

**LOVING HEART MULTI-SERVICE CENTRE**

*UEN: T03SS0014A*

*(Registered under the Societies Act 1966, Singapore)*

FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED  
31 MARCH 2023

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**LOVING HEART MULTI-SERVICE CENTRE**

UEN: T03SS0014A

(Registered under the Societies Act 1966, Singapore)

**STATEMENT BY THE MANAGEMENT COMMITTEE**

For the financial year ended 31 March 2023

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In the opinion of the Management Committee, the accompanying financial statements are drawn up so as to present fairly, in all material respects, the state of affairs of Loving Heart Multi-Service Centre (the "Centre") as at 31 March 2023 and the results, changes in funds and cash flows of the Centre for the financial year then ended.

At the date of this statement, there are reasonable grounds to believe that the Centre 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 September 2023.

Teng Su Ching	President
Loke Wai Chiong	Vice-President
Malaiya Maran S/O Srinivasan	Vice-President
Ng Kok Kiang Lawrence	Vice-President
Patrick Tan Tse Chia (Patrick Chen Zijia)	Secretary
Lim Lee Ching	Asst Secretary
Sio Wei Hurng (Xiao Weiheng)	Treasurer
Chong Kok Hwee	Asst Treasurer
Lena Lee Siow Ling	Member
Cheong Boon Leong Arthur	Member
Suzana Binte Slemat	Member
Saharidah Binti Suradi	Member
Lam Yen Gi, Gideon (Lan Yanqi, Gideon)	Member
Liew Yihui Andrea	Member
Sim Seo Lian Pauline	Member
Chua Chin Wei Vinson	Member

For and on behalf of the Management Committee,



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**TENG SU CHING**

President



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**SIO WEI HURNG (XIAO WEIHENG)**

Treasurer

Date: 26 September 2023



**INDEPENDENT AUDITOR'S REPORT TO  
THE MEMBERS OF LOVING HEART MULTI-SERVICE CENTRE**

**Report on the Audit of the Financial Statements**

*Opinion*

We have audited the financial statements of LOVING HEART MULTI-SERVICE CENTRE (the "Centre"), which comprise the balance sheet of the Centre as at 31 March 2023, the statement of financial activities, 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 ("FRS") so as to give a true and fair view of the financial position of the Centre as at 31 March 2023 and of the financial performance, and cash flows of the Centre 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 Centre 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 matters*

The financial statements of the Centre for the financial year ended 31 March 2022 were audited by another firm of auditors who expressed an unmodified opinion on those statements on 29 September 2022.

*Other Information*

Management is responsible for the other information. The other information comprises the Statement by Management Committee set out on page 1.

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.

*Responsibilities of Management and Those Charged with Governance for Financial Statements*

The Management Committee is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Societies Act, the Charities Act and Regulations and FRS, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

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

Those charged with governance comprise the management committee. Their responsibilities include overseeing the Centre's financial reporting process.

*Auditors' 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 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 skepticism 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 Centre's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management committee.
- 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 Centre'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 Centre 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.

*Auditors' Responsibilities for the Audit of the Financial Statements (Continued)*

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, the accounting and other records required to be kept by the Centre have been properly kept in accordance with the provisions of the Societies Act, and the Charities Act and Regulations.

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

- (a) the Centre 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 Centre has not complied with the requirements of Regulation 15 of the Charities (Institutions of a Public Character) Regulations



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**HELMI TALIB LLP**  
Public Accountants and  
Chartered Accountants

Singapore

Partner-in-charge : Suriyati binti Mohamed Yusof  
PA No. : 01627

Date: 26 September 2023

**LOVING HEART MULTI-SERVICE CENTRE**  
 UEN: T03SS0014A  
 (Registered under the Societies Act 1966, Singapore)

**STATEMENT OF FINANCIAL POSITION**  
 As at 31 March 2023

	Note	<u>2023</u> \$	<u>2022</u> \$
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	10	1,836,922	2,114,609
Other receivables	11	529,809	293,920
		<u>2,366,731</u>	<u>2,408,529</u>
<b>Non-Current Assets</b>			
Property, plant and equipment	12	10,197	6,442
		<u>10,197</u>	<u>6,442</u>
<b>Total assets</b>		<u>2,376,928</u>	<u>2,414,971</u>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Other payables	13	435,007	183,194
Grants received in advance	14	350,522	393,104
		<u>785,529</u>	<u>576,298</u>
<b>Total liabilities</b>		<u>785,529</u>	<u>576,298</u>
<b>Net assets</b>		<u>1,591,399</u>	<u>1,838,673</u>
<b>Funds</b>			
<b>Unrestricted funds</b>			
General fund		1,021,248	1,258,944
Designated fund	15	423,199	423,199
		<u>1,444,447</u>	<u>1,682,143</u>
<b>Restricted funds</b>			
Yuhua Senior Activities Centre ("SAC")	16	186,729	156,530
Loving Heart Active Ageing Centre (318A Jurong East) ("AAC")	16	(39,777)	-
		<u>146,952</u>	<u>156,530</u>
<b>Total funds</b>		<u>1,591,399</u>	<u>1,838,673</u>

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

**LOVING HEART MULTI-SERVICE CENTRE**

UEN: T03SS0014A

(Registered under the Societies Act 1966, Singapore)

