

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

[UEN. S61SS0176G]

[IPC No. IPC000361]

[Registered under the Societies Act 1966
in the Republic of Singapore]

**AUDITED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
31 DECEMBER 2022**

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Fiducia LLP

(UEN. T10LL0955L)

Public Accountants and

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STATEMENT BY MANAGEMENT COMMITTEE

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

Chairman	Andrew Lioe Hui Siang
Vice-chairman	Lester Lee Keng Kok
Honorary Secretary	Rachel Ong Chuan Chuan
Assistant Honorary Secretary	Kenneth Chue Soon Seng
Honorary Treasurer	Consigliere Warren Dolius Paolo
Committee Member	Pearl Lee Tuan Kee
Committee Member	John Poopalan Kiramathypathy
Committee Member	Chua Hui Hsiang, Felicia
Committee Member	Nicholas Raphael Netto

For and on behalf of the Management Committee,



Andrew Lioe Hui Siang
Chairman



Consigliere Warren Dolius Paolo
Honorary Treasurer

Singapore, 29 May 2023

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Public Accountants and
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]
[Registered under the Societies Act 1966
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 2022, and the statement of financial activities, statement of changes in funds and statement of cash flows 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 1966 (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 2022, 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), 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 1966
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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(CONT'D)

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 to be kept 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.

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(CONT'D)

Independent auditor's report to the members of:

ST. JOHN'S HOME FOR ELDERLY PERSONS

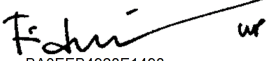
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Report on other Legal and Regulatory Requirements (Cont'd)

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

- (a) The Home has not used the donation moneys in accordance with its objectives as required under Regulation 11 of the Charities (Institutions of a Public Character) Regulations; and
- (b) The Home has not complied with the requirements of Regulation 15 of the Charities (Institutions of a Public Character) Regulations.

DocuSigned by:



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Fiducia LLP
Public Accountants and
Chartered Accountants

Singapore, 29 May 2023

Partner-in-charge: Soo Hon Weng
PAB No.: 01089

**STATEMENT OF FINANCIAL ACTIVITIES
 FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**

	Note	Unrestricted Fund	Restricted Funds			Total Unrestricted and Restricted Funds	
		General Fund S\$	Building Fund S\$	Land Lease Fund S\$	Endowment Fund S\$	Total Restricted Funds S\$	Restricted Funds S\$
2022 INCOME							
Income from generating voluntary funds		1,744,888	100,455	0	0	100,455	1,845,343
Grants		181,893	0	0	0	0	181,893
Income from provision of care services		762,868	0	0	0	0	762,868
Other income		67,836	0	0	98,118	98,118	165,954
		<u>2,757,485</u>	<u>100,455</u>	<u>0</u>	<u>98,118</u>	<u>198,573</u>	<u>2,956,058</u>
EXPENDITURE							
Cost of generating voluntary funds		29,893	0	0	0	0	29,893
Cost of provision of care services		1,735,599	635,069	96,002	198,676	929,747	2,665,346
Governance and administrative costs		481,899	55,642	0	304	55,946	537,845
		<u>2,247,391</u>	<u>690,711</u>	<u>96,002</u>	<u>198,980</u>	<u>985,693</u>	<u>3,233,084</u>
NET SURPLUS / (DEFICIT)		510,094	(590,256)	(96,002)	(100,862)	(787,120)	(277,026)
Transfers between funds	12	<u>(300,000)</u>	<u>300,000</u>	<u>0</u>	<u>0</u>	<u>300,000</u>	<u>0</u>
Net movement in funds		210,094	(290,256)	(96,002)	(100,862)	(487,120)	(277,026)
Accumulated funds brought forward		<u>1,399,094</u>	<u>15,233,533</u>	<u>2,304,058</u>	<u>5,965,947</u>	<u>23,503,538</u>	<u>24,902,632</u>
Accumulated funds carried forward		<u>1,609,188</u>	<u>14,943,277</u>	<u>2,208,056</u>	<u>5,865,085</u>	<u>23,016,418</u>	<u>24,625,606</u>

