Singapore 347601. During the January 2022, the Home was relocated to 1 Willow Avenue, Singapore 347508.

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 1994 (the "Charities Act") since 12 March 1988. The Home is granted Institution of a Public Character ("IPC") status for the period from 01 April 2018 to 31 March 2022 and subsequently renewed from 01 April 2022 to 31 March 2026.

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 in Singapore ("FRSs") and the disclosure requirements of the Societies Act 1976, the Charities Act 1994 and other relevant regulations. 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 2021

In the current financial year, the Home adopted the new or amended FRSs and Interpretations of FRSs ("INT FRSs") that are relevant and mandatory to its operations and effective on 1 January 2021. Changes to the Home's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRSs and INT FRSs.

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.

2. Significant accounting policies (Cont'd)

2.1 Basis of preparation (Cont'd)

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 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 2018-2021	1 January 2022
Amendments to: - FRS 1 : Classification of Liabilities as Current or Non-current - FRS 1 : Disclosure of Accounting Policies - FRS 8 : Definition of Accounting Estimates - FRS 12 : Deferred tax related to Assets and Liabilities arising from a single transaction	1 January 2023
Amendments to FRS 110 and FRS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	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.

2.2 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 are recognised as donations received. 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. Significant accounting policies (Cont'd)

2.2 Income recognition (Cont'd)

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.

2.4.3 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. Significant accounting policies (Cont'd)

2.5. Employee compensation (Cont'd)

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;
- Fair value through other comprehensive income (FVOCI); 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 assets. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of financial activities.

At subsequent measurement

Debt instruments

Debt instruments of the Home mainly comprise of "Cash and cash equivalents" and "Other receivables".

There are three subsequent measurement categories, depending on the Home's business model for managing the asset and the cash flow characteristics of the asset:

- **Amortised cost:** Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument 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 is included in interest income using the effective interest rate method.

2. Significant accounting policies (Cont'd)

2.6 Financial assets (Cont'd)

(a) Classification and measurement (Cont'd)

At subsequent measurement (Cont'd)

Debt instruments (Cont'd)

- FVOCI: Debt instruments that are held for collection of contractual cash flows and for sale, and where the assets' cash flows represent solely payments of principal and interest, are classified as FVOCI. Movements in fair values are recognised in Other Comprehensive Income (OCI) and accumulated in fair value reserve, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in statement of financial activities. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to statement of financial activities and presented in "other gains and losses". Interest income from these financial assets is recognised using the effective interest rate method and presented in "interest income".
- FVPL: Debt instruments that are held for trading as well as those that do not meet the criteria for classification as amortised cost or FVOCI are classified as FVPL. Movement in fair values and interest income is recognised in the statement of financial activities in the period in which it arises and presented in "other gains and losses".

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".

Equity investments

The Home subsequently measures all its equity investments at their fair values.

Equity instruments are classified as FVPL with movements in their fair values recognised in the statement of comprehensive income in the period in which the changes arise and presented in "Other gains and losses", except for those equity securities which are not held for trading. The Home has elected to recognise changes in fair value of equity securities not held for trading in statement of financial activities as these are strategic investments and the Home considers this to be more relevant. Movements in fair values of investments classified as FVOCI are presented as "Fair value gains/(losses)" in statement of financial activities. Dividends from equity investments are recognised in the statement of financial activities as "Dividend 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.

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.

On disposal of an equity investment, the difference between the carrying amount and sales proceed is recognised in statement of financial activities if there was no election made to recognise fair value changes in other comprehensive income. If there was an election made, any difference between the carrying amount and sales proceed amount would be recognised in other comprehensive income and transferred to retained earnings along with the amount previously recognised in other comprehensive income relating to that asset.

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 vehicles	10 years
Renovation	10 years
Right-of-use assets - Premises	Over the remaining lease term

2. Significant accounting policies (Cont'd)

2.8 Property, plant and equipment (Cont'd)

2.8.2 Depreciation (Cont'd)

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.

2.8.3 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 Borrowings

Borrowings are presented as current liabilities unless the Home has an unconditional right to defer settlement for at least 12 months after the reporting date, in which case they are presented as non-current liabilities.

