

Annual Report FY 2023

Enhancing Living: Inspired Ageing



Contents



- 2** Our Chairman and CEO
- 4** 2023 – Year in Review
- 11** Our Sights Ahead – 2024
- 14** Board of Directors
- 16** Committee Attendance
- 18** Corporate Governance
- 20** Governance Evaluation Checklist
- 24** Vision, Mission, Values
- 26** How We Are Structured
- 27** Philosophy of Care
- 28** By the Numbers
- 30** Admission & Programme Enquiries
- 31** Financial Statements





Our Chairman

**Farihullah s/o A
W Safiullah**

We have long passed the starting mark. We entered the year 2023 with good momentum – there was stability on several fronts – a mid-term plan, rising donation collections again, a credible and hardworking team of staff and a committed leadership.

Yet, that was just the beginning.

We had to roll out our plans. The staff were relentless in implementing the mid-term plan. The leadership was apprised of each move.

We had our second retreat to review our initiatives and plans. We dug deep; giving of our best, running on the ground, and getting the endorsement of our Board and our parent-body, SASCO Limited.

Even amidst the sad demise of a comrade, our late Treasurer Hussain bin

Yunos, we ploughed on with our work and mission towards caring for the elderly.

The initiatives we rolled out would certainly enhance the care of our seniors.

With the evolving national direction of a 'bundled-service' or even a 'one-stop coordinated service' for eldercare, we were well poised to fit snugly into the nationwide structure. Now, we are even better positioned to inspire graceful ageing.

Yes, there were challenges; and they came in different forms. We faced them all with confidence and equanimity.

In the closing months, our parent-body, SASCO Limited, appointed a Group CEO to start the new year. We were living together under one roof; now we work together as one family.



Our Chief Executive Officer

Seak Poh Leong

Within 24 months, we were able to reach a new level. We need to build on what we have started as we join the ranks of those who care for the aged in our society.

Our three-year roadmap underscored our unique strengths and advantages. In areas where we thrived, we extended ourselves. In other areas, we sought viable alternatives. With the evolving national landscape for eldercare, we also needed to adapt, such as starting 'mobile homecare'. We have had a headstart in including homecare+ in our 'bundled services'.

The sixteen (16) initiatives (in our MTP) were trimmed to thirteen (13) and after the second management summit, we added

four (4) more initiatives. There was certainly enhanced quality in our services, such as engaging geriatricians to examine each of our seniors. With the completion of the renovation for our fourth and final Senior Care Centre at Jurong West, we achieved enhanced living in pristine environments.

And more importantly, we went for our health check again in September, scoring 73.1% or 'Good' for the OHFSS (from 61.1% or 'fair' in 2021).

We are making reasonable progress. But there is more terrain to cover and we cannot take things for granted. We depend on the support of our Government and our benefactors. They will sleep soundly only when our seniors live and age well.

2023 – Year in Review

Refreshed from 2022, our SASCO Home rode the final months of 2023, having traversed a hectic but fulfilling year, with a sense of equanimity. And we were able to maintain this poise, only because of what we had aimed for and accomplished in the year 2023.

We were on our organisational excellence journey, rolling out our Mid-Term Plans – 16 initiatives in all, straddled across four strategic thrusts of Holistic and Person-Centred

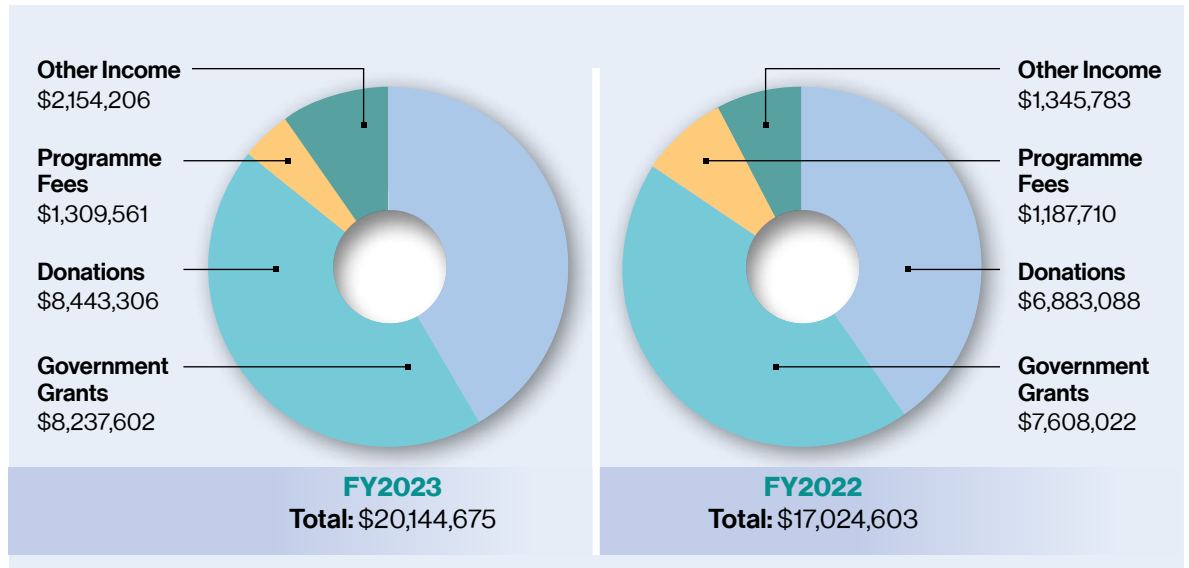
Programmes, Increased Presence in Sector, Service Culture and a Process-Excellent Organisation.