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

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

	Note	Unrestricted Fund	Restricted Funds			Total Unrestricted and Restricted Funds	
		General Fund S\$	Building Fund S\$	Land Lease Fund S\$	Endowment Fund S\$	Total Restricted Funds S\$	Restricted Funds S\$
2021 INCOME							
Income from generating voluntary funds		1,759,758	758,913	0	0	758,913	2,518,671
Grants		60,028	250,000	0	0	250,000	310,028
Income from provision of care services		570,197	0	0	0	0	570,197
Other income		123,275	19,002	0	42,462	61,464	184,739
		<u>2,513,258</u>	<u>1,027,915</u>	<u>0</u>	<u>42,462</u>	<u>1,070,377</u>	<u>3,583,635</u>
EXPENDITURE							
Cost of generating voluntary funds		504	0	0	0	0	504
Cost of provision of care services		1,671,694	30,214	96,002	81,655	207,871	1,879,565
Governance and administrative costs		330,948	123,742	0	0	123,742	454,690
		<u>2,003,146</u>	<u>153,956</u>	<u>96,002</u>	<u>81,655</u>	<u>331,613</u>	<u>2,334,759</u>
NET SURPLUS / (DEFICIT)		510,112	873,959	(96,002)	(39,193)	738,764	1,248,876
Transfer between funds	12, 13	<u>(2,688,000)</u>	<u>2,700,000</u>	<u>0</u>	<u>(12,000)</u>	<u>2,688,000</u>	<u>0</u>
Net movement in funds		(2,177,888)	3,573,959	(96,002)	(51,193)	3,426,764	1,248,876
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>20,076,774</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>23,503,538</u>	<u>24,902,632</u>

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

DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	Note	Unrestricted Fund	Restricted Funds			Total Unrestricted and Restricted Funds
		General Fund S\$	Building Fund S\$	Land Lease Fund S\$	Endowment Fund S\$	Total Restricted Funds S\$
2022 INCOME						
Income from generating voluntary funds						
Donations						
- Tax exempt	4	1,409,965	100,405	0	0	1,510,370
- Non-tax exempt		334,923	50	0	0	334,973
		<u>1,744,888</u>	<u>100,455</u>	<u>0</u>	<u>0</u>	<u>1,845,343</u>
Grants						
Tote Board		<u>181,893</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>181,893</u>
Income from provision of care services						
Bad debts recovered	7	6,300	0	0	0	6,300
Membership subscriptions		300	0	0	0	300
Residents public assistance grants		139,776	0	0	0	139,776
Residents upkeep contributions		<u>616,492</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>616,492</u>
		<u>762,868</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>762,868</u>
Other income						
Interest income		1,027	0	0	77,100	78,127
Dividend income		0	0	0	21,018	21,018
Miscellaneous income		130	0	0	0	130
Special employment credit		66,379	0	0	0	66,379
Silver Support		<u>300</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>300</u>
		<u>67,836</u>	<u>0</u>	<u>0</u>	<u>98,118</u>	<u>165,954</u>
TOTAL INCOME		<u>2,757,485</u>	<u>100,455</u>	<u>0</u>	<u>98,118</u>	<u>2,956,058</u>
EXPENDITURES						
Cost of generating voluntary funds						
Fund raising expenses		<u>29,893</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>29,893</u>
		<u>29,893</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>29,893</u>

DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (CONT'D)