Borrowings, including lease liabilities, are initially recognised at fair values (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in statement of financial activities over the period of the borrowings using the effective interest method.

2. Significant accounting policies (Cont'd)

2.14 Leases

At the inception of the contract, the Home assess 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.

When the Home is the lessee:

- 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.

If ownership of the leased asset transfers to the Home at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in Note 2.9. The Home's right-of-use asset is 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.

In calculating the present value of lease payments, the Home uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

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.

2. Significant accounting policies (Cont'd)

2.14 Leases (Cont'd)

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

- Lease liabilities (Cont'd)

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.

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.

2.15 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. Significant accounting policies (Cont'd)

2.16 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.

2.17 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.

2.18 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.

3.1 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:

3.1.1 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.

3.1.2 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.

3. Critical accounting estimates, assumptions and judgements (Cont'd)

3.1 Critical accounting estimates and assumptions (Cont'd)

3.1.3 Provision for expected credit losses (ECL) of other receivables

The Home uses a provision matrix to calculate ECL for other receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns. The provision matrix is initially based on the Home's historical observed default rates. The Home will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed. The assessment of the correlation between historical observed default rates, forecast economic conditions and ECL is a significant estimate. The amount of ECL is sensitive to changes in circumstances and of forecast economic conditions. The Home's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

3.2 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.

3.2.1 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.

4. Tax deductible receipts

During the financial year, the Home issued tax-exempt receipts for donations collected amounting to S\$2,075,603 (2020: S\$2,522,360) pursuant to its Institution of a Public Character ("IPC") status. They are recorded as follows:

	2021	2020
	S\$	S\$
<u>Statement of financial activities</u>		
General fund		
• Donations	1,428,890	253,071
Building fund		
• Donations	646,683	2,017,106
• Fund raising : Fund raising dinner	5 0	252,183
	<u>646,683</u>	<u>2,269,289</u>
Total	<u>2,075,573</u>	<u>2,522,360</u>

5. Fund raising events

	Note	2021 S\$	2020 S\$
<i>Income from fund-raising event:</i>			
Donations - Tax exempt	4	0	252,183
Donations - Non tax exempt		0	72,495
Donate as you wish		0	0
		<u>0</u>	<u>324,678</u>
<i>Costs of fund raising expenses:</i>			
Fund raising dinner food & provisions		0	40,200
Fund raising dinner general expense		0	20,755
Fund raising dinner printing & stationery		0	80
		<u>0</u>	<u>61,035</u>
Net proceeds		<u>0</u>	<u>263,643</u>
Percentage of fund raising expenses over income from fund raising event		<u>0%</u>	<u>19%</u>

No fund raising events held for the financial year 2021. Fund raising in FY2020 consist of Gala Dinner FY2020.

6. Cash and cash equivalents

	2021 S\$	2020 S\$
Cash on hand	1,500	1,500
Cash at bank	2,019,789	4,106,152
Fixed deposits	<u>3,873,693</u>	<u>4,872,138</u>
	<u>5,894,982</u>	<u>8,979,790</u>

Cash at bank earns interest at bank deposit rates.

At the reporting date, the fixed deposits are with interest from 0.10% to 0.23% (2020: 0.15% to 0.41%) 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.

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

	2021 S\$	2020 S\$
Cash and cash equivalents (as above)	5,894,982	8,979,790
Less: Fixed deposits pledge for credit card facilities	<u>(50,000)</u>	<u>(50,000)</u>
	<u>5,844,982</u>	<u>8,929,790</u>

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

	2021 S\$	2020 S\$
Within 1 year	<u>3,873,693</u>	<u>4,872,138</u>

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

6. Cash and cash equivalents (Cont'd)

At the reporting date, the cash and cash equivalents are attributable to:

	Note	2021 S\$	2020 S\$
- General fund		1,017,934	3,395,380
- Building fund	14	52,904	750,272
- Endowment fund	14	4,824,144	4,834,138
		5,894,982	8,979,790

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

7. Other receivables

	2021 S\$	2020 S\$
Residents' upkeep fees	13,446	18,690
Less: Allowance for impairment	(6,300)	0
	7,146	18,690
Deposits	52,670	44,020
Donation receivables	62,512	107,395
Grant receivables – Jobs Support Scheme	0	376
GST receivables	25,375	80,559
Interest receivables	7,320	8,522
Prepayments	26,017	104,921
Other receivables	34,232	175,320
	208,126	521,113
	215,272	539,803

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.