**STATEMENT OF FINANCIAL ACTIVITIES**

For the financial year ended 31 March 2023

	NOTE	2023			2022		
		Unrestricted funds		Restricted funds	Unrestricted funds		Restricted funds
		MSC	AAC	SAC	MSC	AAC	SAC
		\$		\$	\$		\$
<b>INCOME</b>							
<b>Income from generated funds</b>							
<u>Voluntary income</u>							
Donations:							
Non-tax exempt	6	32,034	130	-	32,164	-	13,413
Tax exempt	6	276,080	254,690	-	530,770	-	51,963
		308,114	254,820	-	562,934	-	65,376
Grants and funding:							
AIC Courage to Care Award		10,530	-	-	10,530	-	-
AIC Active Ageing Centre		-	210,000	-	210,000	-	-
MSF Care and Share Matching Grant		(1,074)	-	-	(1,074)	-	16,506
Community Chest Charity Support Fund		-	-	-	-	-	19,292
Community Silver Trust ("CST") Matching Grant		43,655	-	-	43,655	-	111,619
Johnson & Johnson Foundation Community Caregiver Support Grant ("CCS")		28,971	-	-	28,971	-	-
MSF/MOH and Tote Board Social Service Fund		-	-	30,199	30,199	-	180,983
SG Cares Volunteer Centre Development Programme		208,205	-	-	208,205	-	339,511
Transformation Support Scheme		(10,586)	-	-	(10,586)	-	32,400
Sponsorships		-	-	-	-	-	15,458
Other grants		986	-	-	986	-	1,102
		280,687	210,000	30,199	520,886	-	535,888
							180,983
<u>Activities for generating funds</u>							
Centre's activities	5	13,267	13,484	-	26,751	-	11,665
		13,267	13,484	-	26,751	-	11,665
Total income from generated funds		602,068	478,304	30,199	1,110,571	-	612,929
							181,190
							794,119
							716,871

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



**LOVING HEART MULTI-SERVICE CENTRE**

UEN: T03SS0014A

(Registered under the Societies Act 1966, Singapore)

**STATEMENT OF FINANCIAL ACTIVITIES (Continued)**

For the financial year ended 31 March 2023

	NOTE	2023			2022		
		Unrestricted funds		Total	Unrestricted funds		Total
		MSC	AAC		MSC	AAC	
		\$	\$	\$	\$	\$	\$
<b>INCOME (Continued)</b>							
<b>Income from charitable activities</b>							
Grant - Ministry of Health (MOH)		135,948	-	135,948	83,273	-	83,273
Grant - South West Community Development Council (SWCDC)		52,211	-	52,211	30,825	-	30,825
Income - Medical Escort and Transport Services (MET)	5	26,476	-	26,476	16,294	-	16,294
Sponsorship - Meals on Us ("MoU") Programme	5	37,719	-	37,719	25,041	-	25,041
Total income from charitable activities		252,354	-	252,354	155,433	-	155,433
<b>Other income</b>							
Employment grants		73,911	30,963	104,874	66,937	-	73,603
Interest income		20,549	286	20,835	7,640	-	8,117
Jobs Support Scheme Grant		-	-	-	9,048	-	11,619
Rental Subvention		-	16,438	16,438	-	-	-
Miscellaneous income		486	339	825	-	-	-
Total other income		94,946	48,026	142,972	83,625	-	93,339
<b>TOTAL INCOME</b>		949,368	526,330	1,505,897	851,987	-	1,042,891
<b>EXPENDITURE</b>							
<b>Cost of generating funds</b>							
Depreciation	9	83	755	838	-	-	806
Event expenses		43,641	8,319	51,960	4,632	-	6,587
Operating lease expense: Rental of premises	9, 18	4,818	18,995	23,813	3,336	-	16,486
Staff costs	7, 9	125,355	88,466	213,821	125,234	-	151,939
Trainer allowance		4,173	1,963	6,136	4,785	-	4,785
Utilities	9	6,674	4,692	11,366	5,046	-	7,471
Total cost of generating funds		184,744	123,190	307,934	143,033	-	188,074

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







**STATEMENT OF CHANGES IN FUNDS**  
 For the financial year ended 31 March 2023

	Note	Balance at beginning of financial year \$	Net (Deficit)/ Surplus \$	Transfer of funds \$	Balance at end of financial year \$
<b>2023</b>					
<b>Unrestricted funds</b>					
General fund		1,258,944	(237,696)	-	1,021,248
Designated fund	15	423,199	-	-	423,199
		<u>1,682,143</u>	<u>(237,696)</u>	<u>-</u>	<u>1,444,447</u>
<b>Restricted funds</b>					
Yuhua Senior Activities Centre ("SAC")	16	156,530	30,199	-	186,729
Loving Heart Active Ageing Centre (318A Jurong East) ("AAC")	16	-	(39,777)	-	(39,777)
		<u>156,530</u>	<u>(9,578)</u>	<u>-</u>	<u>146,952</u>
<b>Total funds</b>		<u>1,838,673</u>	<u>(247,274)</u>	<u>-</u>	<u>1,591,399</u>
<b>2022</b>					
<b>Unrestricted funds</b>					
General fund		1,431,736	(172,792)	-	1,258,944
Designated fund	15	423,199	-	-	423,199
		<u>1,854,935</u>	<u>(172,792)</u>	<u>-</u>	<u>1,682,143</u>
<b>Restricted funds</b>					
Yuhua Senior Activities Centre ("SAC")	16	161,240	(4,710)	-	156,530
Loving Heart Active Ageing Centre (318A Jurong East) ("AAC")	16	-	-	-	-
		<u>161,240</u>	<u>(4,710)</u>	<u>-</u>	<u>156,530</u>
<b>Total funds</b>		<u>2,016,175</u>	<u>(177,502)</u>	<u>-</u>	<u>1,838,673</u>