	Note	Unrestricted Fund	Restricted Funds				Total Unrestricted and Restricted Funds
		General Fund S\$	Building Fund S\$	Land Lease Fund S\$	Endowment Fund S\$	Total Restricted Funds S\$	S\$
2022 EXPENDITURES (CONT'D)							
Cost of provision of care services							
Fair value loss on bonds	10	0	0	0	143,065	143,065	143,065
Fair value loss on equities	10	0	0	0	55,611	55,611	55,611
Service costs							
- Cleaning		13,874	0	0	0	0	13,874
- Counselling services		17,500	0	0	0	0	17,500
- Pest control		10,470	0	0	0	0	10,470
- Physiotherapist services		18,330	0	0	0	0	18,330
Depreciation	8	165,031	634,978	96,002	0	730,980	896,011
Donated expense		77,192	0	0	0	0	77,192
Employment agency fee		361	0	0	0	0	361
Food and provisions		99,767	0	0	0	0	99,767
General expenses		5,679	0	0	0	0	5,679
Insurance		19,208	0	0	0	0	19,208
License fees		500	0	0	0	0	500
Medical and clinical expenses		23,777	0	0	0	0	23,777
Reinstatement expenses		11,000	0	0	0	0	11,000
Repair and maintenance		82,682	5,531	0	0	5,531	88,213
Sponsored purchases		4,108	0	0	0	0	4,108
Staff costs							
- CPF and SDL contribution		49,131	0	0	0	0	49,131
- Foreign workers' levy		136,947	0	0	0	0	136,947
- Salaries and annual wage supplements		769,840	0	0	0	0	769,840
- Staff repatriation travel		4,665	0	0	0	0	4,665
- Staff training		4,910	0	0	0	0	4,910
- Staff welfare		15,342	0	0	0	0	15,342
- Uniforms		3,341	0	0	0	0	3,341
Transportation		4,796	0	0	0	0	4,796
Tenancy rental		9,550	0	0	0	0	9,550
Utilities		187,598	(5,440)	0	0	(5,440)	182,158
		<u>1,735,599</u>	<u>635,069</u>	<u>96,002</u>	<u>198,676</u>	<u>929,747</u>	<u>2,665,346</u>

DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (CONT'D)

