



**Loving
Heart**
Multi-Service Centre

**2021/2022
ANNUAL
REPORT**



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President's Message

We were into the second year of the Covid-19 pandemic. We survived two rounds of lockdowns, in May 2021 and July 2021, and continued with our care services - supplying free hot meals, groceries, ART kits, and masks to those who needed them.

It was also the year when we were joined by new staff under SG Care's enhanced grant. They gave LH the impetus to move into critical areas such as organisational restructuring and digitalisation. The restructuring will prepare Loving Heart for growth in the coming years.

We also looked at what we had achieved in the last 5 years. We were surprised at the capabilities we have been building up for the organisation which is now in a better position to serve the community more effectively. The story of our DONUT is told in the following pages.

Structures and capabilities mean nothing without the people behind Loving Heart. I must pay tribute to the staff and Board members of Loving Heart. I thank the Board members for their commitment and care for Loving Heart. I am especially grateful to the staff for holding up and standing together as we forge ahead.

"By the community, for the community and with the community"

These are not empty words. The Yuhua community shapes us and we will in turn help it grow its community of care.

Last but not least, I thank the Yuhua community and its leadership for the many years of support and collaboration.



Assoc Prof Teng Su Ching
President,
Loving Heart Multi Service Centre

FY2021/2022 in a Nutshell

01 Loving Heart Multi-Service Centre:

2,010

Service users served across all programmes



06 SG Cares Volunteer Centre @ Jurong East Town:

568

Total unique volunteers

14,814

Volunteering hours

02 Meals on Us:

293



Unique residents assisted with daily hot meals

17,000

Hot meals delivered to residents in-need

373

Episodic volunteers

195

Regular volunteers

46

Community partnerships established



03 Silver Infocomm Junction:

355

Unique Seniors equipped with digital skills



04 Medical Escort & Transport

250

Unique service users accompanied to medical appointments



07

Eldercare Services - Yuhua Senior Activity Centre:

355

Total unique Seniors



05 Active Ageing Wellbeing:

1,110

Unique individuals engaged in activities that promote physical and mental wellness

E.g. fitness programmes, Sound Mind Soft Heart programmes

205

Seniors living in Block 373 & 374

150

Seniors living in block 318A

About Us



LHMSC is a social service agency in Yuhua.

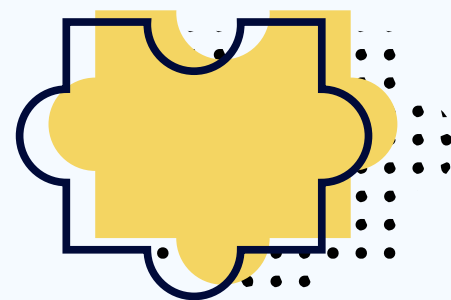
We started in 2000 as a multi-service centre to serve the needs and build the strength of the Yuhua community.

From delivering meals and food rations, providing medical escort and transport, or assisting the financially needy, we provide assistance and support to seniors, families, and individuals who are vulnerable.

We are committed to building a caring and resilient community where no one is left behind. To achieve this, we collaborate with various stakeholders to form a system of care to meet the needs of the community.

Vision

We bring people together
for Good by giving
purpose and dignity



Mission

We make a difference to
the lives we touch



Values

- People at the Centre
- Trust
- Mutual Respect
- Ethical Behaviour
- Commitment



Loving Heart Journey

2000

Loving Heart Multi-Service Centre (LHMSC) was founded to serve the needs of the Yuhua community and the South West (SW) District. It was registered under the Charities Act.

2002

Neighbourhood Link was set up as part of a support network for the elderly. Activities were often organised by volunteers.

2003

LHMSC became a member of NCSS in 15 September 2003.

2014

Neighbourhood Link was converted to Yuhua Senior Activity Centre (SAC).
Yuhua Peer Support Group was formed by our volunteers to handle the case management of needy seniors in Yuhua.
Medical Escort & Transport service was introduced to transport clients for their medical appointments within the SW district.

2018

Appointed as an SG Cares Volunteer Centre (VC) for the Jurong East Town and the first VC in Singapore.

2020

Appointed by IMDA as a Silver Infocomm Junction (SIJ) for seniors to start their digital learning journey.
Piloted micro-learning for senior citizens in partnership with Vue to provide bite-sized training in digital and multi-media skills.
Meals On Us (MOU) kickstarted to provide free daily hot meals to vulnerable residents affected by Covid-19 in Yuhua.

2021

Sound Mind Soft Heart (SMSH) was launched to promote community mental wellness in Yuhua.
Worked with the Singapore University of Social Sciences and various partners to equip volunteers with relevant domain knowledge and soft skills.
Collaborated with PA on a landmark e-voucher project for elderly and vulnerable residents of Yuhua in lieu of providing NTUC vouchers.

Board Members



A/P Teng Su Ching
President



**Malaiya Maran
S/O Srinivasan**
Vice President



Lawrence Ng Kok Kiang
Vice President



Dr Loke Wai Chiong
Vice President



Patrick Tan Tse Chia
Hon. Secretary



A/P Lim Lee Ching
Hon. Assistant Secretary



Sio Wei Hurng
Hon. Treasurer



Desmond Chong Kok Hwee
Member



Cheong Boon Leong Arthur
Member



Chua Chin Wei Vinson
Member



Sim Seo Lian Pauline
Member



Saharidah Bte Suradi
Member



Suzana Binte Slemat
Member



Andrea Liew Yihui
Member



Lam Yen Gi, Gideon
Member



Dr Lena Lee Siow Ling
Member

Board of Directors

| No. | Salutation; Full Name | Charity Board Appointment | Date of Last Appointment as Board Member | Date Assumed Position | Board Member Since | Subcommittee | Occupation |
|-----|---------------------------------|---|--|-----------------------|--------------------|-----------------------|---|
| 1 | A/P Teng Su Ching, BBM | President | 29/9/2021 | 01/07/2016 | 01/04/2000 | Finance, HR & Welfare | Associate Professor, NSHD, SUSS |
| 2 | Mr Malaiya Maran S/O Srinivasan | Vice President Treasurer Appointed on 10/11/2014 | 29/9/2021 | 01/08/2015 | 01/04/2009 | Audit, HR & Welfare | Managing Consultant, Cimaran Consultancy |
| 3 | Mr Lawrence Ng Kok Kiang | Vice President | 29/9/2021 | 01/07/2017 | 01/07/2015 | | CEO, Thye Hua Kwan Moral Society |
| 4 | Dr Loke Wai Chiong | Vice President | 29/9/2021 | 22/10/2020 | 30/06/2017 | Finance | Clinical Director, MOH Office for Healthcare Transformation |
| 5 | Mr Patrick Tan Tse Chia | Hon. Secretary | 29/9/2021 | 01/07/2019 | 01/10/2015 | Audit | CEO, Fortis Law |
| 6 | A/P Lim Lee Ching | Hon. Asst Secretary | 29/9/2021 | 22/10/2020 | 30/08/2018 | | Dean, NSHD, SUSS |
| 7 | Mr Sio Wei Hurng | Hon. Treasurer Asst Treasurer Appointed on 22/10/2020 | 29/9/2021 | 22/10/2020 | 07/02/2020 | Finance | Senior Assistant Director, PUB |

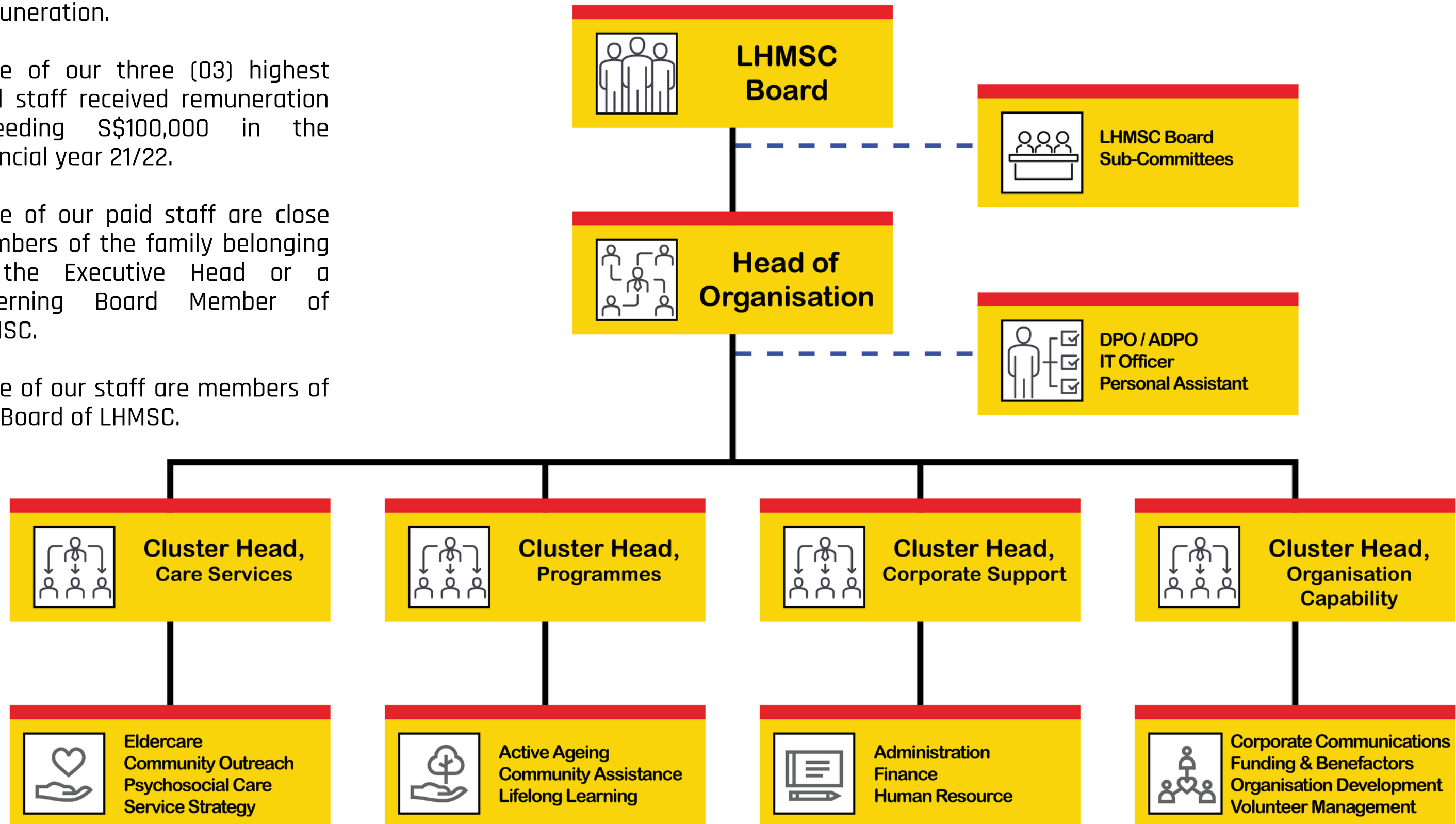
| No. | Salutation; Full Name | Charity Board Appointment | Date of Last Appointment as Board Member | Date Assumed Position | Board Member Since | Subcommittee | Occupation |
|-----|----------------------------------|--|--|-----------------------|--------------------|-------------------------------------|---|
| 8 | Mr Cheong Boon Leong Arthur, PBM | Member President Appointed on 30/06/2015 | 29/9/2021 | 01/07/2016 | 07/04/2009 | | CEO, Ectivise Solutions Pte Ltd |
| 9 | Dr Lena Lee Siow Ling | Member Treasurer Appointed on 17/07/2019 | 29/9/2021 | 22/10/2020 | 01/10/2016 | | Deputy Director, SMU |
| 10 | Mr Desmond Chong Kok Hwee | Member | 29/9/2021 | 30/08/2018 | 30/08/2018 | Enterprise Risk Management, Finance | Asia Pacific Risk Programme Lead, Mastercard Asia/ Pacific Pte Ltd |
| 11 | Mr Chua Chin Wei Vinson | Member | 29/9/2021 | 01/10/2016 | 01/10/2016 | Communications | Assistant Vice President, Healthcare ST Engineering |
| 12 | Ms Sim Seo Lian Pauline, BBM | Member | 29/9/2021 | 30/06/2017 | 30/06/2017 | HR & Welfare | HR Director, Haulio Pte Ltd |
| 13 | Ms Saharidah Bte Suradi | Member | 29/9/2021 | 30/08/2018 | 30/08/2018 | | Grassroot Leader of Yuhua |
| 14 | Ms Suzana Binte Slemat | Member | 29/9/2021 | 01/01/2019 | 01/01/2019 | HR & Welfare | Senior Consultant, Persolkelly Singapore Pte Ltd |
| 15 | Ms Andrea Liew Yihui | Member | 29/9/2021 | 17/09/2019 | 17/09/2019 | | Assistant Manager, NTU Library's Administration & Ops |
| 16 | Mr Gideon Lam | Member | 29/9/2021 | 22/10/2020 | 22/10/2020 | | CEO, Shalom International Movers Pte Ltd |