Health Check - OHFSS

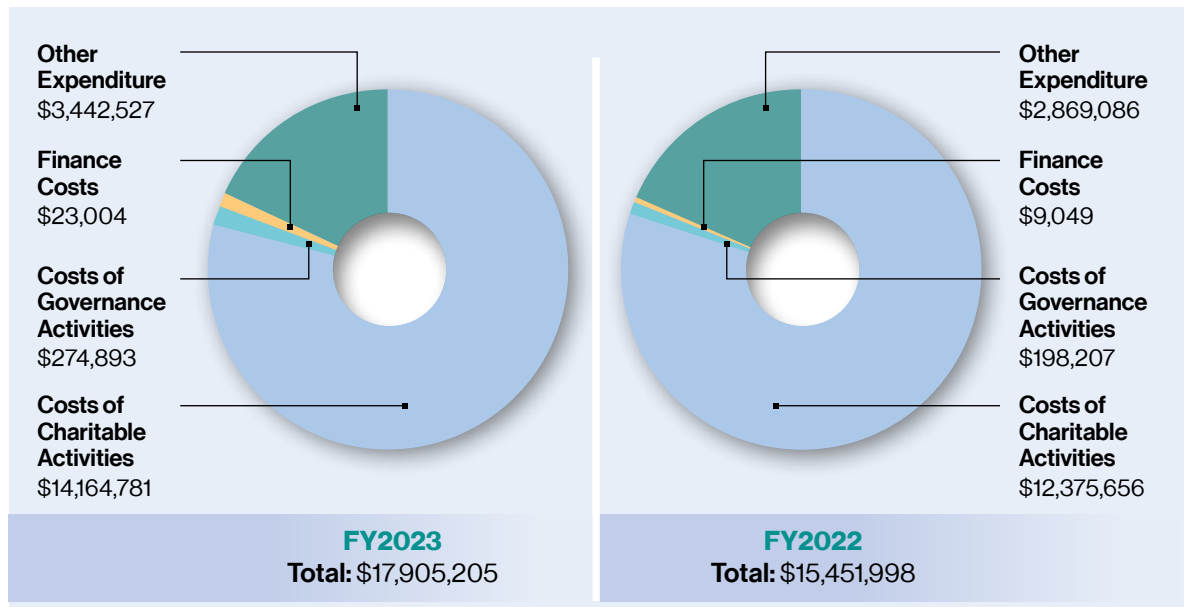
We embarked on the OHFSS in 2021, and as one of the 16 MTP initiatives; and so we measured ourselves in September 2023. We improved – from pink to green and from 61.1% (2021, Fair) to 73.1% (Good).

Financial Health

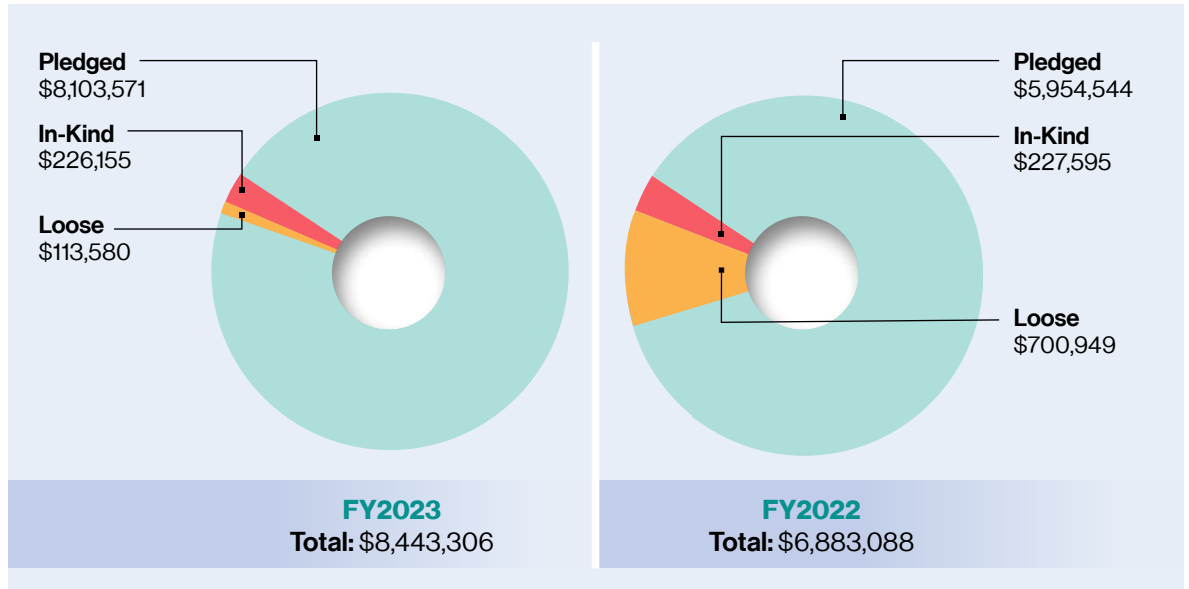
Income



Expenditure



Donations



Fundraising

Starting with LadderPro in October 2022 gave us an ideal runway that sprung us from the month of January 2023 itself. Our partner 3rd-party fundraiser, with their dauntless brand ambassadors from LadderPro, were relentless, toiling the streets, winning hearts and pockets. We climbed to a season high, surpassing the \$800k mark for December 2023 alone.