	Note	Unrestricted Fund	Restricted Funds			Total Unrestricted and Restricted Funds	
		General Fund S\$	Building Fund S\$	Land Lease Fund S\$	Endowment Fund S\$	Total Restricted Funds S\$	S\$
2022							
EXPENDITURES (CONT'D)							
Governance and administrative costs							
Administrative							
- Audit fees		5,100	0	0	0	0	5,100
- Bank charges		7,832	56	0	0	56	7,888
- Commission		0	0	0	304	304	304
- Employment agency fee		9,349	0	0	0	0	9,349
- Legal and professional fees		11,408	48,814	0	0	48,814	60,222
- GST expenses		61,113	6,772	0	0	6,772	67,885
- Printing and stationeries		10,701	0	0	0	0	10,701
- Telecommunications		16,364	0	0	0	0	16,364
- Video and opening ceremony		21,739	0	0	0	0	21,739
Staff costs							
- CPF and SDL contribution		47,910	0	0	0	0	47,910
- Salaries and annual wage supplements		290,383	0	0	0	0	290,383
		<u>481,899</u>	<u>55,642</u>	<u>0</u>	<u>304</u>	<u>55,946</u>	<u>537,845</u>
TOTAL EXPENDITURE		<u>2,247,391</u>	<u>690,711</u>	<u>96,002</u>	<u>198,980</u>	<u>985,693</u>	<u>3,233,084</u>
NET SURPLUS / (DEFICIT)		510,094	(590,256)	(96,002)	(100,862)	(787,120)	(277,026)
Transfers between funds	12, 13	<u>(300,000)</u>	<u>300,000</u>	<u>0</u>	<u>0</u>	<u>300,000</u>	<u>0</u>
Net movement in funds		210,094	(290,256)	(96,002)	(100,862)	(487,120)	(277,026)
Accumulated funds brought forward		<u>1,399,094</u>	<u>15,233,533</u>	<u>2,304,058</u>	<u>5,965,947</u>	<u>23,503,538</u>	<u>24,902,632</u>
Accumulated funds carried forward		<u>1,609,188</u>	<u>14,943,277</u>	<u>2,208,056</u>	<u>5,865,085</u>	<u>23,016,418</u>	<u>24,625,606</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	Unrestricted Fund	Restricted Funds			Total Unrestricted and Restricted Funds	
		General Fund S\$	Building Fund S\$	Land Lease Fund S\$	Endowment Fund S\$	Total Restricted Funds S\$	Restricted Funds S\$
2021 INCOME							
Income from generating voluntary funds							
Donations							
- Tax exempt	4	1,428,890	646,683	0	0	646,683	2,075,573
- Non-tax exempt		330,868	112,230	0	0	112,230	443,098
		<u>1,759,758</u>	<u>758,913</u>	<u>0</u>	<u>0</u>	<u>758,913</u>	<u>2,518,671</u>
Grants							
Tote Board		60,028	250,000	0	0	250,000	310,028
Income from provision of care services							
Membership subscriptions		320	0	0	0	0	320
Residents public assistance grants		141,309	0	0	0	0	141,309
Residents upkeep contributions		428,568	0	0	0	0	428,568
		<u>570,197</u>	<u>0</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	0	40,800
Interest income		6,809	0	0	41,211	41,211	48,020
Fair value gain on equities		0	0	0	1,251	1,251	1,251
Jobs support scheme		23,159	0	0	0	0	23,159
Miscellaneous income		14	0	0	0	0	14
Reimbursement		0	19,002	0	0	19,002	19,002
Special employment credit		51,593	0	0	0	0	51,593
Silver Support		900	0	0	0	0	900
		<u>123,275</u>	<u>19,002</u>	<u>0</u>	<u>42,462</u>	<u>61,464</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>1,070,377</u>	<u>3,583,635</u>
EXPENDITURES							
Cost of generating voluntary funds							
Fund raising expenses		504	0	0	0	0	504
		<u>504</u>	<u>0</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
		General Fund S\$	Building Fund S\$	Land Lease Fund S\$	Endowment Fund S\$	Total Restricted Funds S\$	Restricted Funds S\$
2021							
EXPENDITURES (CONT'D)							
Cost of provision of care services							
Fair value loss on bonds	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		<u>1,581,133</u>	<u>3,585</u>	<u>96,002</u>	<u>81,655</u>	<u>181,242</u>	<u>1,762,375</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
		General Fund S\$	Building Fund S\$	Land Lease Fund S\$	Endowment Fund S\$	Total Restricted Funds S\$	Restricted Funds S\$
2021 EXPENDITURES (CONT'D)							
Cost of provision of care services (Cont'd)							
Balance brought forward		1,581,133	3,585	96,002	81,655	181,242	1,762,375
Transportation		6,114	0	0	0	0	6,114
Utilities		78,147	26,629	0	0	26,629	104,776
Resident's upkeep fee written off		6,300	0	0	0	0	6,300
		<u>1,671,694</u>	<u>30,214</u>	<u>96,002</u>	<u>81,655</u>	<u>207,871</u>	<u>1,879,565</u>
Governance and administrative costs							
Administrative							
- Audit fees		6,388	0	0	0	0	6,388
- Bank charges		2,348	19	0	0	19	2,367
- GST expenses		107,352	29,022	0	0	29,022	136,374
- Legal and professional fees		10,763	55,543	0	0	55,543	66,306
- Printing and stationeries		9,847	0	0	0	0	9,847
- Telecommunications		11,485	0	0	0	0	11,485
Staff costs							
- CPF and SDL contribution		24,158	2,843	0	0	2,843	27,001
- Salaries and annual wage supplements		158,607	36,315	0	0	36,315	194,922
		<u>330,948</u>	<u>123,742</u>	<u>0</u>	<u>0</u>	<u>123,742</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>331,613</u>	<u>2,334,759</u>
NET SURPLUS / (DEFICIT)		510,112	873,959	(96,002)	(39,193)	738,764	1,248,876
Transfer between funds	12, 13	(2,688,000)	2,700,000	0	(12,000)	2,688,000	0
Net movement in funds		(2,177,888)	3,573,959	(96,002)	(51,193)	3,426,764	1,248,876
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>20,076,774</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>23,503,538</u>	<u>24,902,632</u>

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

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

	Note	2022 S\$	2021 S\$
ASSETS			
Current assets			
Cash and cash equivalents	6	5,674,742	5,894,982
Other receivables	7	48,699	215,272
		<u>5,723,441</u>	<u>6,110,254</u>
Non-current assets			
Property, plant and equipment	8	18,114,183	17,962,573
Financial assets, at FVPL	10	1,499,264	1,134,511
		<u>19,613,447</u>	<u>19,097,084</u>
Total assets		<u>25,336,888</u>	<u>25,207,338</u>
LIABILITIES			
Current liabilities			
Other payables and accruals	11	711,282	304,706
Total liabilities		<u>711,282</u>	<u>304,706</u>
NET ASSETS		<u>24,625,606</u>	<u>24,902,632</u>
FUNDS			
Unrestricted fund			
- General fund	12	1,609,188	1,399,094
Restricted funds			
- Building fund (current development)	13	14,943,277	15,233,533
- Land lease fund	13	2,208,056	2,304,058
- Endowment fund	13	5,865,085	5,965,947
		<u>23,016,418</u>	<u>23,503,538</u>
TOTAL FUNDS		<u>24,625,606</u>	<u>24,902,632</u>