Movement in allowance for impairment of residents' upkeep fees:

	2021 S\$	2020 S\$
Balance at beginning of financial year	0	0
Allowance made	6,300	0
Balance at end of financial year	6,300	0

Other receivables that were determined to be impaired at the reporting date relate to debtors that were in significant financial difficulties and had defaulted on payments. These receivables were not secured by any collateral or credit enhancements.

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\$
2021				
At cost				
Equipment	506,485	59,451	(413,948)	151,988
Furniture and fittings	201,292	0	(201,292)	0
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	(1,098,728)	0
Right-of-use assets	454,056	0	(454,056)	0
Capital work in progress	10,918,071	3,581,262	0	14,499,333
Furniture and fittings in progress	0	496,961	0	496,961
Software development in progress	0	581,029	0	581,029
	<u>16,125,074</u>	<u>4,718,703</u>	<u>(2,168,024)</u>	<u>18,675,753</u>
	Balance at beginning of year S\$	Depreciation charge S\$	(Written off) S\$	Balance at end of Year S\$
Accumulated depreciation				
Equipment	444,435	40,309	(413,948)	70,796
Furniture and fittings	201,292	0	(201,292)	0
Leasehold land and building	480,010	96,002	0	576,012
Motor vehicles	66,372	0	0	66,372
Renovation	1,098,728	0	(1,098,728)	0
Right-of-use assets	302,704	151,352	(454,056)	0
Capital work in progress	0	0	0	0
Furniture and fittings in progress	0	0	0	0
Software development in progress	0	0	0	0
	<u>2,593,541</u>	<u>287,663</u>	<u>(2,168,024)</u>	<u>713,180</u>
	Balance at beginning of year S\$			Balance at end of Year S\$
Carrying amount				
Equipment	62,050			81,192
Furniture and fittings	0			0
Leasehold land and building	2,400,060			2,304,058
Motor vehicles	0			0
Renovation	0			0
Right-of-use assets	151,352			0
Capital work in progress	10,918,071			14,499,333
Furniture and fittings in progress	0			496,961
Software development in progress	0			581,029
	<u>13,531,533</u>			<u>17,962,573</u>

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

	Balance at beginning of year S\$	Additions S\$	(Written off) S\$	Balance at end of year S\$
2020				
At cost				
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\$
Accumulated depreciation				
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\$
Carrying amount				
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	5,854,983			10,918,071
	<u>8,731,118</u>			<u>13,531,533</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 year lease from 1 January 1986 expired on 31 December 2015.

On 18 November 2015,

- o 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 cost of s\$15.4 million.

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

- o 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 time to consolidate its activities onto the reduced site.
- o 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.

Since financial year 2020, the constructions costs has 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 of S\$16.4 million (inclusive of GST, Government fees, and fees to consultants) as at the reporting date for the new 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. As at 31 December 2021, total capital work-in-progress incurred and accounted for amounting to S\$14,499,333 (2020: S\$10,918,071).

During the financial year, the Home acquired property, plant and equipment with an aggregate cost of S\$4,718,703 (2020: S\$5,076,570). Cash payments of S\$4,985,171 (2020: S\$5,715,893) 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 operation.

- (a) Carrying amount

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

	2021 S\$	2020 S\$
Premises	0	151,352

- (b) Depreciation charged during the financial year

	2021 S\$	2020 S\$
Premises	151,352	151,352

- (c) Interest expense on lease liabilities

	2021 S\$	2020 S\$
Premises	3,854	11,986

- (d) Total cash outflow for all the leases in 2021 was S\$122,400 (2020: S\$108,800).