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

**STATEMENT OF CASH FLOWS**  
 For the financial year ended 31 March 2023

	Note	<u>2023</u> \$	<u>2022</u> \$
<b>Cash flows from operating activities</b>			
Net deficit for the financial year		(247,274)	(177,502)
Adjustments for:			
Depreciation of property, plant and equipment	12	4,232	1,775
Interest income		(20,835)	(8,117)
Operating cash flow before working capital changes		<u>(263,877)</u>	<u>(183,844)</u>
Total changes in working capital			
Increase in receivables		(229,826)	(57,682)
Increase in payables		251,813	46,873
(Decrease)/increase in deferred income		(42,582)	61,534
<b>Cash used in operations</b>		<u>(284,472)</u>	<u>(133,119)</u>
Interest received		<u>2,274</u>	<u>1,785</u>
<b>Net cash flows used in operating activities</b>		<u>(282,198)</u>	<u>(131,334)</u>
<b>Cash flows from investing activities</b>			
Fixed deposit interest received		12,498	6,332
Purchase of property, plant and equipment	12	<u>(20,375)</u>	<u>(30,921)</u>
<b>Net cash flows used in investing activities</b>		<u>(7,877)</u>	<u>(24,589)</u>
<b>Cash flows from financing activities</b>			
Capital grants utilised to purchase property, plant and equipment, representing net cash provided by financing activities	12	<u>12,388</u>	<u>25,994</u>
<b>Net cash flows from financing activities</b>		<u>12,388</u>	<u>25,994</u>
Net decrease in cash and cash equivalents		(277,687)	(129,929)
Cash and cash equivalents at beginning of financial year		<u>2,114,609</u>	<u>2,244,538</u>
<b>Cash and cash equivalents at end of financial year</b>		<u>1,836,922</u>	<u>2,114,609</u>
<b>Net cash flows</b>			
Net cash flows used in operating activities		<u>(282,198)</u>	<u>(131,334)</u>
Net cash flows used in investing activities		<u>(7,877)</u>	<u>(24,589)</u>
Net cash flows from financing activities		<u>12,388</u>	<u>25,994</u>

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

## LOVING HEART MULTI-SERVICE CENTRE

UEN: T03SS0014A

(Registered under the Societies Act 1966, Singapore)

### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

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

#### 1 GENERAL INFORMATION

Loving Heart Multi-Service Centre (the "Centre") is registered and domiciled in Singapore. The registered office and principal place of operation is Block 210 Jurong East Street 21, #01-389, Singapore 600210.

The Centre was registered on 10 January 2003 under the Societies Act 1966 and is an approved charity under the Charities Act 1994 since 26 June 2000. The Centre has been accorded the status of an approved Institution of a Public Character ("IPC") for the period from 1 May 2021 to 30 April 2023. The IPC status has been renewed until 31 March 2025.

The principal activities of the Centre are to provide befriending, food ration delivery services, community mediation services, medical escort and transport services, family education, Job Match @ Yuhua, networking with grassroots organisations, and to provide information and facilitate referrals to families, elderly residents and any person who needs their help.

The Centre is also one of the appointed community-based organisation by the Ministry of Culture, Community and Youth ("MCCY") as a SG Cares Volunteer Centre for Jurong East Town.

Yuhua Senior Activity Centre (previously known as Yuhua Neighbourhood Link) is a division of Loving Heart Multi-Service Centre. Its registered office and the principal place of operation is located at Block 318A Jurong East Avenue 1, #02-308, Singapore 601318. The principal operation of the division is to organise activities for the welfare and community bonding of the residents. The financial performance and position of this Division was presented by the Management under "SAC" in these financial statements, unless otherwise stated.

Yuhua Senior Activity Centre has been renamed as Loving Heart Active Ageing Centre (318A Jurong East) in a Board Resolution with effect from 18 July 2022. Under the Eldercare Centre (EC) service model, the Active Ageing Centre ("AAC") serves as a key point of contact for social-health matters for clients under its care, as well as for their caregivers. The AAC seeks to improve the overall well-being of the clients by providing Outreach and Community Collaboration, Active Ageing, Befriending, Buddying, Information and Referral. The financial performance and position of this Division was presented by the Management under "AAC" in these financial statements, unless otherwise stated.

The objectives for which the Centre was established are:

- i) To provide social services to families, elderly residents and any needy living at the South West District in Singapore;
- ii) To build mutually beneficial partnerships for the benefit of the community; and
- iii) To encourage community bonding.

#### 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 and Charities Act 1994. 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 Centre's functional currency.

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.

## LOVING HEART MULTI-SERVICE CENTRE

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### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 2 SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.2 Interpretations and amendments to published standards effective in 2022

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

### 2.3 Standards issued but not yet effective

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

<u>Description</u>	<u>Effective for annual periods beginning on or after</u>
Amendments to FRS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to FRS 1 <i>Presentation of Financial Statements</i> and FRS Practice Statement 2: Disclosure of Accounting Policies	1 January 2023
Amendments to FRS 8 <i>Accounting Policies, Changes in Accounting Estimates and Errors</i> : Definition of Accounting Estimates	1 January 2023
Amendments to FRS 12 <i>Income Taxes</i> : Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to FRS 116 <i>Leases</i> : Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to FRS 1 <i>Presentation of Financial Statements</i> : Non-current Liabilities with Covenants	1 January 2024

The Management Committee believes that the adoption of the revised standards and interpretations above will have no material impact on the financial statements in the period of initial application.

### 2.4 Income recognition

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

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

Income is recognised as follows:

#### *Donations*

Donations are recognised and accrued in the statement of financial activities as and when they are committed. Uncommitted donations are recognised on receipt basis. Donations-in-kind are recognised when the fair value of the assets received can be reasonably ascertained.

#### *Rendering of services*

Revenue from services is recognised over the period in which the services are performed and rendered.



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**NOTES TO THE FINANCIAL STATEMENTS**

For the financial year ended 31 March 2023

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**2 SIGNIFICANT ACCOUNTING POLICIES** (Continued)

2.4 Income recognition (Continued)

*Interest income*

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

*Other income*

Other income is recognised as income upon receipt.

2.5 Government grants

Government grants are recognised when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Where the grant relates to an asset, the grant is deducted from the cost of the related asset.