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

**STATEMENT OF CHANGES IN FUNDS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**

	Balance at beginning of financial year S\$	Surplus / (deficit) S\$	Transfer between funds S\$	Balance at end of financial year S\$
2022				
Unrestricted fund				
General fund	<u>1,399,094</u>	<u>510,094</u>	<u>(300,000)</u>	<u>1,609,188</u>
Restricted funds				
Building fund	15,233,533	(590,256)	300,000	14,943,277
Land lease fund	2,304,058	(96,002)	0	2,208,056
Endowment fund	<u>5,965,947</u>	<u>(100,862)</u>	<u>0</u>	<u>5,865,085</u>
Total restricted funds	<u>23,503,538</u>	<u>(787,120)</u>	<u>300,000</u>	<u>23,016,418</u>
Total unrestricted and restricted funds	<u>24,902,632</u>	<u>(277,026)</u>	<u>0</u>	<u>24,625,606</u>
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
Land 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>

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

**STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**

	Note	2022 S\$	2021 S\$
Cash flows from operating activities			
Net (deficit) / surplus for the financial year		(277,026)	1,248,876
Adjustments for:			
- Depreciation of property, plant and equipment	8	896,011	287,663
- Interest expenses on lease liabilities		0	3,854
- Interest income		(78,127)	(48,020)
- Fair value loss/(gain) on equities	10	55,611	(1,251)
- Fair value loss on bonds	10	143,065	81,655
- COVID-19 related rent concessions		0	(40,800)
Operating cash flow before changes in working capital		<u>739,534</u>	<u>1,531,977</u>
Changes in working capital:			
- Other receivables		167,045	323,329
- Other payables and accruals		<u>406,576</u>	<u>(107,868)</u>
Net cash flows from operations		<u>1,313,155</u>	<u>1,747,438</u>
Interest received		<u>1,027</u>	<u>6,726</u>
Net cash generated from operating activities		<u>1,314,182</u>	<u>1,754,164</u>
Cash flows from investing activities			
Interest received		76,628	42,496
Purchases of equities	10	(563,429)	(40,365)
Purchases of property, plant and equipment	8	<u>(1,047,621)</u>	<u>(4,718,703)</u>
Net cash used in investing activities		<u>(1,534,422)</u>	<u>(4,716,572)</u>
Cash flows from financing activities			
Payment of principal portion of lease liabilities		0	(118,546)
Interest paid		<u>0</u>	<u>(3,854)</u>
Net cash used in financing activities		<u>0</u>	<u>(122,400)</u>
Net decrease in cash and cash equivalents		(220,240)	(3,084,808)
Cash and cash equivalents at beginning of financial year		<u>5,844,982</u>	<u>8,929,790</u>
Cash and cash equivalents at end of financial year	6	<u>5,624,742</u>	<u>5,844,982</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**

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 1966 (the "Society Act") on 18 October 1961. In January 2022, the Home's is relocated to its new registered address at 1 Willow Avenue, Singapore 347508. Prior to January 2022, the registered office was 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 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 1966, 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 2022

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 2022. 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
FRS 117 : Insurance Contracts Amendments to: - FRS 1 and FRS Practice Statement 2: Disclosure of Accounting Policies - FRS 8 : Definition of Accounting Estimates - FRS 12, FRS 101 : Deferred Tax related to Assets and Liabilities arising from a Single Transaction - FRS 117 : Insurance Contracts	1 January 2023
Amendments to: - FRS 1 : Classification of Liabilities as Current or Non-current - FRS 116 : Lease Liability in a Sale and leaseback - FRS 1 : Non-current Liabilities with Covenants	1 January 2024
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.

Income is recognised as follows:

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 measurementDebt 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 the 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 the 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 building	24 years - over the remaining useful lives of leasehold land
Leasehold land	30 years
Motor vehicles	10 years

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.

Management assesses at the end of the reporting period whether there is any indication that an impairment recognised in prior periods may no longer exist or may have decreased. If any such indication exists, the recoverable amount of that asset is estimated and may result in a reversal of impairment loss. 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, and only 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" 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 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.

2. Significant accounting policies (Cont'd)

2.12 Leases (Cont'd)

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

- 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.