Organisation Structure



Disclosures:

- All Members of the LHMSC Board do not receive any form of remuneration.
- None of our three (03) highest paid staff received remuneration exceeding S\$100,000 in the financial year 21/22.
- None of our paid staff are close members of the family belonging to the Executive Head or a governing Board Member of LHMSC.
- None of our staff are members of the Board of LHMSC.





03

Highlights of the Year

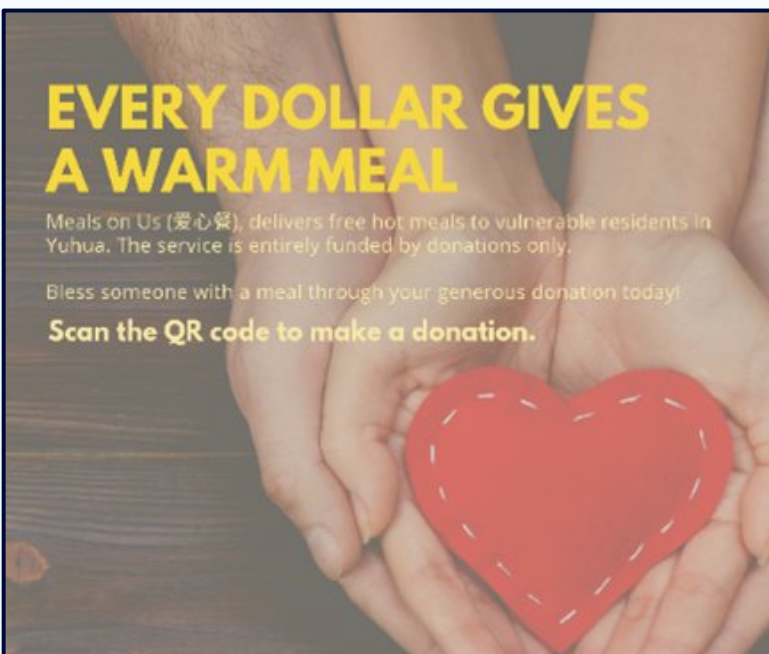
Corporate Highlights



Launch of New Logo

February, 2022

The new logo and signboard were officially launched on 14 February 2022. We have simplified the logo design to give it a more modern and clean look.



Fundraising

We were not good at fundraising, but we just had to start somewhere, somehow. A small and meaningful project we had was to encourage the Yuhua community to support Loving Heart's Meals on Us programme with small donations. The tagline was "Every Dollar Gives a Warm Meal" and the goal was not only to raise funds but also encourage residents to demonstrate support for someone living in our neighbourhood and building a caring community.

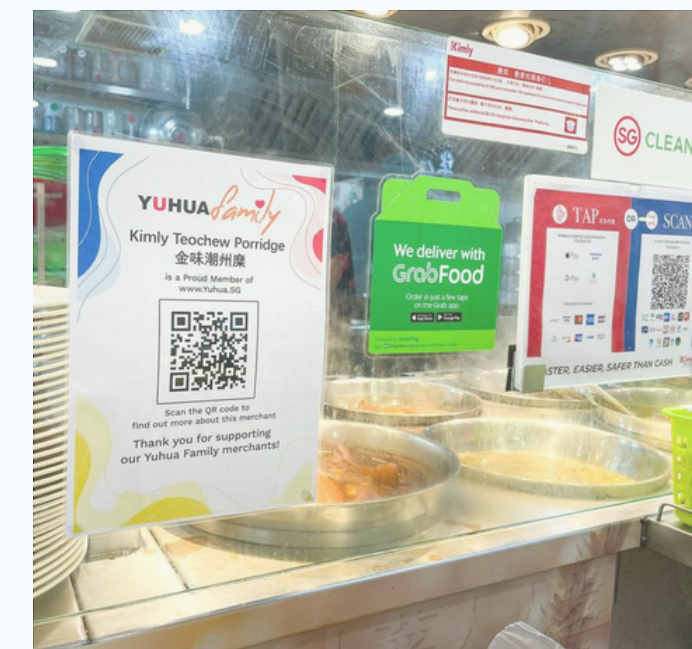
Other Highlights



Meals On Us (MOU)

This project was set up just before the first COVID-19 Circuit Breaker. Member of Parliament and Minister for Sustainability and the Environment Ms. Grace Fu expressed concern about the elderly and other vulnerable residents in Yuhua who may not have access to food, specifically hot meals. The Loving Heart team and grassroots leaders worked together and the scheme was launched just after 4 days.

MOU was and still is run entirely on donations. The story behind it was touching and many donated to support it. We even received an anonymous donation of \$100,000!



Yuhua Voucher

How do you help the needy and at the same time help the local businesses?

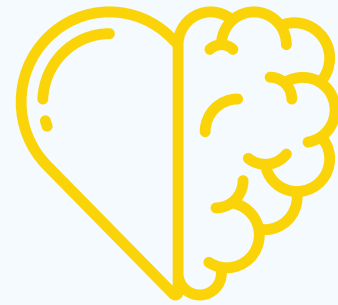
The Yuhua Voucher does. They are e-vouchers given to the needy and they can be redeemed only at local businesses in Yuhua eg hawker centres, mamak stalls in void decks, hardware shops, food stalls. The effect is that it helps bring digitalization to the community and grow the local economy.

Loving Heart produced the vouchers and managed the transactions, a responsibility which we undertook on only after the Board gave its approval in an EGM.

Mental Health Initiative



Featured in MCCY's KAYA



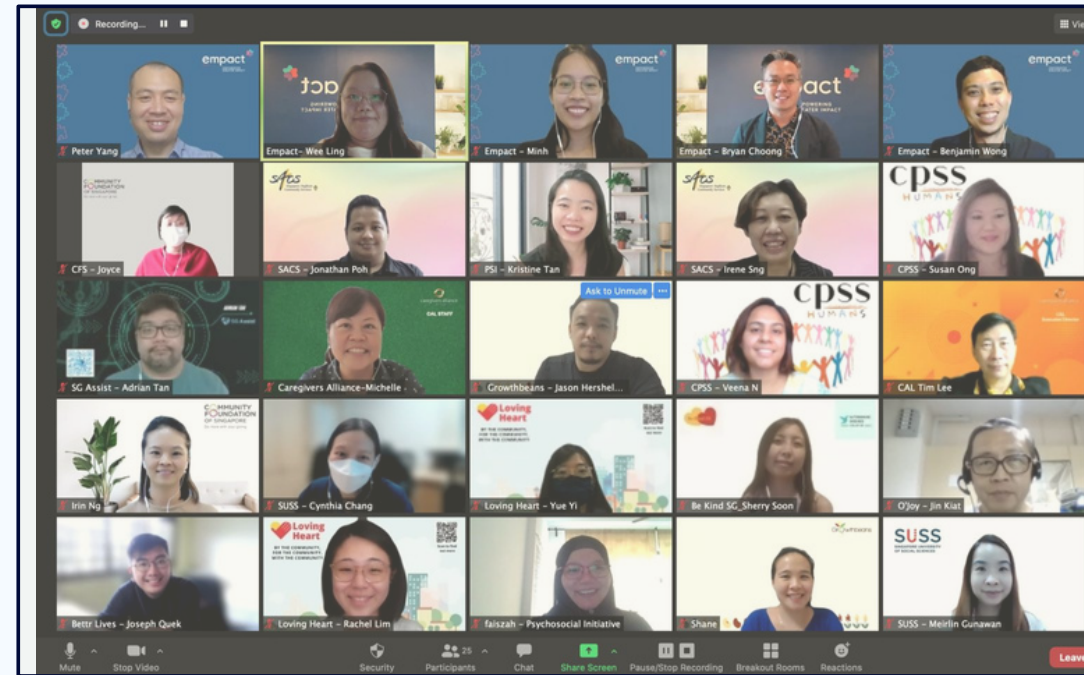
Empowering Vulnerable Communities With Mental Wellness Programmes

March, 2022

Many of us may have only embarked on our volunteering journey during our secondary school education, but A/P Teng Su Ching, President of Loving Heart Multi-Service Centre (LHMSC) and Loh Hui Han, its Senior Manager, are here to tell us more about how we can embrace volunteering and help to build communities in our everyday lives.

Sound Mind Soft Heart (SMSH): Forest Bathing Session

We have kickstarted our very first forest bathing session. Forest bathing helps people to practice mindfulness even if it's for a short period of time. During the walk, we got our participants to pick up the surrounding leaves and create an artwork out of them to express their feelings and thoughts.



Caregiving Alliance July, 2021

This was a collaborative project by the Community Foundation of Singapore (CFS) and Impact and supported by their corporate partners. The initiative aims to support the sandwiched generation with a listening ear and signposting to professional services when needed - thereby helping more people access support for mental health issues. Upon presenting our project idea which aims to collaborate with the Caregivers Alliance Limited team, the Loving Heart team was subsequently awarded a seed grant of a US\$50,000 to bring the project to life.



Sound Mind Soft Heart (SMSH)

Jan, 2022

Mental wellness is key to the holistic well-being of the individual and community. SMSH was set up by Loving Heart as a community mental wellness initiative where volunteers were equipped with the knowledge and skills they need to work with the vulnerable. COVID-19 derailed their outreach plans, but these advocates of mental wellness quickly turned to promoting mental wellness activities among the residents.



Digitalization in the Heartlands



Clouds in the community

Aug. 2021

It is important for Loving Heart to ensure that its beneficiaries have continual access to important services, especially food. Thus, when digitalisation was introduced to businesses in the heartlands, helping our Meals on Us recipients and hawkers in the digital business space became important. We worked with PA to launch electronic vouchers which are used to redeem hot meals and other goods and services from neighbourhood shops, and Loving Heart staff and volunteers went round hawker centres to help the hawkers and elderly customers adjust to technology.



Digital Literacy Classes for the Elderly

Dec, 2021

Life-long learning is an integral part of the Loving Heart culture. To foster and support this mindset, classes for Digital Literacy or Technology have been set up to better educate the elderly in an ever-evolving digital world. Course introduction to Android OS, e-health, Shop and Pay online.

Our Donut

The Donut represents our assets and our work. It was not baked out of a set recipe. Expert cooks and bakers sometimes come up with a creation by instinct and inherent skills.