Where loans or similar assistance are provided by governments or related institutions with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as additional government grant.

2.6 Expenditure recognition

All expenditure is 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.

*Cost of generating funds*

Cost of generating funds comprises all directly attributable costs incurred in generating voluntary income and fund-raising activities. These costs include costs related to constitutional and statutory requirements and an apportionment of overhead and shared costs.

*Cost of charitable activities*

Cost of charitable activities comprises all costs incurred in the pursuit of the charitable objects of the Centre. Those costs, where not wholly attributable, are apportioned between the categories of charitable expenditure. The total costs of charitable activities includes apportionment of overhead and shared costs.

*Governance and administrative costs*

Governance costs include the costs of governance arrangement, which relate to the general running of the Centre, 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.

**LOVING HEART MULTI-SERVICE CENTRE**

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(Registered under the Societies Act 1966, Singapore)

**NOTES TO THE FINANCIAL STATEMENTS**

For the financial year ended 31 March 2023

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**2 SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**2.7 Property, plant and equipment**

*Measurement*

All 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 cost that is 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.

*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:

	<u>Useful lives</u>
Computer	- 3 years
Equipment	- 5 years
Furniture and fittings	- 5 years
Motor vehicles	- 5 years
Renovation	- 5 years

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 still in use are retained in the financial statements.

*Subsequent expenditure*

Subsequent expenditure relating to property, plant and equipment that has 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 entity 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.

*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.

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## 2 SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.8 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 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.

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.

### 2.9 Cash and cash equivalents

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

### 2.10 Financial assets

#### *Classification and measurement*

The Centre classified its financial assets into amortised cost measurement category.

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

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

#### At initial recognition

At initial recognition, the Centre measures a financial asset at its fair values plus, in the case of a financial assets not at fair value through profit and loss, transactions costs that are directly attributable to the acquisition of the financial assets.

#### At subsequent measurement

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

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.

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## 2 SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.10 Financial assets (Continued)

*Classification and measurement* (Continued)

At subsequent measurement (Continued)

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 the statement of financial activities when the asset is derecognised or impaired. Interest income from these financial assets are recognised using the effective interest rate method.

*Impairment*

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

For cash and cash equivalents 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.

*Recognition and derecognition*

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Centre 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 Centre has transferred substantially all risks and rewards of ownership.

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

### 2.11 Financial liabilities

Financial liabilities are recognised when, and only when, the Centre becomes a party to the contractual provisions of the financial 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" in the statement of financial position.

Financial liabilities are derecognised when the obligations under the liability is discharged or cancelled or expire. When existing financial liabilities are replaced by another from the same lender on substantially different terms of an existing liability or 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.

### 2.12 Other payables

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.

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## 2 SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.13 Provisions for other liabilities and charges

Provisions for other liabilities and charges are recognised when the Centre 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 Leases

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

#### (a) As lessee

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

#### Right-of-use assets

The Centre recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Centre 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 2.8.

#### 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 Centre 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 Centre exercising that option.
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**2 SIGNIFICANT ACCOUNTING POLICIES (Continued)**

2.14 Leases (Continued)

(a) As lessee (Continued)

Lease liabilities (Continued)

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

In calculating the present value of lease payments, the Centre 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.

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 change in the Centre's assessment of whether it will exercise an extension option; or
- There are 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 the statement of financial activities if the carrying amount of the right-of-use asset has been reduced to zero.

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

Short-term leases and leases of low-value assets

The Centre 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 and leases of low value assets, 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 Centre shall recognise those lease payments in the statement of financial activities in the periods that triggered those lease payments.

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## 2 SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.15 Employee compensation

#### *Defined contribution plans*

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

#### *Short-term employee benefits*

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Centre has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

### 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 Centre'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

Events after the reporting date that provide additional information about the Centre's position at the reporting date (adjusting events) are reflected in the financial statements. Events after the reporting date that are not adjusting events are disclosed in the notes to the financial statements when material.

## 3 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Centre's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of income, expenditure, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

#### Judgements made in applying accounting policies

The key critical judgements in applying the entity's accounting policies concerning the future 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.

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**3 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES** (Continued)Judgements made in applying accounting policies (Continued)*Government grants*

Government grants to meet operating expenses are recognised as income in the statement of financial activities on the accrual basis in the year these operating expenses were incurred and there is reasonable assurance that the Centre 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 Centre if the conditions are not met.

At the reporting date, the Committee assessed the Centre has met the conditions attached to the grants.

Key sources of estimation uncertainty

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

**4 INCOME TAX**

The Centre is a charity registered under the Charities Act since 26 June 2000. Consequently, the income of the Centre is exempted from tax under the provisions of Section 13 (1) (zm) of the Income Tax Act 1947.

**5 INCOME**

Disaggregation of revenue from contracts with customers:

	<u>2023</u>	<u>2022</u>
	\$	\$
<b>Revenue from:</b>		
Centre's activities	26,751	11,872
Income - Medical Escort and Transport Services (MET)	26,476	16,294
Sponsorship - Meals on Us Programme (MoU)	37,719	25,041
	<u>90,946</u>	<u>53,207</u>
Timing of transfer of services		
- At a point in time	<u>90,946</u>	<u>53,207</u>

Income is recognised over time if one of the following criteria is met:

- (i) The customer simultaneously receives and consumes the benefits;
- (ii) Centre's performance creates or enhances an asset that the customer controls;
- (iii) Centre's performance does not create an asset with an alternative use to the entity and Centre has an enforceable right to payment for performance completed to date.

Otherwise, the income would be recognised at a point in time.

There are no contract liabilities balances.