10. Financial assets, at FVPL

	2021 S\$	2020 S\$
<u>At fair value - quoted</u>		
Beginning of financial year	1,174,550	0
Additions	41,616	1,174,550
Fair value loss	(81,655)	0
End of financial year	<u>1,134,511</u>	<u>1,174,550</u>

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

	2021 S\$	2020 S\$
Bonds		
- HDB 2.598% p.a. and maturity date of 30.10.2029	528,115	565,750
- LTA 3.51% p.a. and maturity of 18.09.2030	564,780	608,800
	<u>1,092,895</u>	<u>1,174,550</u>
Securities		
- Capitaland integrated commercial trust	41,616	0
	<u>1,134,511</u>	<u>1,174,550</u>

11. Other payables and accruals

	2021 S\$	2020 S\$
Other payables on capital work in progress	0	266,468
Accounts payables and accruals	237,877	70,406
Refundable residents' upkeep deposit	28,844	32,878
Contract liabilities	14,418	19,663
Deferred grant income - Jobs support scheme	0	23,159
Provision of unutilised leaves	23,567	0
	<u>304,706</u>	<u>412,574</u>

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 other payables and accruals approximated their fair values.

12. Lease liabilities

	2021 S\$	2020 S\$
Current	0	159,346
Non-current	<u>0</u>	<u>0</u>
	<u>0</u>	<u>159,346</u>

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

	01.01.2021 S\$	Cash flows S\$	Non-cash changes			31.12.2021 S\$
			Accretion of interests S\$	Rent concession S\$	Other S\$	
Liabilities						
Lease liabilities						
- current	159,346	(122,400)	3,854	(40,800)	0	0
- non-current	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	<u>159,346</u>	<u>(122,400)</u>	<u>3,854</u>	<u>(40,800)</u>	<u>0</u>	<u>0</u>

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

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.

During the financial year, the Board approval transfer of totalling S\$2,700,000 from general fund to building fund on 26 January 2021, 30 March 2021, 27 April 2021 and 6 September 2021.

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. The new building is open and shifted in for use in 1 January 2022.

In 2021, Home received grant from Tote Board amounting to S\$250,000 for the building fund.

During the financial year, the constructions costs has increased by S\$709,592 from S\$15.4 million to S\$16.1million due to additional variation order works.

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:

	2021 S\$	2020 S\$
Building fund and Building and lease fund	<u>17,537,591</u>	<u>14,059,634</u>
Represented by:		
Cash and cash equivalents	52,904	750,272
Property, plant and equipment	17,300,352	13,318,131
Other receivables	184,335	257,699
Other payables and accruals	0	(266,468)
	<u>17,537,591</u>	<u>14,059,634</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.

14. Restricted funds (Cont'd)

Endowment fund (Cont'd)

Net assets of the Endowment fund are as follows:

	2021 S\$	2020 S\$
Endowment fund	<u>5,965,947</u>	<u>6,017,140</u>
Represented by:		
Cash and cash equivalents	4,824,144	4,834,138
Financial assets, at FVPL	1,134,511	1,174,550
Interest receivable	<u>7,292</u>	<u>8,452</u>
	<u>5,965,947</u>	<u>6,017,140</u>

During the financial year, the Board approval transfer S\$12,000 from endowment fund to general fund on 28 December 2021.

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 (2020: S\$NIL).

The Management Committee members did not receive any remuneration from the Home during the financial year (2020: 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:

	2021 No. of key management personnel	2020 No. of key management personnel
Remuneration band		
Below S\$50,000	1	0
S\$50,001 to S\$100,000	2	4
S\$100,001 to S\$200,000	<u>1</u>	<u>0</u>

17. Key management personnel compensation (Cont'd)

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

Capital commitments

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

	2021 S\$	2020 S\$
New 5 storey building (inclusive of consultant and government fees)	1,004,143	4,827,644
New beds and physiotherapy equipment	353,126	857,863
IT Projects	452,389	896,663
	<u>1,809,658</u>	<u>6,582,170</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 June 2021.

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.

20. Governance (Cont'd)

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 2021, 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.