Our Donut was not created out of any strategy, but out of need, intuition and common sense.

We responded to the needs of the community, and grew our care services.

Intuition and common sense tell us that we should encourage personal development and organizational growth through lifelong learning, and skills upgrading. Common sense tells us too that we should digitalise and that we should leverage on partners to be more impactful in our work.



Building Community Assets and Collaborative Networks

SOCIAL IMPACT EVALUATION & RESEARCH

Bring together a network of Community Care Collaboratives (CCC) to strengthen social impact.

Partners include:

NUHS, MOHT, NTFGH, SUSS, PA, AIC, Singapore Pools, HPB, NCSS, ActiveSG, SportSG, SingHealth, and other partners.

LEARNING & DEVELOPMENT

- Building a lifelong learning culture and a learning organization.
- Improve employability through upskilling and adoption of skills addressing emerging needs.

SKILLS-BASED, PURPOSE-FIT TRAINING

- Recognise that skills form an integral part of talent.
- Design training programmes that equip staff and volunteers with relevant skills in a timely manner.

CARE SERVICES

- Promote healthy longevity and health-seeking behaviour.
- Advocate and enable physical and mental health, health equity, social networks, active ageing, and caregiving.

DIGITAL SERVICES

- Embrace Technology for operations, data-driven decision-making, and delivery of social care and other services.

SOCIAL SERVICES & OTHER DETERMINANTS OF HQOL

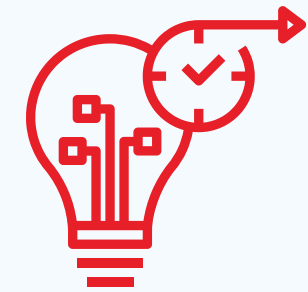
- Raise awareness that good health goes beyond medicalization.
- Recognize and promote the importance of Social Determinants of Health (SDoH).
- Support the building of health-related quality of life and well-being.



Welcome Yunhua Village 欢迎观临

04 Next Step Forward

Future Plans

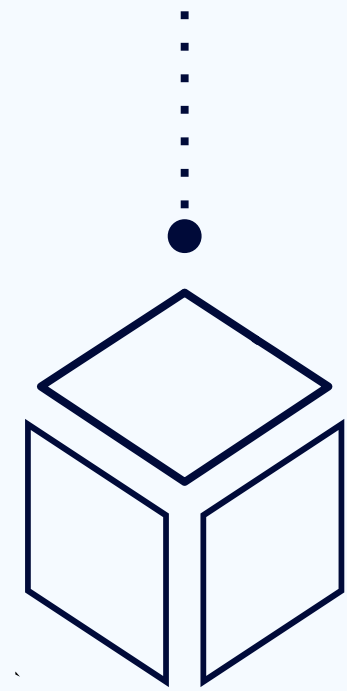


Loving Heart was a small charity and did not have many resources as a community builder. Neither could we overplan in a dynamic ecosystem. However, if you have your nose on the ground, sooner or later you will get the scent right. Over time your intuition sharpens and you develop sense-making skills. Contextual capability building has helped Loving Heart move in the right direction. The Donut captures our assets that we built up through our sense-making, supportive public grants and trust of the community, and we are ready for the next phase of growth.



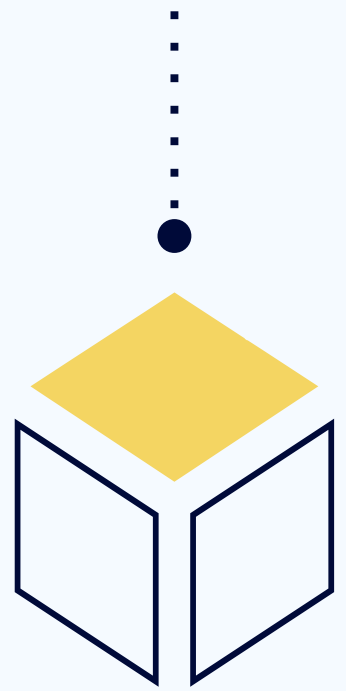
Key Project 1

Active Ageing
Centre



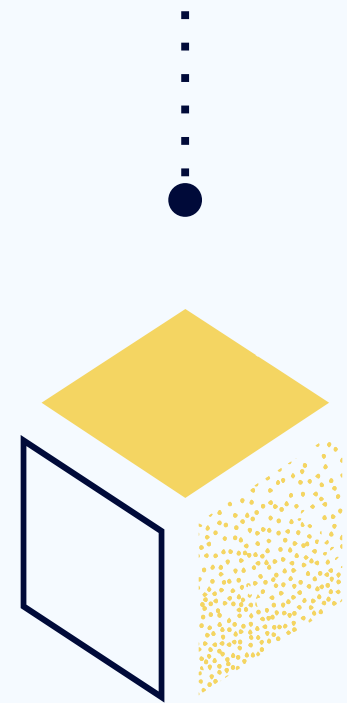
Key Project 2

ComLink



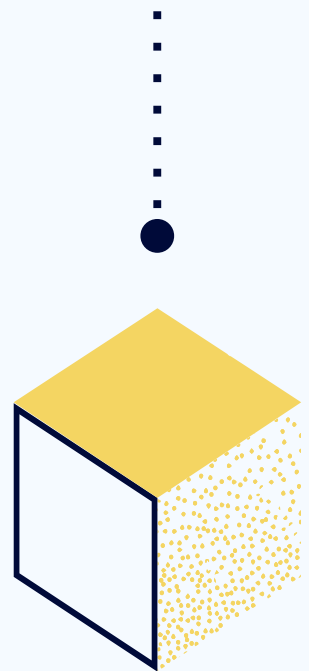
Key Project 3

Healthy Precinct



Key Project 4

Caregiving



05 Summary of Financial Performance

Net Deficit: \$177,502

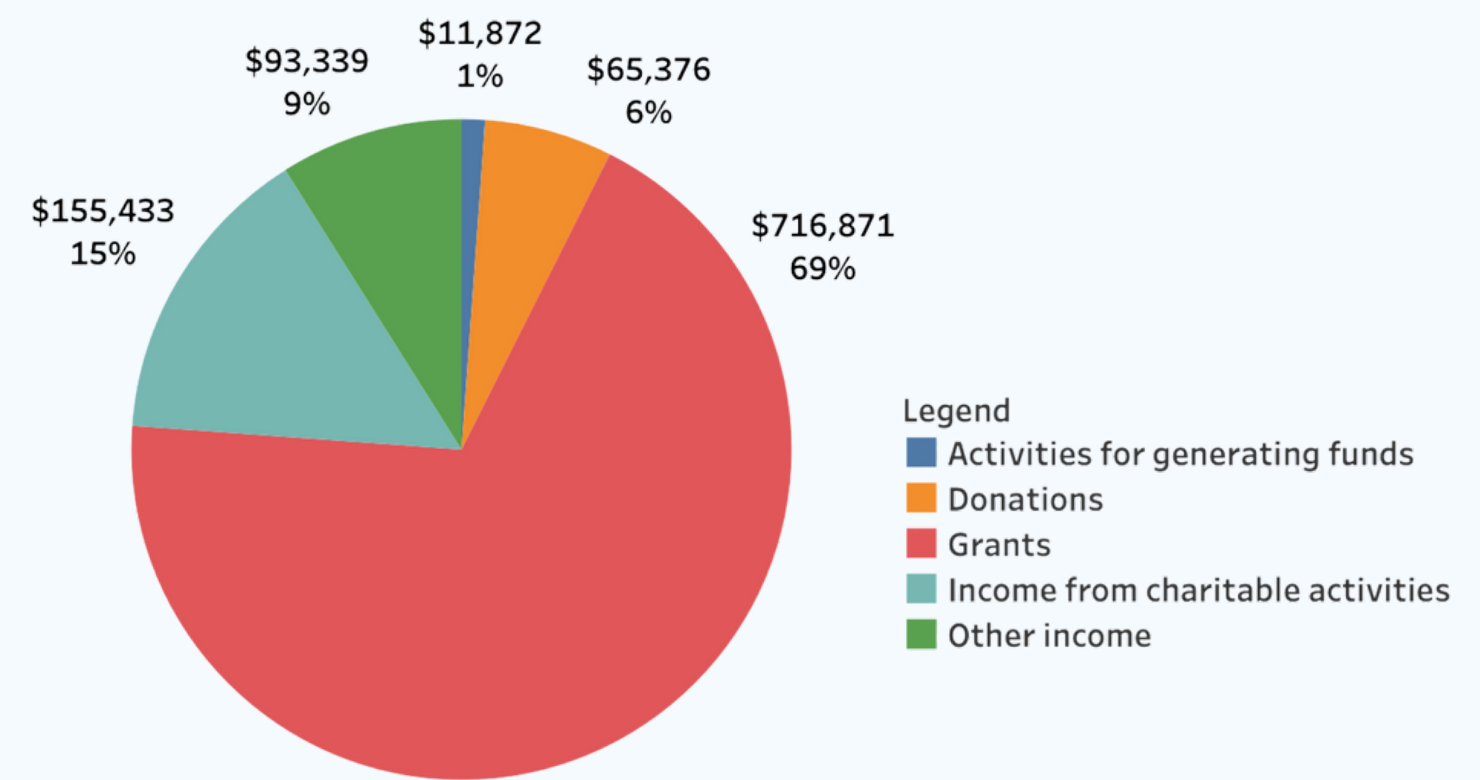
Total Income: \$1.043 Million

Income decreased by **31.7%** year over year (YOY) from \$1.527 Million in FY 2020/2021 to \$1.043 Million in FY 2021/2022.

Grants received in FY 2022 declined by \$397k (36% YOY) due to a one-time off Bicentennial Community Fund 2021 (\$400k) and a decline in grant income from the Community Silver Trust Matching Grant. Other income declined by \$132k in FY 2022 due mainly to lower Job Support Scheme Grant received.

While income from charitable activities (Medical Escort Services and Meals on Us) increased by 46% to \$155k in FY 2022, donations from the public for the year remain flat at \$65k compared to \$57k the previous year.

Income Breakdown



Total Expenditure: \$1.22 Million

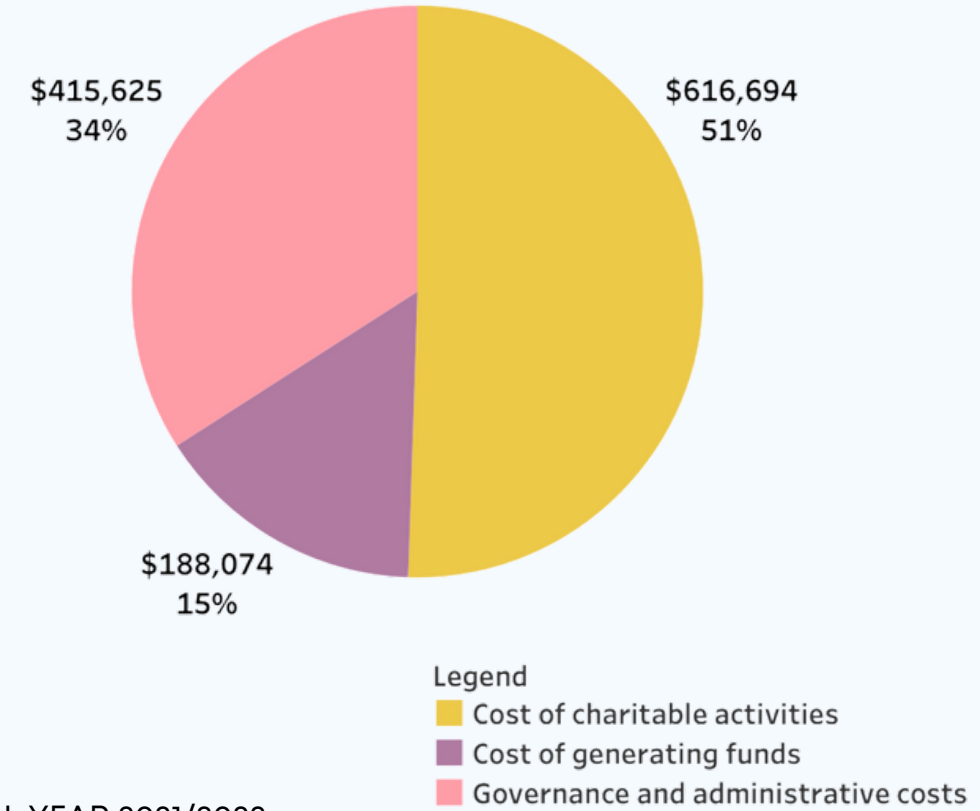
Expenditure increased by **23.6%** YOY from \$0.987 Million in FY2020/2021 to \$1.22 Million in FY 2021/2022.