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**6 DONATIONS**

	<u>2023</u>	<u>2022</u>
	\$	\$
Tax deductible donations	530,770	51,963
Non-tax deductible donations	32,164	13,413
	<u>562,934</u>	<u>65,376</u>

During the financial year, the Centre issued tax deductible receipts for the donations collected totalling \$330,770 (2022: \$51,963) pursuant to its Institutions of a Public Character ("IPC") status.

Donations received during the financial year amounting to \$562,934 (2022: \$65,376) was submitted and matched for Community Silver Trust ("CST") FY2023 Grant Call (2022: FY2022 Grant Call) and will be channelled to CST's eligible Intermediate and Long-Term Care ("ILTC") programmes in the following financial year.

**7 STAFF COSTS**

	<u>2023</u>	<u>2022</u>
	\$	\$
Salaries and related costs	1,012,256	788,868
CPF and SDL contributions	150,055	110,963
	<u>1,162,311</u>	<u>899,831</u>
Included in the expenditures are the following staff costs:		
Cost of charitable activities	627,121	500,615
Governance and administrative costs	321,369	247,277
Cost of generating funds	213,821	151,939
	<u>1,162,311</u>	<u>899,831</u>

**8 SPONSORSHIP EXPENSES**

During the financial year, the Centre incurred sponsorship expenses amounting to \$200,000 for a collaboration with an external agency, ZilLearn Pte Ltd, to conduct a programme on behalf of Singapore Pools.

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**9 BASIS OF APPORTIONMENT OF SUPPORT COSTS**

During the financial year, the following support costs were allocated as follows:

	Cost of generating funds \$	Cost of charitable activities \$	Governance and administrative costs \$	Total \$	Basis of apportionment
<b>2023</b>					
Depreciation	838	-	3,394	4,232	Usage
Staff costs					
- Salaries and bonuses	185,885	546,459	279,912	1,012,256	Time spent
- CPF, SDL contribution	27,936	80,662	41,457	150,055	Time spent
	213,821	627,121	321,369	1,162,311	
Operating lease expense:					
Rental of premises	23,813	-	5,954	29,767	Space occupied
Utilities	11,366	-	2,842	14,208	Space occupied
<b>2022</b>					
Depreciation	806	-	969	1,775	Usage
Staff costs					
- Salaries and bonuses	132,481	439,907	216,480	788,868	Time spent
- CPF, SDL contribution	19,458	60,708	30,797	110,963	Time spent
	151,939	500,615	247,277	899,831	
Operating lease expense:					
Rental of premises	16,486	-	4,122	20,608	Space occupied
Utilities	7,471	-	1,868	9,339	Space occupied

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**10 CASH AND CASH EQUIVALENTS**

	<u>2023</u>	<u>2022</u>
	\$	\$
Cash at bank	972,730	1,261,780
Fixed deposits	863,464	850,965
Cash on hand	728	1,864
	<u>1,836,922</u>	<u>2,114,609</u>

The fixed deposits mature within 2 to 6 months (2022: 2 to 6 months) from the financial year end and earn interest at rates of 0.45% to 4.35% (2022: 0.45% to 0.70%) per annum.

Fixed deposits are included as cash and cash equivalents as these can be readily converted into cash without incurring significant penalty.

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

Cash and cash equivalents are denominated in Singapore Dollar.

**11 OTHER RECEIVABLES**

	<b>Note</b>	<u>2023</u>	<u>2022</u>
		\$	\$
Grant receivables			
- SG Cares Volunteer Centre Development Programme	11(a)	105,685	-
- MOH Subvention Grant		75,932	35,036
- SWCDC Medical Transport Subsidy		40,252	18,786
- MSF/MOH and Tote Board Social Service Fund		30,199	-
- VCF Consultancy Grant	11(b)	11,556	11,062
- Other grants		110	6,287
- MSF Care and Share Matching Fund	11(c)	-	171,463
- Transformation Support Scheme		-	16,200
		<u>263,734</u>	<u>258,834</u>
Other receivables			
- Outside parties		250,331	8,845
- Interest receivable		7,054	991
- Deposits		5,891	6,946
- Prepayments		2,799	18,304
		<u>266,075</u>	<u>35,086</u>
		<u>529,809</u>	<u>293,920</u>

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

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

Other receivables are denominated in Singapore Dollar.

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**11 OTHER RECEIVABLES (Continued)**

## (a) SG Cares Volunteer Centre Development Programme

	<u>2023</u>	<u>2022</u>
	\$	\$
At beginning of financial year	-	-
Grant utilised for qualifying expenditures	104,476	-
Grant utilised for acquisition of property, plant and equipment	1,209	-
At end of financial year	<u>105,685</u>	<u>-</u>

SG Cares Volunteer Centre Development Programme is funded by Ministry of Culture, Community and Youth (MCCY). The fund is established to strengthen partnerships among local stakeholders and equip the Agency with the capability and resources to develop the volunteer pool.

## (b) VCF Consultancy Grant

	<u>2023</u>	<u>2022</u>
	\$	\$
At beginning of financial year	11,062	11,062
Grant utilised for qualifying expenditures	494	-
At end of financial year	<u>11,556</u>	<u>11,062</u>

VCF Consultancy Grant provides co-funding of 80% of supported costs for the engagement of external consultants for governance and management consultancy projects.

## (c) MSF Care and Share Matching Fund

	<u>2023</u>	<u>2022</u>
	\$	\$
At beginning of financial year	171,463	149,602
Grants received	(171,463)	-
Grant utilised for acquisition of property, plant and equipment	-	5,355
Grant utilised for qualifying expenditures	-	16,506
At end of financial year	<u>-</u>	<u>171,463</u>

Care and Share Matching Grant is a grant from Ministry of Social and Family Development ("MSF"), based on qualifying donations, to develop the charitable agency's capabilities and capacities in the provision of social services and develop programmes for its service users. The unused funds for programmes that are withdrawn or terminated prematurely may be clawed back if the new proposed programmes were not being approved by MSF.