	2021 S\$	2020 S\$
Total gross receipts	0	3,029,256
Total expenses	0	62,871
Fund raising efficiency ratio	<u>0%</u>	<u>2%</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 2021 is as follows:

	2021 S\$'000	2020 S\$'000	Increase (Decrease) S\$'000	Percentage of Increase (Decrease) %
A Unrestricted Funds				
Accumulated General funds	1,399	3,577	(2,178)	(61%)
B Building Funds	15,234	11,660	3,574	31%
C Building and Lease Funds	2,304	2,400	(96)	(4%)
D Endowment Funds	5,966	6,017	(51)	(1%)
E Total Funds	24,903	23,654	1,249	5%
Total Annual Operating Expenditure	2,335	1,842	493	27%
Total Depreciation	288	276	12	4%
F Total Annual Operating Expenditure (exclude depreciation)	2,047	1,566	481	31%
G Ratio of Funds to Annual Operating Expenditure (A/F)	0.68	2.28		

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.

21. Reserve position and policy (Cont'd)

The Home's Reserve Policy are 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; and
 - (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:

	2021 S\$	2020 S\$
Financial assets at amortised cost		
Cash and cash equivalents	5,894,982	8,979,790
Other receivables (excluding prepayments and GST receivables)	163,880	354,323
	<u>6,058,862</u>	<u>9,334,113</u>
Financial assets at FVPL	<u>1,134,511</u>	<u>1,174,550</u>
Financial Liabilities at amortised cost		
Accrual and other payables (excluding contract liabilities and deferred grant income)	290,288	369,752
Lease liabilities	0	159,346
	<u>290,288</u>	<u>529,098</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 ("MC") 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.

23. Financial risk management (Cont'd)

Credit risk (Cont'd)

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.

Except for those disclosed in Note 7, there are no credit loss allowance for other financial assets at amortised cost as at 31 December 2021 and 31 December 2020.

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\$
2021			
Financial liabilities, at amortised cost			
Other payables and accruals	290,288	0	290,288
	<u>290,288</u>	<u>0</u>	<u>290,288</u>
	Within one year S\$	Later than one year but not later than five years S\$	Total S\$
2020			
Financial liabilities, at amortised cost			
Other payables and accruals	369,752	0	369,752
Lease liabilities	163,200	0	163,200
	<u>532,952</u>	<u>0</u>	<u>532,952</u>

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Home's financial instruments will fluctuate because of changes in market interest rates. The Home's exposure to interest rate risk arises primarily from their cash and cash equivalents and fixed deposits.

The Home does not expect any significant effect on the Home's statement of financial activities arising from the effects of reasonably possible changes to interest rates on interest bearing financial instruments at the end of the financial year.

23. Financial risk management (Cont'd)

Interest rate risk (Cont'd)

Sensitivity analysis for interest rate risk

At the reporting date, the interest rate profile of the Home's interest-bearing financial instruments was as follows:

	2021 S\$	2020 S\$
Fixed rate instruments		
<u>Financial assets</u>		
Fixed deposits	3,873,693	4,872,138

The sensitivity analysis is based on changes in the interest rates of variable rate financial instruments.

At the reporting date, the Home does not have variable rate interest-bearing financial instruments.

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 market 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).

	Level 1 S\$	Level 2 S\$	Level 3 S\$
2021			
Financial assets, at FVPL (Note 10)	1,134,511	0	0
2020			
Financial assets, at FVPL (Note 10)	1,174,550	0	0

The fair value of financial instruments traded in active markets (such financial asset, at fair value through profit and loss) 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 2021 and 31 December 2020.

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. Impact of Coronavirus Disease 2019 (COVID-19)

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 2021 in terms of financial viability has not been adversely impacted by the COVID-19 pandemic. 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 2021:

- 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. In 2021, the Home received rental rebates for its office rental. The effects of such rental concessions received are disclosed in detailed statement of financial activities.
- iii. The government has also implemented assistance measures which might mitigate some of the impact of COVID-19 on the Home's 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 2022. 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.

26. Event after the reporting period

- a) With effective from 1 January 2022, the Home was relocated to new completed building 1 Willow Avenue, Singapore 347508; and
- b) Subsequent to the reporting date on 25 January 2022, the Management Committee approved the transfer of S\$300,000 from the general fund to the building fund for the purpose of building fund to pay for its capital expenditure.

27. Authorisation of financial statements

These financial statements for the year ended 31 December 2021 were authorised for issue in accordance with a resolution of the Management Committee of the Home on 26 April 2022.