Loving Heart saw an expansion of influence under the SG Cares Volunteer Centre portfolio - four new staff were fully funded to foster the growth of an active SG Cares Community Network in Jurong East Town.

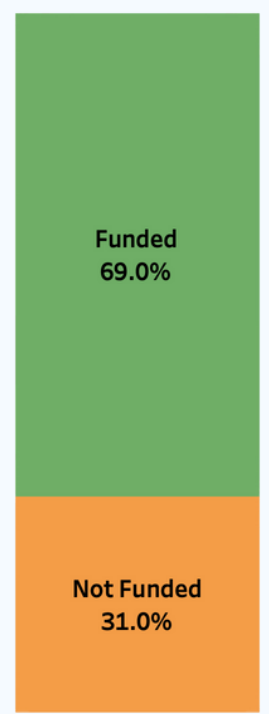
Two additional staff were also recruited to build up in-house capabilities in the area of fundraising and service delivery to service-users.

In summary, staff costs increased by 37.1% from \$656K in FY 2021 to \$899K in FY 2022.

Expenditure Breakdown



Manpower Cost Breakdown



06 Governance

Loving Heart Multi-Service Centre (LHMSC) was registered as a charity under the Charities Act Chapter 37 since 26/06/2000 and was accorded IPC (Institution of a Public Character) status from 1 May 2021 to 30 April 2023.

Unique Entity Number (UEN): T03SS0014A

Operating Address: 210 Jurong East Street 21, #01-389, Singapore 600210

Auditor: Fiducia LLP

Bankers: Malayan Banking Berhad Singapore and DBS Bank Limited

| | | | FY 21/22 | |
|--------------------------|---------------------------------|--------------------------|-----------|------|
| Board Meeting Attendance | | | Total for | |
| S/N | Name | Position | FY21/22 | % |
| 1 | A/P Teng Su Ching, BBM, JP | President | 5 | 100% |
| 2 | Mr Malaiya Maran S/O Srinivasan | Vice President | 4 | 80% |
| 3 | Mr Lawrence Ng Kok Kiang | Vice President | 3 | 60% |
| 4 | Dr Loke Wai Chiong | Vice President | 5 | 100% |
| 5 | Mr Patrick Tan Tse Chia | Hon. Secretary | 3 | 60% |
| 6 | A/P Lim Lee Ching | Hon. Assistant Secretary | 4 | 80% |
| 7 | Mr Sio Wei Hurng | Hon. Treasurer | 5 | 100% |
| 8 | Mr Desmond Chong Kok Hwee | Hon. Assistant Treasurer | 4 | 80% |
| 9 | Mr Cheong Boon Leong, Arthur | Member | 3 | 60% |
| 10 | Mr Chua Chin Wei Vinson | Member | 5 | 100% |
| 11 | Ms Sim Seo Lian Pauline, BBM | Member | 5 | 100% |
| 12 | Ms Suzana Binte Slemat | Member | 3 | 60% |
| 13 | Ms Saharidah Binti Suradi | Member | 3 | 60% |
| 14 | Ms Liew Yihui Andrea | Member | 3 | 60% |
| 15 | Mr Lam Yen Gi Gideon | Member | 4 | 80% |
| 16 | Dr Lena Lee Siow Ling | Member | 3 | 60% |

LHMSC Board Members with More than 10 Years of Service

- A/Prof. Teng Su Ching has been on the LHMSC Board since 2000 and became Board President in 2016. As the Social Service sector undergoes transformation, Loving Heart is also growing and evolving in line with the sector and community, and in many instances helps to lead the way with innovative programmes and partnerships. A/Prof. Teng's leadership has been and continues to be pivotal as we emerge from COVID-19 and contribute towards realizing the new social compact.
- Mr. Malaiya Maran has served on the LHMSC Board since 2009 and is a stalwart of the organisation. Even as we embark on the process of renewal and implementing board diversity to tackle new challenges, Mr. Maran provides us with his rich institutional memory that helps us to ensure a smooth transition from tradition to transformation.
- Mr. Arthur Cheong has served on the LHMSC Board since 2009. As an accomplished technopreneur and a long-time active grassroots leader, he is able to rope in invaluable support and offer expert knowledge to LHMSC as we progress towards building an increasingly digitally-savvy community of practice.

06 Whistleblowing Policy

Discipline and Grievances

Disciplinary and grievance matters, including whistleblowing, are handled by three tiers of disciplinary panels, depending on the severity of the matter:

- **Discipline and Grievances Panel (DP)**, Chaired by Head of Organisation
 - HR Manager
 - Supervisor(s) of the employee(s)

Findings and recommended actions by the DP shall be submitted to the Discipline and Grievances Committee for clearance.

- **Discipline and Grievances Committee (DC)**, Chaired by Board President
 - Board Secretary
 - HR Committee Chair

The DC shall be authorized to order the appropriate remedial or disciplinary actions, if applicable, following relevant findings. The findings and action taken shall be reported during the subsequent Board Meeting.

- **Board of Inquiry (BOI)**, Chaired by Board President and co-chaired by Governance Committee Chair
 - Board Secretary
 - Board Treasurer
 - HR Committee Chair
 - Finance Committee Chair
 - ERM Committee Chair

The BOI is convened when it is necessary to investigate grievances or transgressions of exceptional gravity, such as when an offence against the law is committed, or when there is a breach of fiduciary duties by a Board Member.

The BOI is authorized to order the appropriate remedial or disciplinary actions, if applicable, following relevant findings. The findings and action taken will be reported during the subsequent Board Meeting and/or furnished to the relevant authorities where requested.

06 Governance Evaluation Checklist

| S/N | Code guideline | Code ID | Response | Explanation |
|--|---|---------|--------------|--|
| Board Governance | | | | |
| 1 | Induction and orientation are provided to incoming governing board members upon joining the Board. | 1.1.2 | Complied | |
| | Are there governing board members holding staff¹ appointments? (skip items 2 and 3 if "No") | | No | |
| 2 | Staff does not chair the Board and does not comprise more than one third of the Board. | 1.1.3 | | |
| 3 | There are written job descriptions for the staff's executive functions and operational duties, which are distinct from the staff's Board role. | 1.1.5 | | |
| 4 | The Treasurer of the charity (or any person holding an equivalent position in the charity, e.g. Finance Committee Chairman or a governing board member responsible for overseeing the finances of the charity) can only serve a maximum of 4 consecutive years . If the charity has not appointed any governing board member to oversee its finances, it will be presumed that the Chairman oversees the finances of the charity. | 1.1.7 | Complied | |
| 5 | All governing board members must submit themselves for re-nomination and re-appointment , at least once every 3 years. | 1.1.8 | Complied | |
| 6 | The Board conducts self evaluation to assess its performance and effectiveness once during its term or every 3 years, whichever is shorter. | 1.1.12 | Not Complied | Board Governance Policy improvement in progress. |
| | Is there any governing board member who has served for more than 10 consecutive years? (skip item 7 if "No") | | Yes | |
| 7 | The charity discloses in its annual report the reasons for retaining the governing board member who has served for more than 10 consecutive years . | 1.1.13 | Complied | |
| 8 | There are documented terms of reference for the Board and each of its committees. | 1.2.1 | Complied | |
| Conflict of Interest | | | | |
| 9 | There are documented procedures for governing board members and staff to declare actual or potential conflicts of interest to the Board at the earliest opportunity. | 2.1 | Complied | |
| 10 | Governing board members do not vote or participate in decision making on matters where they have a conflict of interest. | 2.4 | Complied | |
| Strategic Planning | | | | |
| 11 | The Board periodically reviews and approves the strategic plan for the charity to ensure that the charity's activities are in line with the charity's objectives. | 3.2.2 | Complied | |
| Human Resource and Volunteer² Management | | | | |
| 12 | The Board approves documented human resource policies for staff. | 5.1 | Complied | |
| 13 | There is a documented Code of Conduct for governing board members, staff and volunteers (where applicable) which is approved by the Board. | 5.3 | Complied | |
| 14 | There are processes for regular supervision, appraisal and professional development of staff. | 5.5 | Complied | |
| | Are there volunteers serving in the charity? (skip item 15 if "No") | | Yes | |
| 15 | There are volunteer management policies in place for volunteers. | 5.7 | Complied | |

06 Governance Evaluation Checklist

| S/N | Code guideline | Code ID | Response | Explanation |
|--|---|---------|--------------|--|
| Financial Management and Internal Controls | | | | |
| 16 | There is a documented policy to seek the Board's approval for any loans, donations, grants or financial assistance provided by the charity which are not part of the charity's core charitable programmes. | 6.1.1 | Not Complied | Not applicable as we do not provide such forms of support outside of our core programmes and services, and do not have any intention to do so in the foreseeable future. |
| 17 | The Board ensures that internal controls for financial matters in key areas are in place with documented procedures . | 6.1.2 | Complied | |
| 18 | The Board ensures that reviews on the charity's internal controls, processes, key programmes and events are regularly conducted. | 6.1.3 | Complied | |
| 19 | The Board ensures that there is a process to identify, and regularly monitor and review the charity's key risks . | 6.1.4 | Complied | |
| 20 | The Board approves an annual budget for the charity's plans and regularly monitors the charity's expenditure. | 6.2.1 | Complied | |
| Does the charity invest its reserves (e.g. in fixed deposits)? (skip item 21 if "No") | | | Yes | |
| 21 | The charity has a documented investment policy approved by the Board. | 6.4.3 | Not Complied | Investment Policy improvement in progress. |
| Fundraising Practices | | | | |
| Did the charity receive cash donations (solicited or unsolicited) during the financial year? (skip item 22 if "No") | | | Yes | |
| 22 | All collections received (solicited or unsolicited) are properly accounted for and promptly deposited by the charity. | 7.2.2 | Complied | |
| Did the charity receive donations in kind during the financial year? (skip item 23 if "No") | | | No | |
| 23 | All donations in kind received are properly recorded and accounted for by the charity. | 7.2.3 | | |
| Disclosure and Transparency | | | | |
| 24 | The charity discloses in its annual report — (a) the number of Board meetings in the financial year; and (b) the attendance of every governing board member at those meetings. | 8.2 | Complied | |
| Are governing board members remunerated for their services to the Board? (skip items 25 and 26 if "No") | | | No | |
| 25 | No governing board member is involved in setting his own remuneration. | 2.2 | | |
| 26 | The charity discloses the exact remuneration and benefits received by each governing board member in its annual report. <u>OR</u> The charity discloses that no governing board member is remunerated. | 8.3 | Complied | |

06 Governance Evaluation Checklist

| S/N | Code guideline | Code ID | Response | Explanation |
|-----|--|---------|----------|-------------|
| | Does the charity employ paid staff? (skip items 27, 28 and 29 if “No”) | | Yes | |
| 27 | No staff is involved in setting his own remuneration. | 2.2 | Complied | |
| 28 | The charity discloses in its annual report — (a) the total annual remuneration for each of its 3 highest paid staff who each has received remuneration (including remuneration received from the charity’s subsidiaries) exceeding \$100,000 during the financial year; and (b) whether any of the 3 highest paid staff also serves as a governing board member of the charity. The information relating to the remuneration of the staff must be presented in bands of \$100,000. <u>OR</u> The charity discloses that none of its paid staff receives more than \$100,000 each in annual remuneration. | 8.4 | Complied | |
| 29 | The charity discloses the number of paid staff who satisfies all of the following criteria: (a) the staff is a close member of the family ³ belonging to the Executive Head ⁴ or a governing board member of the charity; (b) the staff has received remuneration exceeding \$50,000 during the financial year. The information relating to the remuneration of the staff must be presented in bands of \$100,000. <u>OR</u> The charity discloses that there is no paid staff, being a close member of the family belonging to the Executive Head or a governing board member of the charity, who has received remuneration exceeding \$50,000 during the financial year. | 8.5 | Complied | |
| | Public Image | | | |
| 30 | The charity has a documented communication policy on the release of information about the charity and its activities across all media platforms. | 9.2 | Complied | |

Notes:

1 Staff: Paid or unpaid individual who is involved in the day to day operations of the charity, e.g. an Executive Director or administrative personnel.