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**12 PROPERTY, PLANT AND EQUIPMENT**

	<u>Computers</u>	<u>Equipment</u>	<u>Furniture and fittings</u>	<u>Motor vehicles</u>	<u>Renovation</u>	<u>Total</u>
	\$	\$	\$	\$	\$	\$
<b>Cost</b>						
At 1 April 2021	6,829	18,522	193	63,986	4,912	94,442
Additions	430	3,050	1,447	-	-	4,927
Disposals	-	(599)	-	-	-	(599)
At 31 March 2022	7,259	20,973	1,640	63,986	4,912	98,770
Additions	7,206	781	-	-	-	7,987
Disposals	(3,455)	(3,980)	-	-	(3,200)	(10,635)
Transfers	-	(339)	-	339	-	-
At 31 March 2023	11,010	17,435	1,640	64,325	1,712	96,122
<b>Accumulated depreciation</b>						
At 1 April 2021	5,462	16,612	193	63,986	4,899	91,152
Charge for the financial year	859	807	96	-	13	1,775
Disposals	-	(599)	-	-	-	(599)
At 31 March 2022	6,321	16,820	289	63,986	4,912	92,328
Charge for the financial year	2,473	1,469	290	-	-	4,232
Disposals	(3,455)	(3,980)	-	-	(3,200)	(10,635)
Transfers	-	(339)	-	339	-	-
At 31 March 2023	5,339	13,970	579	64,325	1,712	85,925
<b>Net carrying amount</b>						
At 31 March 2022	938	4,153	1,351	-	-	6,442
At 31 March 2023	5,671	3,465	1,061	-	-	10,197

During the financial year, the Centre have acquired the following category of assets via capital grants received. Details of acquisitions are as follows:

	<u>2023</u>	<u>2022</u>
	\$	\$
Computer	12,388	16,163
Furniture and fittings	-	9,831
	<u>12,388</u>	<u>25,994</u>

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**13 OTHER PAYABLES**

	<u>2023</u>	<u>2022</u>
	\$	\$
Outside parties	242,198	5,504
Accruals	150,799	139,284
Provision for unutilised leaves	42,010	38,406
	<u>435,007</u>	<u>183,194</u>

Other payables are non-trade in nature, interest-free and repayable on demand.

At the reporting date, the carrying amounts of other payables approximate their fair values.

Other payables are denominated in Singapore Dollar.

**14 GRANTS RECEIVED IN ADVANCE**

		<u>2023</u>	<u>2022</u>
	Note	\$	\$
Community Silver Trust ("CST") Matching Grant	14(a)	226,173	204,452
Meals on Us ("MoU") Programme	14(b)	82,806	120,525
Johnson & Johnson Foundation Community Caregiver Support Grant ("CCS")	14(c)	38,355	-
Youth Corps Community Partnership ("YCCP")	14(d)	3,188	-
SG Cares Volunteer Centre Development Programme	14(e)	-	68,127
South West Innovation Fund ("SWIF")	14(f)	-	-
		<u>350,522</u>	<u>393,104</u>

**(a) Community Silver Trust ("CST") Matching Grant**

	<u>2023</u>	<u>2022</u>
	\$	\$
At beginning of financial year	204,452	226,127
Grants received	65,376	89,944
Grant utilised for qualifying expenditures	<u>(43,655)</u>	<u>(111,619)</u>
At end of financial year	<u>226,173</u>	<u>204,452</u>

The CST fund is a dollar-for-dollar donation matching grant provided by the Government to enhance the services of voluntary welfare organisations (VWOs) in the intermediate and long-term care (ILTC) sector. The CST is managed by Ministry of Health (MOH) and administered by the Agency for Integrated Care (AIC).

The objective of the CST is to encourage donations and provide additional resources for the service providers in the ILTC sector to enhance their capabilities, provide value-added services to achieve higher quality care, and enhance the affordability of step-down care for service users and patients.

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**14 GRANTS RECEIVED IN ADVANCE** (Continued)

## (b) Meals on Us ("MoU") Programme

	<u>2023</u>	<u>2022</u>
	\$	\$
At beginning of financial year	120,525	85,983
Sponsorship received	-	50,000
Sponsorship utilised for qualifying expenditures	<u>(37,719)</u>	<u>(15,458)</u>
At end of financial year	<u>82,806</u>	<u>120,525</u>

The MoU Programme is a community initiative to provide daily hot meals to vulnerable elderly which started during the COVID-19 circuit breaker period. It is a collaborative effort involving donors, local grassroots and Yuhua hawkers. Service users of MoU are issued meal vouchers and can redeem it from any of the participating hawker stalls near their homes.

## (c) Johnson &amp; Johnson Foundation Community Caregiver Support Grant ("CCS")

	<u>2023</u>	<u>2022</u>
	\$	\$
At beginning of financial year	-	-
Grants received	68,505	-
Grant utilised for qualifying expenditures	(28,971)	-
Grant utilised for acquisition of property, plant and equipment	<u>(1,179)</u>	<u>-</u>
At end of financial year	<u>38,355</u>	<u>-</u>

The CCS grant is established by Give2Asia, an independent nonprofit organisation, and funded by the Johnson & Johnson Foundation to bring about greater resilience, knowledge and skills by caregivers by forming a caregiver peer support network for easier access to training resources, peer support and respite care services.

## (d) Youth Corps Community Partnership ("YCCP")

	<u>2023</u>	<u>2022</u>
	\$	\$
At beginning of financial year	-	-
Grants received	3,188	-
Grant utilised for qualifying expenditures	<u>-</u>	<u>-</u>
At end of financial year	<u>3,188</u>	<u>-</u>

The YCCP is a partnership between the National Youth Council (NYC) and Community Organisations to implement projects in collaboration with Youth Corps Singapore. Funding is provided by NYC to support project costs including manpower, transport and audit costs.