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 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.

2. Significant accounting policies (Cont'd)**2.12 Leases (Cont'd)**When the Home is the lessee: (Cont'd)

- 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.

2.13 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.

2.14 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.

2.15 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.

2.16 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.

3.1.3 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\$1,510,370 (2021: S\$2,075,573) pursuant to its Institution of a Public Character ("IPC") status. They are recorded as follows:

	2022 S\$	2021 S\$
<u>Statement of financial activities</u>		
Donations:		
• General fund	1,409,965	1,428,890
• Building fund	<u>100,405</u>	<u>646,683</u>
Total	<u>1,510,370</u>	<u>2,075,573</u>

5. Fund raising events

There is no fund raising events held for the financial year 2022 and 2021.

6. Cash and cash equivalents

	2022 S\$	2021 S\$
Cash on hand	0	1,500
Cash at bank	1,277,900	2,019,789
Fixed deposits	<u>4,396,842</u>	<u>3,873,693</u>
	<u>5,674,742</u>	<u>5,894,982</u>

Cash at bank earns interest at bank deposit rates.

At the reporting date, the fixed deposits are with interest from 0.09% to 3.10% (2021: 0.10% 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:

	2022 S\$	2021 S\$
Cash and cash equivalents (as above)	5,674,742	5,894,982
Less: Fixed deposits pledged for credit card facilities	<u>(50,000)</u>	<u>(50,000)</u>
	<u>5,624,742</u>	<u>5,844,982</u>

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

	2022 S\$	2021 S\$
Within 1 year	<u>4,396,842</u>	<u>3,873,693</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	2022 S\$	2021 S\$
- General fund		1,303,792	1,017,934
- Building fund	13	12,893	52,904
- Endowment fund	13	4,358,057	4,824,144
		<u>5,674,742</u>	<u>5,894,982</u>

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

7. Other receivables

	2022 S\$	2021 S\$
Residents' upkeep fees	0	13,446
Less: Allowance for impairment	0	(6,300)
	<u>0</u>	<u>7,146</u>
Deposits	8,650	52,670
Donation receivables	0	62,512
GST receivables	15,723	25,375
Interest receivables	7,792	7,320
Prepayments	14,527	26,017
Other receivables	2,007	34,232
	<u>48,699</u>	<u>208,126</u>
	<u>48,699</u>	<u>215,272</u>

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

Movement in allowance for impairment of residents' upkeep fees:

	2022 S\$	2021 S\$
Balance at beginning of financial year	6,300	0
Allowance made	0	6,300
Reversal of allowance	(6,300)	0
Balance at end of financial year	<u>0</u>	<u>6,300</u>

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.

St. John's Home for Elderly Persons

[UEN. S61SS0176G]

[IPC No. IPC000361]

Audited Financial Statements
Financial Year Ended 31 December 2022**8. Property, plant and equipment**

	Balance at beginning of year S\$	Additions S\$	Transfer S\$	Balance at end of year S\$
2022				
At cost				
Equipment	151,988	104,398	331,050	587,436
Furniture and fittings	0	71,807	165,911	237,718
Leasehold building	0	0	15,239,467	15,239,467
Leasehold land	2,880,070	0	0	2,880,070
Motor vehicles	66,372	0	0	66,372
Capital work in progress	14,499,333	740,134	(15,239,467)	0
Furniture and fittings in progress	496,961	0	(496,961)	0
Software development in progress	581,029	131,282	0	712,311
	<u>18,675,753</u>	<u>1,047,621</u>	<u>0</u>	<u>19,723,374</u>
	Balance at beginning of year S\$	Depreciation charge S\$	Transfer S\$	Balance at end of Year S\$
Accumulated depreciation				
Equipment	70,796	117,488	0	188,284
Furniture and fittings	0	47,543	0	47,543
Leasehold building	0	634,978	0	634,978
Leasehold land	576,012	96,002	0	672,014
Motor vehicles	66,372	0	0	66,372
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>713,180</u>	<u>896,011</u>	<u>0</u>	<u>1,609,191</u>
	Balance at beginning of year S\$			Balance at end of Year S\$
Carrying amount				
Equipment	81,192			399,152
Furniture and fittings	0			190,175
Leasehold building	0			14,604,489
Leasehold land	2,304,058			2,208,056
Motor vehicles	0			0
Capital work in progress	14,499,333			0
Furniture and fittings in progress	496,961			0
Software development in progress	581,029			712,311
	<u>17,962,573</u>			<u>18,114,183</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\$
2021				
At cost				
Equipment	506,485	59,451	(413,948)	151,988
Furniture and fittings	201,292	0	(201,292)	0
Leasehold land	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	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	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>

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,

- 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)

- 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.
- 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\$15,239,467 (2021: S\$14,499,333).