2 Volunteer: A person who willingly serves the charity without expectation of any remuneration.

3 Close member of the family: A family member belonging to the Executive Head or a governing board member of a charity –

- (a) who may be expected to influence the Executive Head's or governing board member's (as the case may be) dealings with the charity; or
- (b) who may be influenced by the Executive Head or governing board member (as the case may be) in the family member's dealings with the charity.

A close member of the family may include the following:

- (a) the child or spouse of the Executive Head or governing board member;
- (b) the stepchild of the Executive Head or governing board member;
- (c) the dependant of the Executive Head or governing board member.
- (d) the dependant of the Executive Head's or governing board member's spouse.

4 Executive Head: The most senior staff member in charge of the charity's staff.

06 Reserves Policy

Reserve position and policy

The Centre's reserve position for financial year ended 31 March 2022 and 31 March 2021 are as follows:

| | | 2022 | 2021 | Increase/ (Decrease) |
|---|--|---------|---------|-------------------------|
| | | S\$'000 | S\$'000 | % |
| A | Unrestricted Funds | | | |
| | Accumulated general funds | 1,259 | 1,432 | (12.08) |
| | Designated Funds | 423 | 423 | 0 |
| B | Restricted or Designated Funds | | | |
| | Restricted Funds | 157 | 161 | (2.48) |
| C | Endowment Funds | N/A | N/A | |
| D | Total Funds | 1,839 | 2,016 | (8.78) |
| E | Total Annual Operating Expenditure | 1,220 | 987 | 23.61 |
| F | Ratio of Funds to Annual Operating Expenditure (A/E) | 1.38 | 1.88 | |

Reference:

- C. An endowment fund consists of assets, funds or properties, which are held in perpetuity, which produce annual income flow for a charity to spend as grants.
- D. Total funds include unrestricted, restricted / designated and endowment funds.
- E. Total annual operating expenditure includes expenses related to Cost of 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 reviews yearly the amount of reserves that are required to ensure that they are adequate to fulfil the continuing obligations.

Management of conflicts 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.

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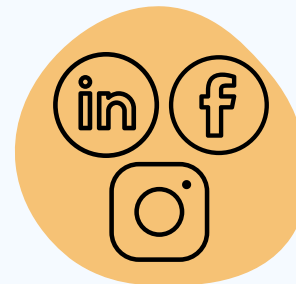
hello@lovingheart.org.sg



210 Jurong East Street 21
#01-389, Singapore 600210



6897 4766
www.lovingheart.org.sg



@lovingheartmsc

Facebook, Instagram, LinkedIn

The background features four thick, parallel diagonal stripes. Two stripes are red and two are yellow, arranged in a repeating pattern from top-left to bottom-right. The stripes are positioned in the corners of the page, leaving a large white central area.

Annex

**LOVING HEART MULTI-
SERVICE CENTRE**

[UEN. T03SS0014A]

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

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

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Fiducia LLP

(UEN. T10LL0955L)

Public Accountants and
Chartered Accountants of Singapore

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STATEMENT BY THE MANAGEMENT COMMITTEE

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 2022 and the results, changes in funds and cash flows of the Centre for the 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

| | |
|---|----------------|
| 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 |
| Lena Lee Siow Ling | Member |
| Cheong Boon Leong Arthur | Member |
| Suzana Binte Slemat | Member |
| Chong Kok Hwee | 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,



Teng Su Ching
President



Sio Wei Hurng (Xiao Weiheng)
Treasurer

Singapore, 29 September 2022

Fiducia LLP

Public Accountants and
Chartered Accountants of Singapore

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Independent auditor's report to the members of:

Loving Heart Multi-Service Centre
[UEN. T03SS0014A]
[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 Loving Heart Multi-Service Centre (the "Centre"), which comprise the statement of financial position as at 31 March 2022, and the statement of financial activities, statement of changes in funds and statement of cash flows for the 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 Centre as at 31 March 2022 and the results, changes in funds and cash flows of the Centre for the 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 ("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 audit opinion.

Other information

Management is responsible for the other information. The other information comprises the Statement by the 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:

Loving Heart Multi-Service Centre
[UEN. T03SS0014A]
[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 FRSSs, 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 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 are responsible for overseeing the Centre'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 Centre's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Fiducia LLP

Public Accountants and
Chartered Accountants of Singapore

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(CONT'D)

Independent auditor's report to the members of:

Loving Heart Multi-Service Centre

[UEN. T03SS0014A]
[Registered under the Societies Act 1966
in the Republic of Singapore]

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 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.

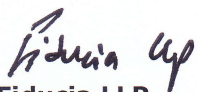
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 Regulations enacted under the Societies Act, 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.



Fiducia LLP
Public Accountants and
Chartered Accountants

Singapore, 29 September 2022

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

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

| | Note | 2022 | | | 2021 | | |
|--|------|----------------|----------------|------------------|------------------|----------------|------------------|
| | | MSC S\$ | SAC S\$ | Total S\$ | MSC S\$ | SAC S\$ | Total S\$ |
| INCOME | | | | | | | |
| Income from generated funds | | | | | | | |
| <u>Voluntary income</u> | | | | | | | |
| Donations : | | | | | | | |
| | | | | | | | |
| | 6 | 13,413 | 0 | 13,413 | 13,427 | 88 | 13,515 |
| | 6 | 51,963 | 0 | 51,963 | 43,313 | 200 | 43,513 |
| | | <u>65,376</u> | <u>0</u> | <u>65,376</u> | <u>56,740</u> | <u>288</u> | <u>57,028</u> |
| Grants and funding: | | | | | | | |
| | | 0 | 0 | 0 | 400,000 | 0 | 400,000 |
| | | 16,506 | 0 | 16,506 | 62,005 | 0 | 62,005 |
| | | 19,292 | 0 | 19,292 | 31,007 | 0 | 31,007 |
| | | 111,619 | 0 | 111,619 | 204,386 | 0 | 204,386 |
| | | 0 | 0 | 0 | 22,618 | 0 | 22,618 |
| | | 0 | 180,983 | 180,983 | 0 | 181,004 | 181,004 |
| | | 339,511 | 0 | 339,511 | 163,793 | 0 | 163,793 |
| | | 0 | 0 | 0 | 19,772 | 0 | 19,772 |
| | | 32,400 | 0 | 32,400 | 0 | 0 | 0 |
| | | 15,458 | 0 | 15,458 | 22,476 | 300 | 22,776 |
| | | 1,102 | 0 | 1,102 | 6,758 | 0 | 6,758 |
| | | <u>535,888</u> | <u>180,983</u> | <u>716,871</u> | <u>932,815</u> | <u>181,304</u> | <u>1,114,119</u> |
| <u>Activities for generating funds</u> | | | | | | | |
| | 5 | 0 | 0 | 0 | 0 | 1,000 | 1,000 |
| | 5 | 11,665 | 207 | 11,872 | 22,092 | 816 | 22,908 |
| | | <u>11,665</u> | <u>207</u> | <u>11,872</u> | <u>22,092</u> | <u>1,816</u> | <u>23,908</u> |
| Total income from generated funds | | | | | | | |
| | | <u>612,929</u> | <u>181,190</u> | <u>794,119</u> | <u>1,011,647</u> | <u>183,408</u> | <u>1,195,055</u> |
| Income from charitable activities | | | | | | | |
| | | 83,273 | 0 | 83,273 | 60,018 | 0 | 60,018 |
| | | 30,825 | 0 | 30,825 | 19,363 | 0 | 19,363 |
| | 5 | 16,294 | 0 | 16,294 | 12,730 | 0 | 12,730 |
| | 5 | 25,041 | 0 | 25,041 | 14,000 | 0 | 14,000 |
| | | <u>155,433</u> | <u>0</u> | <u>155,433</u> | <u>106,111</u> | <u>0</u> | <u>106,111</u> |
| Other income | | | | | | | |
| | | 66,937 | 6,666 | 73,603 | 35,427 | 5,774 | 41,201 |
| | | 7,640 | 477 | 8,117 | 14,371 | 459 | 14,830 |
| | | 9,048 | 2,571 | 11,619 | 129,392 | 35,729 | 165,121 |
| | | 0 | 0 | 0 | 4,239 | 0 | 4,239 |
| | | <u>83,625</u> | <u>9,714</u> | <u>93,339</u> | <u>183,429</u> | <u>41,962</u> | <u>225,391</u> |
| TOTAL INCOME | | | | | | | |
| | | <u>851,987</u> | <u>190,904</u> | <u>1,042,891</u> | <u>1,301,187</u> | <u>225,370</u> | <u>1,526,557</u> |

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)**

| | Note | 2022 | | | 2021 | | |
|---|------|----------------|---------------|----------------|----------------|---------------|----------------|
| | | MSC S\$ | SAC S\$ | Total S\$ | MSC S\$ | SAC S\$ | Total S\$ |
| EXPENDITURE | | | | | | | |
| Cost of generating funds | | | | | | | |
| Depreciation | 8 | 0 | 806 | 806 | 0 | 545 | 545 |
| Event expenses | | 4,632 | 1,955 | 6,587 | 5,302 | 6,337 | 11,639 |
| Operating lease expense: Rental of premises | 8 | 3,336 | 13,150 | 16,486 | 2,595 | 10,229 | 12,824 |
| Staff costs | 7 | 125,234 | 26,705 | 151,939 | 90,322 | 26,248 | 116,570 |
| Trainer allowance | | 4,785 | 0 | 4,785 | 10,998 | 0 | 10,998 |
| Utilities | 8 | 5,046 | 2,425 | 7,471 | 4,234 | 2,410 | 6,644 |
| | | <u>143,033</u> | <u>45,041</u> | <u>188,074</u> | <u>113,451</u> | <u>45,769</u> | <u>159,220</u> |
| Cost of charitable activities | | | | | | | |
| Audit fees | | 1,070 | 0 | 1,070 | 964 | 0 | 964 |
| Medical escort expenses | | 46,780 | 0 | 46,780 | 37,290 | 0 | 37,290 |
| Repairs and maintenance | | 4,104 | 0 | 4,104 | 2,314 | 275 | 2,589 |
| Sponsorship expenses | | 5,243 | 0 | 5,243 | 4,216 | 1,218 | 5,434 |
| Staff costs | 7 | 420,501 | 80,114 | 500,615 | 331,947 | 78,742 | 410,689 |
| Volunteer - Silver Heart | | 4,663 | 0 | 4,663 | 340 | 0 | 340 |
| Volunteer - Training | | 1,042 | 0 | 1,042 | 1,937 | 0 | 1,937 |
| MoU food expenses | | 51,341 | 0 | 51,341 | 72,842 | 0 | 72,842 |
| Yuhua family voucher's merchant | | 1,836 | 0 | 1,836 | 0 | 0 | 0 |
| | | <u>536,580</u> | <u>80,114</u> | <u>616,694</u> | <u>451,850</u> | <u>80,235</u> | <u>532,085</u> |