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**14 GRANTS RECEIVED IN ADVANCE** (Continued)

## (e) SG Cares Volunteer Centre Development Programme

	<u>2023</u>	<u>2022</u>
	\$	\$
At beginning of financial year	68,127	-
Grants received	64,000	360,000
Grants refunded	(28,398)	-
Grant utilised for qualifying expenditures	(103,729)	(271,234)
Grant utilised for acquisition of property, plant and equipment	-	(20,639)
At end of financial year	<u>-</u>	<u>68,127</u>

SG Cares Volunteer Centre Development Programme is funded by Ministry of Culture, Community and Youth ("MCCY"). The fund is established to strengthen partnerships among local stakeholders and equip the Agency with the capability and resources to develop the volunteer pool.

## (f) South West Innovation Fund ("SWIF")

	<u>2023</u>	<u>2022</u>
	\$	\$
At beginning of financial year	-	-
Grants received	10,000	-
Grant utilised for acquisition of property, plant and equipment	(10,000)	-
At end of financial year	<u>-</u>	<u>-</u>

The South West Innovation Fund is granted by People's Association for a virtual reality ("VR") project that aims to improve psychosocial health of seniors, encourage youth volunteerism and create learning opportunities for youth through shared experience of using VR.

**15 UNRESTRICTED FUNDS**General fund

This fund represents accumulated income for meeting operating expenses by the Centre.

Designated fund

This fund is set aside to meet the needs of the Centre's Medical Escort and Transport Programme and Youth Development Programme.

Movement of the designated fund are as follows:

	<u>2023</u>	<u>2022</u>
	\$	\$
At beginning and end of the financial year	<u>423,199</u>	<u>423,199</u>



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**16 RESTRICTED FUNDS**

Fund balances restricted by outside sources are indicated and are distinguished from unrestricted funds allocated to specific purposes, if any, by action of the management. Externally restricted funds may only be utilised in accordance with the purposes established by the source of such funds or through the terms of an appeal and are in contrast with unrestricted funds over which management retains full control to use in achieving any of its institutional purposes.

Restricted funds comprise:

**Yuhua Senior Activities Centre (“SAC”) Fund**

Yuhua Senior Activities Centre (“SAC”) receives funding from the Tote Board Social Services Fund (“TBSSF”) administered by the Ministry of Health (“MOH”) to support the SAC’s operating and manpower expenditure. The accumulated reserves at the end of the financial year as indicated below are restricted for the operation of the SAC.

Movement of the restricted fund are as follows:

	<u>2023</u>	<u>2022</u>
	\$	\$
At beginning of the financial year	156,530	161,240
Net surplus/(deficit)	30,199	(4,710)
At end of the financial year	<u>186,729</u>	<u>156,530</u>

**Active Ageing Centre (“AAC”) Fund**

Active Ageing Centre (“AAC”) receives funding from the Agency of Integrated Care (“AIC”) administered by the Ministry of Health (“MOH”) to support the AAC’s operating and manpower expenditure. The accumulated reserves at the end of the financial year as indicated below are restricted for the operation of the AAC.

Movement of the restricted fund are as follows:

	<u>2023</u>	<u>2022</u>
	\$	\$
At beginning of the financial year	-	-
Net deficit	(39,777)	-
At end of the financial year	<u>(39,777)</u>	<u>-</u>

- intentionally left blank -

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**17 RELATED PARTY DISCLOSURES***Significant related party transactions*

During the financial year, except for remuneration of key management personnel disclosed below, the Centre has no other significant related party transactions (2022: Nil).

*Compensation of key management personnel*

The remuneration of the key management personnel during the financial year are as follows:

	<u>2023</u>	<u>2022</u>
	\$	\$
<u>Executives</u>		
Salaries and other short-term employee benefits	377,389	304,582
Post-employment benefits - Contribution to CPF	<u>59,396</u>	<u>38,664</u>
	<u>436,785</u>	<u>343,246</u>
Number of Executives of the Centre per remuneration band:		
- Below \$100,000	<u>6</u>	<u>6</u>

At the reporting date, none of the Management Committee members received any remuneration from the Centre.

**18 LEASES**

	<u>2023</u>	<u>2022</u>
	\$	\$
Lease expense not capitalised as liabilities:		
<u>Expense relating to short-term leases and low-value assets</u>		
Rental of premises*		
- Cost of generating funds	23,813	16,486
- Governance and administrative costs	<u>5,954</u>	<u>4,122</u>
	<u>29,767</u>	<u>20,608</u>
Leasing of photocopier		
- Governance and administrative costs	<u>2,188</u>	<u>2,183</u>
	<u>31,955</u>	<u>22,791</u>

\* This includes COVID-19 related rent concessions received from lessor of \$Nil (2022: \$16,869) to which the Centre has applied the practical expedient.

During the financial year, the Centre's total cash outflows for leases amounts to \$31,955 (2022: \$22,791).

**NOTES TO THE FINANCIAL STATEMENTS**  
 For the financial year ended 31 March 2023

**19 OPERATING LEASE COMMITMENTS**

The Centre leases office equipment from non-related party under non-cancellable operating lease agreement.

The future minimum rental payable under non-cancellable operating lease contracted for at the reporting date but not recognised as liabilities, are as follows:

	<u>2023</u>	<u>2022</u>
	\$	\$
<u>Office equipment</u>		
Less than one year	1,663	2,188
One to five years	-	1,663
	<u>1,663</u>	<u>3,851</u>

**20 FUND-RAISING**

(a) *Fund-raising appeals*

During the financial year, the Centre has received a total amount of \$13,103 (2022: Nil) in donations arising from public fund-raising activities.