During the financial year, the capital work-in-progress was transferred to building at cost amounting to S\$15,239,467 upon the completion of construction. The building began to be depreciated from this financial year onwards.

9. Leases – The Home as a lesseeNature of the Home's leasing activities

In the previous financial year, the Home leases premises for the purpose of Home operation.

	2022 S\$	2021 S\$
(a) Depreciation charged during the financial year		
Premises	0	151,352
(b) Interest expense on lease liabilities		
Premises	0	3,854
(c) Total cash outflow for all the leases in 2022 was S\$NIL (2021: S\$122,400).		

10. Financial assets, at FVPL

	2022 S\$	2021 S\$
<u>At fair value - quoted</u>		
Beginning of financial year	1,134,511	1,174,550
Additions	563,429	40,365
Fair value loss on bonds	(143,065)	(81,655)
Fair value loss on equities	(55,611)	1,251
End of financial year	<u>1,499,264</u>	<u>1,134,511</u>

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

	2022 S\$	2021 S\$
Bonds		
- HDB 2.598% p.a. and maturity date of 30.10.2029	462,775	528,115
- LTA 3.51% p.a. and maturity of 18.09.2030	487,055	564,780
	<u>949,830</u>	<u>1,092,895</u>
Equities		
- CapitaLand Ascendas REIT	118,094	0
- CapitaLand Integrated Commercial Trust	120,360	41,616
- Frasers Centrepoint Trust	110,880	0
- Keppel DC REIT	94,872	0
- Mapletree Industrial Trust	105,228	0
	<u>549,434</u>	<u>41,616</u>
	<u>1,499,264</u>	<u>1,134,511</u>

11. Other payables and accruals

	2022 S\$	2021 S\$
Other payables on retention sum	360,477	0
Accounts payables and accruals	113,057	237,877
GST payables	17,205	0
Refundable residents' upkeep deposit	139,936	28,844
Contract liabilities	37,393	14,418
Provision of unutilised leaves	43,214	23,567
	<u>711,282</u>	<u>304,706</u>

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

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

12. 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, on 25 January 2022, the Management Committee approved the transfer of S\$300,000 from general fund to building fund to pay for its capital expenditure.

During the prior financial year, the Management Committee approved transfers 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.

13. 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 square metres 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.

During the financial year, the capital work-in-progress was transferred to building at cost amounting to S\$15,239,467 upon the completion of construction.

Land lease fund

The land 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 Land lease fund are as follows:

	2022 S\$	2021 S\$
Building fund and Land lease fund	<u>17,151,333</u>	<u>17,537,591</u>
Represented by:		
Cash and cash equivalents	12,893	52,904
Property, plant and equipment	16,812,545	17,300,352
Other receivables	686,372	184,335
Other payables and accruals	<u>(360,477)</u>	<u>0</u>
	<u>17,151,333</u>	<u>17,537,591</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.

13. Restricted funds (Cont'd)Endowment fund (Cont'd)

Net assets of the Endowment fund are as follows:

	2022 S\$	2021 S\$
Endowment fund	<u>5,865,085</u>	<u>5,965,947</u>
Represented by:		
Cash and cash equivalents	4,358,057	4,824,144
Financial assets, at FVPL	1,499,264	1,134,511
Interest receivable	<u>7,764</u>	<u>7,292</u>
	<u>5,865,085</u>	<u>5,965,947</u>

14. 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 (1) (zm) of the Income Tax Act 1947.

15. Related party transactions

The Home had no significant transactions with its related parties during the financial year (2021: S\$NIL).

The Management Committee members did not receive any remuneration from the Home during the financial year (2021: S\$NIL).