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)**

| | Note | 2022 | | | 2021 | | |
|---|------|------------------|----------------|------------------|----------------|----------------|----------------|
| | | MSC S\$ | SAC S\$ | Total S\$ | MSC S\$ | SAC S\$ | Total S\$ |
| EXPENDITURE (CONT'D) | | | | | | | |
| Governance and administrative costs | | | | | | | |
| Accounting fees | | 30,240 | 12,960 | 43,200 | 24,707 | 10,588 | 35,295 |
| Audit fees | | 7,530 | 1,926 | 9,456 | 8,555 | 1,886 | 10,441 |
| Bank charges | | 787 | 55 | 842 | 321 | 20 | 341 |
| Conservancy charge | | 278 | 1,096 | 1,374 | 241 | 950 | 1,191 |
| Consultancy fee | | 20,791 | 0 | 20,791 | 28,273 | 0 | 28,273 |
| Depreciation | 8 | 121 | 848 | 969 | 535 | 1,739 | 2,274 |
| Dues and subscriptions | | 4,974 | 720 | 5,694 | 3,443 | 740 | 4,183 |
| General expenses | | 2,187 | 0 | 2,187 | 4,146 | 0 | 4,146 |
| Insurance | | 788 | 0 | 788 | 676 | 685 | 1,361 |
| IT equipment | | 1,929 | 0 | 1,929 | 2,924 | 0 | 2,924 |
| Licence fees | | 87 | 0 | 87 | 0 | 0 | 0 |
| Newspaper / Magazine | | 0 | 671 | 671 | 10 | 470 | 480 |
| Office equipment | | 1,065 | 0 | 1,065 | 2,694 | 212 | 2,906 |
| Office refreshments | | 693 | 95 | 788 | 769 | 40 | 809 |
| Office supplies | | 695 | 725 | 1,420 | 360 | 661 | 1,021 |
| Operating lease expense: Photocopy machine | | 2,183 | 0 | 2,183 | 2,183 | 0 | 2,183 |
| Operating lease expense: Rental of premises | 8 | 834 | 3,288 | 4,122 | 649 | 2,557 | 3,206 |
| Other manpower expenses | | 2,148 | 0 | 2,148 | 0 | 0 | 0 |
| Part time salary | | 4,980 | 0 | 4,980 | 720 | 0 | 720 |
| Postage and courier | | 221 | 0 | 221 | 288 | 0 | 288 |
| Printing and stationery | | 6,873 | 1,047 | 7,920 | 5,687 | 1,367 | 7,054 |
| Repair and maintenance | | 3,688 | 2,939 | 6,627 | 4,178 | 1,198 | 5,376 |
| Staff costs | 7 | 208,705 | 38,572 | 247,277 | 92,865 | 36,098 | 128,963 |
| Staff medical expenses | | 5,028 | 1,510 | 6,538 | 3,843 | 1,446 | 5,289 |
| Staff training | | 8,421 | 0 | 8,421 | 10,092 | 0 | 10,092 |
| Telephone and internet | | 6,955 | 2,002 | 8,957 | 6,777 | 2,191 | 8,968 |
| Trainee allowance | | 3,864 | 0 | 3,864 | 1,227 | 0 | 1,227 |
| Transportation | | 1,728 | 0 | 1,728 | 2,294 | 16 | 2,310 |
| Unutilised leave | | 16,111 | 1,399 | 17,510 | 14,091 | 2,501 | 16,592 |
| Utilities | 8 | 1,262 | 606 | 1,868 | 1,058 | 603 | 1,661 |
| Volunteer management activity | | 0 | 0 | 0 | 990 | 0 | 990 |
| Website Maintenance | | 0 | 0 | 0 | 5,466 | 0 | 5,466 |
| | | <u>345,166</u> | <u>70,459</u> | <u>415,625</u> | <u>230,062</u> | <u>65,968</u> | <u>296,030</u> |
| TOTAL EXPENDITURE | | <u>1,024,779</u> | <u>195,614</u> | <u>1,220,393</u> | <u>795,363</u> | <u>191,972</u> | <u>987,335</u> |
| NET (DEFICIT)/SURPLUS FOR THE YEAR | | <u>(172,792)</u> | <u>(4,710)</u> | <u>(177,502)</u> | <u>505,824</u> | <u>33,398</u> | <u>539,222</u> |

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

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2022

| | Note | 2022 S\$ | 2021 S\$ |
|--|------|------------------|------------------|
| ASSETS | | | |
| Current assets | | | |
| Cash and cash equivalents | 9 | 2,114,609 | 2,244,538 |
| Other receivables | 10 | 293,920 | 236,238 |
| | | <u>2,408,529</u> | <u>2,480,776</u> |
| Non-current assets | | | |
| Property, plant and equipment | 11 | 6,442 | 3,290 |
| | | <u>6,442</u> | <u>3,290</u> |
| Total assets | | <u>2,414,971</u> | <u>2,484,066</u> |
| LIABILITIES | | | |
| Current liabilities | | | |
| Other payables | 12 | 183,194 | 136,321 |
| Grants received in advance | 13 | 393,104 | 331,570 |
| | | <u>576,298</u> | <u>467,891</u> |
| Total liabilities | | <u>576,298</u> | <u>467,891</u> |
| NET ASSETS | | <u>1,838,673</u> | <u>2,016,175</u> |
| FUNDS | | | |
| Unrestricted funds | | | |
| General fund | 14 | 1,258,944 | 1,431,736 |
| Designated fund | 14 | 423,199 | 423,199 |
| | | <u>1,682,143</u> | <u>1,854,935</u> |
| Restricted funds | | | |
| Yuhua Senior Activities Centre ("SAC") | 15 | 156,530 | 161,240 |
| | | <u>156,530</u> | <u>161,240</u> |
| TOTAL FUNDS | | <u>1,838,673</u> | <u>2,016,175</u> |

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

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

| | Note | Balance at beginning of financial year S\$ | Net (Deficit)/ Surplus S\$ | Transfer of funds (Note 14) S\$ | Balance at end of financial year S\$ |
|---|------|---|-------------------------------------|--|---|
| 2022 | | | | | |
| Unrestricted funds | | | | | |
| General fund | 14 | 1,431,736 | (172,792) | 0 | 1,258,944 |
| Designated fund | 14 | 423,199 | 0 | 0 | 423,199 |
| | | <u>1,854,935</u> | <u>(172,792)</u> | <u>0</u> | <u>1,682,143</u> |
| Restricted funds | | | | | |
| Yuhua Senior Activities Centre ("SAC") | 15 | <u>161,240</u> | <u>(4,710)</u> | <u>0</u> | <u>156,530</u> |
| Total funds | | <u>2,016,175</u> | <u>(177,502)</u> | <u>0</u> | <u>1,838,673</u> |
| 2021 | | | | | |
| Unrestricted funds | | | | | |
| General fund | 14 | 924,672 | 505,824 | 1,240 | 1,431,736 |
| Designated fund | 14 | 424,439 | 0 | (1,240) | 423,199 |
| | | <u>1,349,111</u> | <u>505,824</u> | <u>0</u> | <u>1,854,935</u> |
| Restricted funds | | | | | |
| Yuhua Senior Activities Centre ("SAC") | 15 | <u>127,842</u> | <u>33,398</u> | <u>0</u> | <u>161,240</u> |
| Total funds | | <u>1,476,953</u> | <u>539,222</u> | <u>0</u> | <u>2,016,175</u> |

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

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

| | Note | 2022 S\$ | 2021 S\$ |
|---|------|-------------------------|-------------------------|
| Cash flows from operating activities | | | |
| Net (deficit)/surplus for the year | | (177,502) | 539,222 |
| Adjustments for: | | | |
| - Depreciation | 11 | 1,775 | 2,819 |
| - Interest income | | (8,117) | (14,830) |
| Operating cash flow before working capital changes | | <u>(183,844)</u> | <u>527,211</u> |
| Changes in working capital | | | |
| - Other receivables | | (57,682) | (50,078) |
| - Other payables | | 46,873 | 32,122 |
| - Deferred income | | 61,534 | 56,097 |
| Cash (used in)/generated from operations | | <u>(133,119)</u> | <u>565,352</u> |
| Interest received | | <u>1,785</u> | <u>1,536</u> |
| Net cash (used in)/generated from operating activities | | <u>(131,334)</u> | <u>566,888</u> |
| Cash flows from investing activities | | | |
| Fixed deposit interest received | | 6,332 | 11,846 |
| Purchase of property, plant and equipment | 11 | <u>(30,921)</u> | <u>(7,219)</u> |
| Net cash (used in)/generated from investing activities | | <u>(24,589)</u> | <u>4,627</u> |
| Cash flows from financing activity | | | |
| Capital grants utilised to purchase property, plant and equipment, representing net cash provided by financing activities | 11 | <u>25,994</u> | <u>7,219</u> |
| Net (decrease) /increase in cash and cash equivalents | | <u>(129,929)</u> | <u>578,734</u> |
| Cash and cash equivalents at beginning of financial year | | <u>2,244,538</u> | <u>1,665,804</u> |
| Cash and cash equivalents at end of financial year | 9 | <u><u>2,114,609</u></u> | <u><u>2,244,538</u></u> |

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

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

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 Centre's registered office and the principal place of operation is located at 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 a charity registered under the Charities Act 1994 since 26 June 2000. The Centre has been accorded the Institutions of a Public Character ("IPC") status from 1 November 2019 to 30 April 2021. The Centre has renewed its IPC status from 1 May 2021 to 30 April 2023.

Yuhua Senior Activity Centre (Previously known as Yuhua Neighbourhood Link) is a division of Loving Heart Multi-Service Centre and its registered office and the principal place of business is located at Block 318A Jurong East Avenue 1, #02-308, Singapore 601318. The principal operation of the division are 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.

The principal activities of the Centre are to provide befriending and food ration delivery services, community mediation services, medical escort and transport services, counselling services, family education, Job match @ Yuhua, Silverheart @ Yuhua, Network with grassroots organisations, enhance information and referrals of Silverheart Wellness Centre to families, elderly residents and any person who needs help there.

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 in the West.

The objectives for which the Centre is 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.

2. Significant accounting policies (Cont'd)

2.1 Basis of preparation (Cont'd)

2.1.1 Interpretations and amendments to published standards effective in 2021

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.

The adoption of these new or amended FRSs and INT FRSs did not result in substantial changes to the Centre's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

2.1.2 Standards issued but not yet effective

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

| <u>Descriptions</u> | <u>Effective for annual periods beginning on or after</u> |
|---|---|
| Annual Improvements to FRSs 2018-2020 | 1 January 2022 |
| Amendments to: | |
| - FRS 16: Property, Plant and Equipment – Proceeds before Intended Use | 1 January 2022 |
| - FRS 37: Onerous Contracts – Cost of Fulfilling a Contract | 1 January 2022 |
| - FRS 103: Reference to the Conceptual Framework | 1 January 2022 |
| - FRS 1: Classification of Liabilities as Current or Non-current | 1 January 2023 |
| - FRS 1 and FRS Practice Statement 2: Disclosure of Accounting Policies | 1 January 2023 |
| - FRS 8: Definition of Accounting Estimates | 1 January 2023 |
| - FRS 12: Deferred tax related Assets and Liabilities arising from a Single Transaction | 1 January 2023 |
| - FRS 110 and FRS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture | Date to be determined |

Management Committee believes 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 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.