(b) *Fund-raising efficiency ratio*

	<u>2023</u>
	\$
Gross donations, representing total receipts from fund-raising (Note 6)	13,103
Direct fund-raising expenses	-
Percentage of direct fund-raising expenses to total receipts	<u>0.00%</u>

The Centre does not have any donations arising from public fund-raising activities during the previous financial year.

**21 FINANCIAL INSTRUMENTS BY CATEGORY**

The aggregate carrying amounts of financial assets and liabilities of the Centre at the reporting date are as follows:

	<u>2023</u>	<u>2022</u>
	\$	\$
Financial assets, at amortised cost	2,363,932	2,390,225
Financial liabilities, at amortised cost	<u>435,007</u>	<u>183,194</u>

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**22 FINANCIAL RISK MANAGEMENT**

The Centre is mainly exposed to liquidity risk, credit risk and interest rate risk.

Risk management is carried out under policies approved by the Centre's management. The Management Committee reviews and agrees on policies and procedures for management of these risks.

**Liquidity risk**

Liquidity risk is the risk that the Centre will encounter difficulty in meeting its financial obligations due to shortage of funds. The Centre exposure to liquidity risk arises primarily from mis-matches of the maturities of financial assets or liabilities.

The Management Committee monitors and ensures that the Centre maintains a level of cash and cash equivalents deemed adequate to finance the Centre's operations.

The table below summarises the maturity profile of the Centre's financial assets and liabilities at the end of the reporting date based on the contractual undiscounted repayment obligations:

	<b>Note</b>	Within one year \$	One to five years \$	Total \$
<b>2023</b>				
<b>Financial assets</b>				
Cash and cash equivalents	10	1,836,922	-	1,836,922
Other receivables (excluding prepayments)	11	527,010	-	527,010
		<u>2,363,932</u>	<u>-</u>	<u>2,363,932</u>
<b>Financial liabilities</b>				
Other payables	13	(435,007)	-	(435,007)
<b>Net financial assets</b>		<u>1,928,925</u>	<u>-</u>	<u>1,928,925</u>
<b>2022</b>				
<b>Financial assets</b>				
Cash and cash equivalents	10	2,114,609	-	2,114,609
Other receivables (excluding prepayments)	11	275,616	-	275,616
		<u>2,390,225</u>	<u>-</u>	<u>2,390,225</u>
<b>Financial liabilities</b>				
Other payables	13	(183,194)	-	(183,194)
<b>Net financial assets</b>		<u>2,207,031</u>	<u>-</u>	<u>2,207,031</u>

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**22 FINANCIAL RISK MANAGEMENT (Continued)****Credit risk**

Credit risk refers to the risk that counterparties will default on their contractual obligations, resulting in financial loss to the Centre.

*Risk management*

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

For banks and financial institutions, the Centre mitigates its credit risks by transacting only with a counter party who are rated "A" and above by independent rating agencies. The Centre has no significant concentration of credit risk.

*Impairment of financial assets*

The Centre does not expect to incur material credit losses on their risk management of financial assets.

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

There is no credit loss allowance for financial assets at amortised cost as at 31 March 2023 and 31 March 2022.

**Interest rate risk**

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

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

Sensitivity analysis for interest rate risk

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

	Note	<u>2023</u> \$	<u>2022</u> \$
<b>Fixed rate instruments</b>			
<u>Financial assets</u>			
Fixed deposits	10	<u>863,464</u>	<u>850,965</u>

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

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

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**23 FAIR VALUES**

As at 31 March 2023, the carrying amounts of financial assets and liabilities recorded in the financial statements of the Centre approximates their fair values due to their short-term nature.

**24 MANAGEMENT OF CONFLICT OF INTEREST**

During the current and previous financial year, none of the Management Committee members received any remuneration from the Centre.

Management Committee Members are required to disclose any interest that they may have, whether directly or indirectly, that the Centre may enter into or in any organisations that the Centre has dealings with or is considering dealing with; and any personal interest accruing to him as one of the Centre's supplier, user of services or beneficiary. Should there be any potential conflict of interest, the affected members 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.

**25 RESERVE POSITION AND POLICY**

The Centre's reserve position for financial year ended 31 March 2023 and 31 March 2022 are as follows:

		2023	2022	Increase/ (Decrease)
		\$'000	\$'000	%
A	Unrestricted Funds			
	Accumulated general funds	1,021	1,259	(0.19)
	Designated funds	423	423	-
B	Restricted Funds			
	SAC	187	157	0.19
	AAC	(40)	-	-
C	Total Funds	1,591	1,839	(0.13)
D	Total Annual Operating Expenditure	1,753	1,220	0.44
E	Ratio of Funds to Annual Operating Expenditure (A/D)	0.82	1.38	

Reference:

D Total funds include unrestricted, designated and restricted funds

E Total annual operating expenditure includes expenses related to Cost of Generating Funds, Cost of Charitable Activities and Governance and Administrative Costs.

The Centre's reserve policy is as follows:

The reserves that the Management Committee have set aside to provide financial stability and the means for the development of the Centre's principal activities. The Centre intend to establish the reserves at a level equivalent to 3 years of operating expenditure through increasing awareness of the activities, seeking more donors both private and corporate and fund-raising efforts. The Management Committee performs annual reviews to ensure that there are adequate reserves to fulfil the continuing obligations.

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**26 EVENTS AFTER THE REPORTING PERIOD**

On 1 April 2023, the Agency for Integrated Care (“AIC”) has approved Loving Heart Multi-Service Centre, located at Block 210 Jurong East Street 21, #01-389, Singapore 600210, as an Active Ageing Centre (“AAC”) under the Eldercare Centre (“EC”) service model.

**27 AUTHORISATION OF FINANCIAL STATEMENTS**

The financial statements for the financial year ended 31 March 2023 were authorised for issue in accordance with a resolution of the Management Committee of the Centre on 26 September 2023.