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

16. Key management personnel compensation

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

	2022 No. of key management personnel	2021 No. of key management personnel
Remuneration band		
Below S\$50,000	2	1
S\$50,001 to S\$100,000	3	2
S\$100,001 to S\$200,000	<u>1</u>	<u>1</u>

The Management Committee is of the opinion that the Home's General Manager, Finance and HR Manager, the Head of Operations, Head - Fundraising & Volunteer Management and Fundraising and Communications Manager are key personnel of the Home. The remuneration of key management personnel is determined by the Management Committee.

17. CommitmentsCapital commitments

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

	2022 S\$	2021 S\$
New 5 storey building (inclusive of consultant and government fees)	0	1,004,143
New beds and physiotherapy equipment	0	353,126
IT Projects	<u>302,842</u>	<u>452,389</u>
	<u><u>302,842</u></u>	<u><u>1,809,658</u></u>

18. 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.

19. 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.

19. 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. Appeal letters sent to donors once a year. In 2022, the appeal letters were sent out in April, September and October;
- b. Use of our webpage to create awareness of our Home's cause and our needs. We have online donation campaigns via our own websites;
- c. Subscription to the Giving.sg, Give.asia and Simply Giving donation portals; and
- d. Organisations that chose us as beneficiary of their own fund raising campaign. A number of them come to know us from our webpage publicity.

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

20. Reserve position and policy

The Home's reserve position (excluding non-current assets) for the financial year 31 December 2022 is as follows:

	2022	2021	Increase (Decrease)	Percentage of Increase (Decrease)
	S\$'000	S\$'000	S\$'000	%
A Unrestricted Funds				
Accumulated General funds	1,609	1,399	210	15
B Building Funds	14,943	15,234	(291)	(2)
C Land Lease Funds	2,208	2,304	(96)	(4)
D Endowment Funds	5,865	5,966	(101)	(2)
E Total Funds	24,625	24,903	(278)	(1)
Total Annual Operating Expenditure	3,233	2,335	898	38
Total Depreciation	896	288	608	211
F Total Annual Operating Expenditure (exclude depreciation)	2,337	2,047	290	14
G Ratio of Funds to Annual Operating Expenditure (A/F)	0.69	0.68		

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.

20. 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.

21. Financial instruments

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

	2022 S\$	2021 S\$
Financial assets at amortised cost		
Cash and cash equivalents	5,674,742	5,894,982
Other receivables (excluding prepayments and GST receivables)	18,449	163,880
	<u>5,693,191</u>	<u>6,058,862</u>
Financial assets at FVPL	<u>1,499,264</u>	<u>1,134,511</u>
Financial Liabilities at amortised cost		
Accrual and other payables (excluding contract liabilities and GST payables)	656,684	290,288
	<u>656,684</u>	<u>290,288</u>

22. 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.

22. 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 2022 and 31 December 2021.

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\$
2022			
Financial liabilities, at amortised cost			
Other payables and accruals	656,684	0	656,684
	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

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.

22. 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:

	2022 S\$	2021 S\$
Fixed rate instruments		
<u>Financial assets</u>		
Fixed deposits	<u>4,396,842</u>	<u>3,873,693</u>

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.

23. 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).

2022	Level 1 S\$	Level 2 S\$	Level 3 S\$
Financial assets, at FVPL (Note 10)	<u>1,499,264</u>	<u>0</u>	<u>0</u>
2021	Level 1 S\$	Level 2 S\$	Level 3 S\$
Financial assets, at FVPL (Note 10)	<u>1,134,511</u>	<u>0</u>	<u>0</u>

The fair value of financial instruments traded in active markets (such financial asset, at fair value through profit and loss) 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 2022 and 31 December 2021.

Cash and cash equivalents, other receivables, other payables and accruals

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.

24. Impact of Coronavirus Disease 2019 (COVID-19)

As the COVID-19 situation has improved and moved from pandemic to endemic, restrictions have been gradually released. Unless there is any new COVID-19 variant causing the government to restart the safe management measures, the Home can reasonably ascertain the COVID-19 disruptions on its operating and financial performance for the financial year ending 31 December 2023 would be marginal.

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 situation and will take further action as necessary in response to the service disruption.

25. Authorisation of financial statements

These financial statements for the year ended 31 December 2022 were authorised for issue in accordance with a resolution of the Management Committee of the Home on 29 May 2023.