2. Significant accounting policies (Cont'd)

2.2 Income recognition (Cont'd)

Income is recognised as follows:

2.2.1 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.

2.2.2 Rendering of services

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

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 as income upon receipt.

2.3 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.

2.4 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.

2.4.1 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.

2.4.2 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.

2.4.3 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.

2. Significant accounting policies (Cont'd)

2.5 Property, plant and equipment

2.5.1 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.

2.5.2 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 |
|------------------------|--------------|
| 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.

2.5.3 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.

2.5.4 Disposal

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

2. Significant accounting policies (Cont'd)

2.6 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.

2.7 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.

2.8 Financial assets

2.8.1 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.

2. Significant accounting policies (Cont'd)

2.8 Financial assets (Cont'd)

2.8.1 Classification and measurement (Cont'd)

At subsequent measurement (Cont'd)

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.

2.8.2 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.

2.8.3 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.

2.9 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. Significant accounting policies (Cont'd)

2.10 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.

2.11 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.

2.12 Leases

At the inception of the contract, the Centre assesses if the contract contains a lease. A contract contains a lease if the contract convey 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 2.6.

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.

2. Significant accounting policies (Cont'd)

2.12 Leases (Cont'd)

(a) As lessee (Cont'd)

Lease liabilities (Cont'd)

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.

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.

2. Significant accounting policies (Cont'd)

2.12 Leases (Cont'd)

(a) As lessee (Cont'd)

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.

2.13 Employee compensation

2.13.1 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.

2.13.2 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.

2.14 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 Centre'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

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.

3.1 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.

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.

3.2 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 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:

| | Note | 2022 S\$ | 2021 S\$ |
|--|------|---------------|---------------|
| Revenue from: | | | |
| Birthday celebration | | 0 | 1,000 |
| Centre's activities | | 11,872 | 22,908 |
| Income - Medical Escort and Transport Services | | 16,294 | 12,730 |
| Sponsorship - Meals on Us Programme | | 25,041 | 14,000 |
| | | <u>53,207</u> | <u>50,638</u> |
| Timing of transfer of services - At a point in time | | <u>53,207</u> | <u>50,638</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; or
- (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.

6. Donations

| | Note | 2022 S\$ | 2021 S\$ |
|------------------------------|------|---------------|---------------|
| Tax deductible donations | | 51,963 | 43,513 |
| Non-tax deductible donations | | 13,413 | 13,515 |
| | | <u>65,376</u> | <u>57,028</u> |

During the financial year, the Centre issued tax deductible receipts, for donations totalling S\$51,963 (2021: S\$43,513) pursuant to its Institutions of a Public Character ("IPC") status.

Donations received during the financial year amounting to S\$65,376 (2021: S\$57,028) was submitted and matched for Community Silver Trust ("CST") FY2022 Grant Call (2021: FY 2021 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

| | Note | 2022 S\$ | 2021 S\$ |
|----------------------------|------|----------------|----------------|
| CPF and SDL contributions | | 110,963 | 73,721 |
| Salaries and related costs | | 788,868 | 582,501 |
| | 8 | <u>899,831</u> | <u>656,222</u> |

Included in the expenditures are the following staff costs:

| | 2022 S\$ | 2021 S\$ |
|-------------------------------------|----------------|----------------|
| Cost of generating funds | 151,939 | 116,570 |
| Cost of charitable activities | 500,615 | 410,689 |
| Governance and administrative costs | 247,277 | 128,963 |
| | <u>899,831</u> | <u>656,222</u> |

8. Basis of apportionment of support costs

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

| | Cost of generating funds S\$ | Cost of charitable activities S\$ | Governance and administrative costs S\$ | Total S\$ | Basis of apportionment |
|---|---------------------------------------|--|---|----------------|---------------------------|
| <u>2022</u> | | | | | |
| Depreciation | 806 | 0 | 969 | 1,775 | Usage |
| Staff costs | | | | | |
| - CPF, SDL contribution | 19,458 | 60,708 | 30,797 | 110,963 | Time spent |
| - Salaries and bonuses | 132,481 | 439,907 | 216,480 | 788,868 | Time spent |
| | <u>151,939</u> | <u>500,615</u> | <u>247,277</u> | <u>899,831</u> | |
| Operating lease expense: Rental of premises | 16,486 | 0 | 4,122 | 20,608 | Space occupied |
| Utilities | 7,471 | 0 | 1,868 | 9,339 | Space occupied |
| | Cost of generating funds S\$ | Cost of charitable activities S\$ | Governance and administrative costs S\$ | Total S\$ | Basis of apportionment |
| <u>2021</u> | | | | | |
| Depreciation | 545 | 0 | 2,274 | 2,819 | Usage |
| Staff costs | | | | | |
| - CPF, SDL contribution | 13,662 | 44,906 | 15,153 | 73,721 | Time spent |
| - Salaries and bonuses | 102,908 | 365,783 | 113,810 | 582,501 | Time spent |
| | <u>116,570</u> | <u>410,689</u> | <u>128,963</u> | <u>656,222</u> | |
| Operating lease expense: Rental of premises | 12,824 | 0 | 3,206 | 16,030 | Space occupied |
| Utilities | 6,644 | 0 | 1,661 | 8,305 | Space occupied |

9. Cash and cash equivalents

| | 2022 S\$ | 2021 S\$ |
|----------------|------------------|------------------|
| Cash on hand | 1,864 | 1,864 |
| Cash at banks | 1,261,780 | 892,674 |
| Fixed deposits | 850,965 | 1,350,000 |
| | <u>2,114,609</u> | <u>2,244,538</u> |

The fixed deposits mature within 2 to 6 months (2021: 2 to 8 months) from the financial year end and earn interest at rate of 0.45% to 0.70% (2021: 0.30% to 0.90%) 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.

10. Other receivables

| | Note | 2022 S\$ | 2021 S\$ |
|--|------|----------------|----------------|
| Grant receivables | | | |
| - MOH - Subvention Grant | | 35,036 | 15,355 |
| - SWCDC - Medical Transport Subsidy | | 18,786 | 2,048 |
| - MSF - Care and Share Matching Fund | 10.1 | 171,463 | 149,602 |
| - MCCY - SG Cares Volunteer Centre Development Programme | | 0 | 2,804 |
| - VCF Consultancy Grant | 10.2 | 11,062 | 11,062 |
| - Transformation Support Scheme | | 16,200 | 0 |
| - Other grants | | 6,287 | 21,774 |
| | | <u>258,834</u> | <u>202,645</u> |
| Other receivables | | | |
| - Deposits | | 6,946 | 7,186 |
| - Interest receivable | | 991 | 3,112 |
| - Other receivables | | 8,845 | 11,555 |
| - Prepayments | | 18,304 | 11,740 |
| | | <u>35,086</u> | <u>33,593</u> |
| | | <u>293,920</u> | <u>236,238</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.

10.1 Care and Share Matching Fund – grant receivables

| | 2022 S\$ | 2021 S\$ |
|---|----------------|----------------|
| At beginning of financial year | 149,602 | 81,652 |
| Grants received | 0 | 0 |
| Grant utilised for acquisition of property, plant and equipment | 5,355 | 4,246 |
| Grant utilised for qualifying expenditures | 16,506 | 63,704 |
| At end of financial year | <u>171,463</u> | <u>149,602</u> |

10. Other receivables (Cont'd)

10.1 Care and Share Matching Fund – grant receivables (Cont'd)

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.

10.2 VCF Consultancy Grant – grant receivables/(received in advance)

| | 2022 S\$ | 2021 S\$ |
|--|-------------|-------------|
| At beginning of financial year | 11,062 | (11,556) |
| Grant utilised for qualifying expenditures | 0 | 22,618 |
| At end of financial year | 11,062 | 11,062 |

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

11. Property, plant and equipment

| | Note | Computer S\$ | Equipment S\$ | Furniture and fittings S\$ | Motor vehicles S\$ | Renovation S\$ | Total S\$ |
|---|------|-----------------|------------------|----------------------------------|--------------------------|-------------------|--------------|
| Cost | | | | | | | |
| At 1 April 2020 and at 31 March 2021 | | 6,829 | 18,522 | 193 | 63,986 | 4,912 | 94,442 |
| Additions | | 430 | 3,050 | 1,447 | 0 | 0 | 4,927 |
| Written off | | 0 | (599) | 0 | 0 | 0 | (599) |
| At 31 March 2022 | | 7,259 | 20,973 | 1,640 | 63,986 | 4,912 | 98,770 |
| Accumulated depreciation | | | | | | | |
| At 1 April 2020 | | 4,058 | 15,877 | 193 | 63,986 | 4,219 | 88,333 |
| Depreciation | | 1,404 | 735 | 0 | 0 | 680 | 2,819 |
| At 31 March 2021 | | 5,462 | 16,612 | 193 | 63,986 | 4,899 | 91,152 |
| Depreciation | | 859 | 807 | 96 | 0 | 13 | 1,775 |
| Written off | | 0 | (599) | 0 | 0 | 0 | (599) |
| At 31 March 2022 | | 6,321 | 16,820 | 289 | 63,986 | 4,912 | 92,328 |
| Carrying amount | | | | | | | |
| 31 March 2021 | | 1,367 | 1,910 | 0 | 0 | 13 | 3,290 |
| 31 March 2022 | | 938 | 4,153 | 1,351 | 0 | 0 | 6,442 |

During the financial year, the Centre have acquired the following category of assets via capital grants received and as result of adoption of the new presentation of grants related to assets under FRS 20, there are no additions of property, plant and equipment being capitalised and disclosed in these financial statements. Details of acquisitions are as follows:

| | 2022 S\$ | 2021 S\$ |
|------------------------|-------------|-------------|
| Computer | 16,163 | 3,716 |
| Furniture and fittings | 9,831 | 0 |
| Renovation | 0 | 3,503 |
| | 25,994 | 7,219 |

12. Other payables

| | 2022 S\$ | 2021 S\$ |
|---------------------------------|----------------|----------------|
| Accruals | 139,284 | 97,176 |
| Provision for unutilised leaves | 38,406 | 25,163 |
| Other payables | 5,504 | 13,982 |
| | <u>183,194</u> | <u>136,321</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.

13. Grants received in advance

Grants received in advance related to the grants received by the Centre and comprises the following:

| | Note | 2022 S\$ | 2021 S\$ |
|---|------|----------------|----------------|
| Community Silver Trust Matching Grant | 13.1 | 204,452 | 226,127 |
| SG Cares Volunteer Centre Development Programme | 13.2 | 68,127 | 0 |
| Tote Board Community Healthcare Fund | 13.3 | 0 | 0 |
| Meals on Us Programme | 13.4 | 120,525 | 85,983 |
| Other grants | 13.5 | 0 | 19,460 |
| | | <u>393,104</u> | <u>331,570</u> |

13.1 Community Silver Trust Matching Grant

| | 2022 S\$ | 2021 S\$ |
|--|------------------|------------------|
| At beginning of financial year | 226,127 | 171,697 |
| Grants received | 89,944 | 258,816 |
| Grant utilised for qualifying expenditures | <u>(111,619)</u> | <u>(204,386)</u> |
| At end of financial year | <u>204,452</u> | <u>226,127</u> |

The Community Silver Trust ("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 the 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.

13. Grants received in advance (Cont'd)

13.2 SG Cares Volunteer Centre Development Programme ("SG Cares")

| | 2022 S\$ | 2021 S\$ |
|---|-----------------|----------------|
| Beginning of the year | 0 | 20,315 |
| Grants received | 360,000 | 144,000 |
| Grants receivable | 0 | 2,804 |
| Grants refunded | 0 | (353) |
| Grant utilised for qualifying expenditures | (271,234) | (163,793) |
| Grant utilised for acquisition of property, plant and equipment | <u>(20,639)</u> | <u>(2,973)</u> |
| End of the year | <u>68,127</u> | <u>0</u> |

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

13.3 Tote Board Community Healthcare Fund

| | 2022 S\$ | 2021 S\$ |
|---|-------------|-----------------|
| Beginning of the year | 0 | 19,472 |
| Grants received | 0 | 44,675 |
| Grant utilised for acquisition of property, plant and equipment | 0 | (44,375) |
| Grant utilised for qualifying expenditures | <u>0</u> | <u>(19,772)</u> |
| End of the year | <u>0</u> | <u>0</u> |

Tote Board Community Healthcare Fund seeks to:

- i) provide funds for the Centre's operations that is in accordance with the terms and conditions set in the agreement with the Agency for Integrated Care ("AIC") including the service model provided by AIC; and
- ii) equip the Centre with an additional specialised vehicle to increase the handling capacity of their MET services.

This programme have been completed during the financial year ended 31 March 2021.

13.4 Meals on Us Programme

| | 2022 S\$ | 2021 S\$ |
|--|-----------------|-----------------|
| Beginning of the year | 85,983 | 0 |
| Sponsorship received | 50,000 | 100,000 |
| Sponsorship utilised for qualifying expenditures | <u>(15,458)</u> | <u>(14,017)</u> |
| End of the year | <u>120,525</u> | <u>85,983</u> |

Meals on Us Programme ("MoU") is a community initiative to provide daily hot meals to vulnerable elderly which started during the Covid-19 circuit breaker. 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.

13. Grants received in advance (Cont'd)

13.5 Other grants

| | Note | 2022 S\$ | 2021 S\$ |
|--|------|-------------|---------------|
| Beginning of the year | | 19,460 | 11,556 |
| Grants received | | 0 | 50,720 |
| Grants receivable | | 1,147 | 11,062 |
| Grant utilised for qualifying expenditures | | (20,607) | (53,878) |
| End of the year | | <u>0</u> | <u>19,460</u> |

Other grants comprise:

i. Community Chest Charity Support Fund ("CSF")

The Community Chest Charity Support grant is established by NCSS to provide programmes to empower service users and families, provide capital expenditure and capability building for community engagements with the aim of unlocking resources for service users.

ii. VCF-Info-Communications Technology ("VCF-ICT")

VCF-Info-Communications Technology grant provides co-funding to funding 70% of the supported costs or 70% of the actual expenditure, whichever is lower. This grant is established to harness ICT to facilitate the submission of returns and transactions on the Charity Portal.

14. 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:

| | 2022 S\$ | 2021 S\$ |
|------------------------------------|----------------|----------------|
| At beginning of the financial year | 423,199 | 424,439 |
| Disbursements | <u>0</u> | <u>(1,240)</u> |
| At end of the financial year | <u>423,199</u> | <u>423,199</u> |

In the prior financial year, there was a disbursement of S\$1,240 to a related party, Good Company Pte Ltd for a Worldbuilding Programme to LEAPS kids.

15. 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 above are restricted for the operation of the SAC.

Movement of the restricted fund are as follows:

| | 2022 S\$ | 2021 S\$ |
|------------------------------------|----------------|----------------|
| At beginning of the financial year | 161,240 | 127,842 |
| Net (deficit)/surplus | <u>(4,710)</u> | <u>33,398</u> |
| At end of the financial year | <u>156,530</u> | <u>161,240</u> |

16. Related party transactions

(a) The following transactions took place between the Centre and a related party during the financial year at terms agreed between the parties:

| | 2022 S\$ | 2021 S\$ |
|---|-------------|-------------|
| <u>Good Company Private Limited – Common Management Committee/Directors</u> | | |
| Sponsorship | 0 | 1,240 |
| Staff training | 0 | 4,040 |

(b) Key management personnel compensation

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

| | 2022 S\$ | 2021 S\$ |
|---|----------------|----------------|
| <u>Executive</u> | | |
| Salaries and other short-term employee benefits | 304,582 | 231,459 |
| Post-employment benefits – Contribution to CPF | <u>38,664</u> | <u>27,166</u> |
| | <u>343,246</u> | <u>258,625</u> |

16. Related party transactions (Cont'd)

(b) Key management personnel compensation (cont'd)

The remuneration of the key management personnel during the financial year are as follows: (cont'd)

| | Number of key personnel | Number of key personnel |
|--|-------------------------------|-------------------------------|
| No. of Executives of the Centre in remuneration bands: | | |
| - Below S\$100,000 | <u>6</u> | <u>4</u> |

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

17. Leases

| | 2022 S\$ | 2021 S\$ |
|---|---------------|---------------|
| 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 | 16,486 | 12,824 |
| - Governance and administrative costs | <u>4,122</u> | <u>3,206</u> |
| | 20,608 | 16,030 |
| Leasing of photocopy machine | | |
| - Governance and administrative costs | <u>2,183</u> | <u>2,183</u> |
| | <u>22,791</u> | <u>18,213</u> |

* This includes COVID-19 related rent concessions received from lessor of S\$6,869 (2021: S\$11,449) to which the Centre has applied the practical expedient.

During the financial year, the Centre's total cash outflows for leases amounts to S\$22,791 (2021: S\$18,213).

18. Operating lease commitments

The Centre lease 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:

| | 2022 S\$ | 2021 S\$ |
|---|--------------|--------------|
| <u>Office equipment</u> | | |
| Not later than one year | 2,188 | 2,183 |
| Later than one year but not later than five years | <u>1,663</u> | <u>3,830</u> |
| | <u>3,851</u> | <u>6,013</u> |

The Centre has adopted FRS 116 on 1 April 2019. These lease payments have been recognised as right-of-use assets and lease liabilities in the statement of financial position since 31 March 2021, except for short-term and low-value assets.

19. Financial instruments by category

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

| | 2022 S\$ | 2021 S\$ |
|--|----------------|----------------|
| Financial assets, at amortised cost | 2,390,225 | 2,469,036 |
| Financial liabilities, at amortised cost | <u>183,194</u> | <u>136,321</u> |

20. 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.

20.1 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:

| | Within one year S\$ | Later than one year but not later than five years S\$ | Total S\$ |
|---|---------------------------|--|------------------|
| 2022 | | | |
| Financial assets | | | |
| Cash and cash equivalents | 2,114,609 | 0 | 2,114,609 |
| Other receivables (excluding prepayments) | <u>275,616</u> | <u>0</u> | <u>275,616</u> |
| | 2,390,225 | 0 | 2,390,225 |
| Financial liabilities | | | |
| Other payables | <u>(183,194)</u> | <u>0</u> | <u>(183,194)</u> |
| Net financial assets | <u>2,207,031</u> | <u>0</u> | <u>2,207,031</u> |

20. Financial risk management (Cont'd)

20.1 Liquidity risk (Cont'd)

| | Within one year S\$ | Later than one year but not later than five years S\$ | Total S\$ |
|---|---------------------------|--|-------------------------|
| 2021 | | | |
| Financial assets | | | |
| Cash and cash equivalents | 2,244,538 | 0 | 2,244,538 |
| Other receivables (excluding prepayments) | 224,498 | 0 | 224,498 |
| | <u>2,469,036</u> | <u>0</u> | <u>2,469,036</u> |
| Financial liabilities | | | |
| Other payables | <u>(136,321)</u> | <u>0</u> | <u>(136,321)</u> |
| Net financial assets | <u><u>2,332,715</u></u> | <u><u>0</u></u> | <u><u>2,332,715</u></u> |

20.2 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 Society mitigates its credit risks by transacting only with a counter party who are rated "A" and above by independent rating agencies. The Society 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 are no credit loss allowance for financial asset at amortised costs as at 31 March 2022 and 31 March 2021.

20. Financial risk management (Cont'd)

20.3 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 | 2022 S\$ | 2021 S\$ |
|-------------------------------|------|----------------|------------------|
| Fixed rate instruments | | | |
| <u>Financial assets</u> | | | |
| Fixed deposits | 9 | <u>850,965</u> | <u>1,350,000</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.

21. Fair values

As at 31 March 2022, the carrying amounts of the financial assets and liabilities recorded in the financial statements of the Centre approximates their fair values due to their short-term nature.

22. 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.

23. Reserve position and policy

The Centre's reserve position for financial year ended 31 March 2022 and 31 March 2021 are as follows:

| | | 2022 | 2021 | Increase/ (Decrease) |
|---|--|---------|---------|-------------------------|
| | | S\$'000 | S\$'000 | % |
| A | Unrestricted Funds | | | |
| | Accumulated general funds | 1,259 | 1,432 | (12.08) |
| | Designated Funds | 423 | 423 | 0 |
| B | Restricted or Designated Funds | | | |
| | Restricted Funds | 157 | 161 | (2.48) |
| C | Endowment Funds | N/A | N/A | |
| D | Total Funds | 1,839 | 2,016 | (8.78) |
| E | Total Annual Operating Expenditure | 1,220 | 987 | 23.61 |
| F | Ratio of Funds to Annual Operating Expenditure (A/E) | 1.38 | 1.88 | |

Reference:

- C. An endowment fund consists of assets, funds or properties, which are held in perpetuity, which produce annual income flow for a charity to spend as grants.
- D. Total funds include unrestricted, restricted / designated and endowment funds.
- E. Total annual operating expenditure includes expenses related to Cost of 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 reviews yearly the amount of reserves that are required to ensure that they are adequate to fulfil the continuing obligations.

24. Comparative figures

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

The following reclassification has been made:

| <u>31.03.2021</u> | As previously reported S\$ | Reclassification S\$ | As reclassified S\$ |
|--|-------------------------------------|-------------------------|---------------------------|
| Statement of financial activities | | | |
| Income from generated funds | | | |
| <u>Voluntary income</u> | | | |
| Grants and funding: | | | |
| Jobs Support Scheme Grant | 165,121 | (165,121) | 0 |
| Other income | | | |
| Jobs Support Scheme Grant | 0 | 165,121 | 165,121 |

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

The COVID-19 pandemic has affected almost all countries of the world, and resulted in border closures, production stoppages, workplace closures, movement controls and other measures imposed by the various governments. The Centre's significant operations are in Singapore which have been affected by the spread of COVID-19 since 2021. The nature of the Centre activities are those of serving the community. The Centre is maintained through donation received from the public and grants and funding provided by the government authorities.

The Centre has assessed that the going concern basis of preparation for this set of financial statements remains appropriate. The Management continuously monitoring the COVID-19 pandemic situation and will take further action as necessary in response to the service disruption.

As the global COVID-19 situation remains fluid as at the date these financial statements were authorised for issuance, the Centre cannot reasonably ascertain the full extent of the probable impact of the COVID-19 disruptions on its operating and financial performance for the financial year ending 31 March 2023. If the situation persists beyond management's current expectations, the Centre's assets may be subject to further write downs in the subsequent financial periods.

26. Authorisation of financial statements

The financial statements for the financial year ended 31 March 2022 were authorised for issue in accordance with a resolution of the Management Committee of the Centre on 29 September 2022.