The Organisational Excellence Journey

In continuing our pursuit of excellence, we needed to make our way to 'good' before reaching 'great'. We had a good look and we were on the way.

MTP – Quarterly Updates

As we implemented and monitored our initiatives, we kept regular tabs on ourselves; on our projects; on the processes.

We met every quarter by looking though with varying lenses but ensuring and maintaining the common vision. We made sure that we did not lose sight of our original vision.

Our parent-body, SASCO Limited and our BOARD, SASCO Home were kept abreast each month; they kept pace with us each step of the way.



Management Summit

Dates:

10 – 16 Aug 2023

Venue:

Colombo, Sri Lanka

Participants:

Total Pax = 14
SASCO Ltd COM Members (6)
SASCO Home COM Members (4 + 1)
CEO & 3 staffs

Strategic Planning Summit – Sri Lanka 2023

We needed that dedicated time again – the time to huddle and review our plans – what worked; what did not work.

We decided to make our way to Sri Lanka this time, from 10 – 16 Aug 2023. Almost all of SASCO Limited COM members, together with our Board members, CEO and key personnel participated in the Summit.

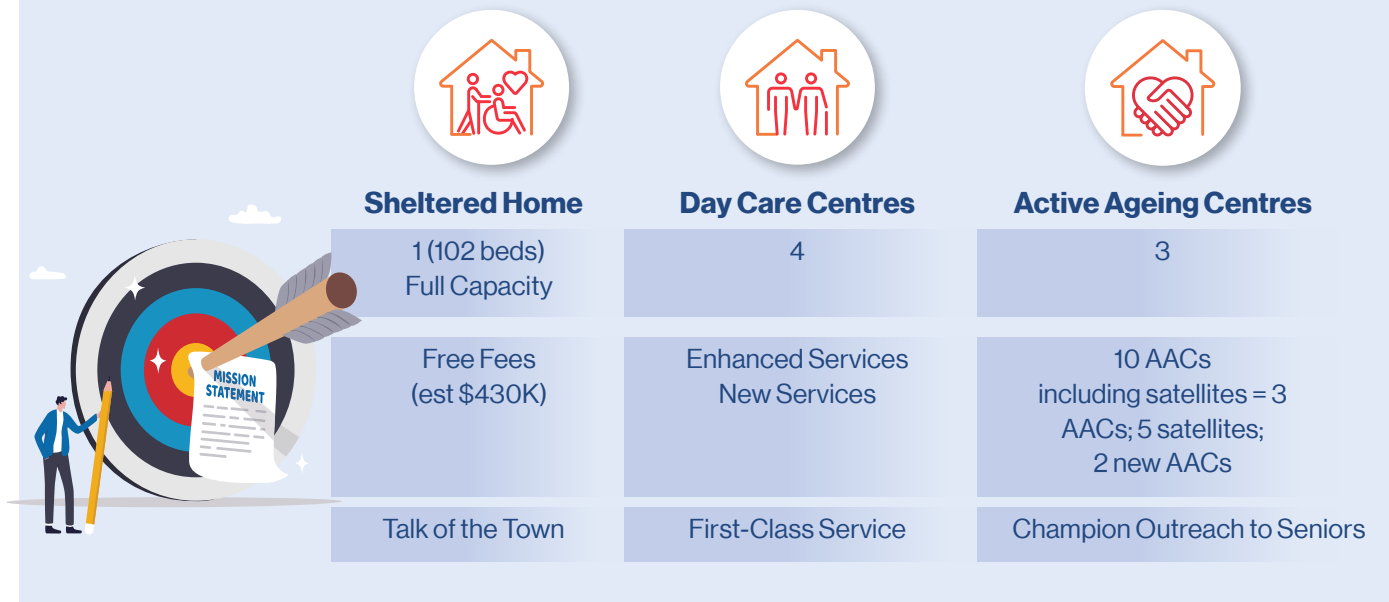
We returned from the Summit with:

- Our MTP reviewed – from 16 initiatives to 13 initiatives and adding another 4 initiatives.
- Some initiatives were able to resume as normal operations.
- Some others were added, with further scouring of the horizon.

This time, in reviewing the initiatives, it was more challenging to ‘separate the trees in the forest’. It is one thing to remain optimistic and maintain the hopes of achieving the intended results; it is another to decide that we need to look for alternative solutions or to abandon the initiative altogether.



Pre-Nursing 'Organisation' Mid-Term Plan (2022-2025)



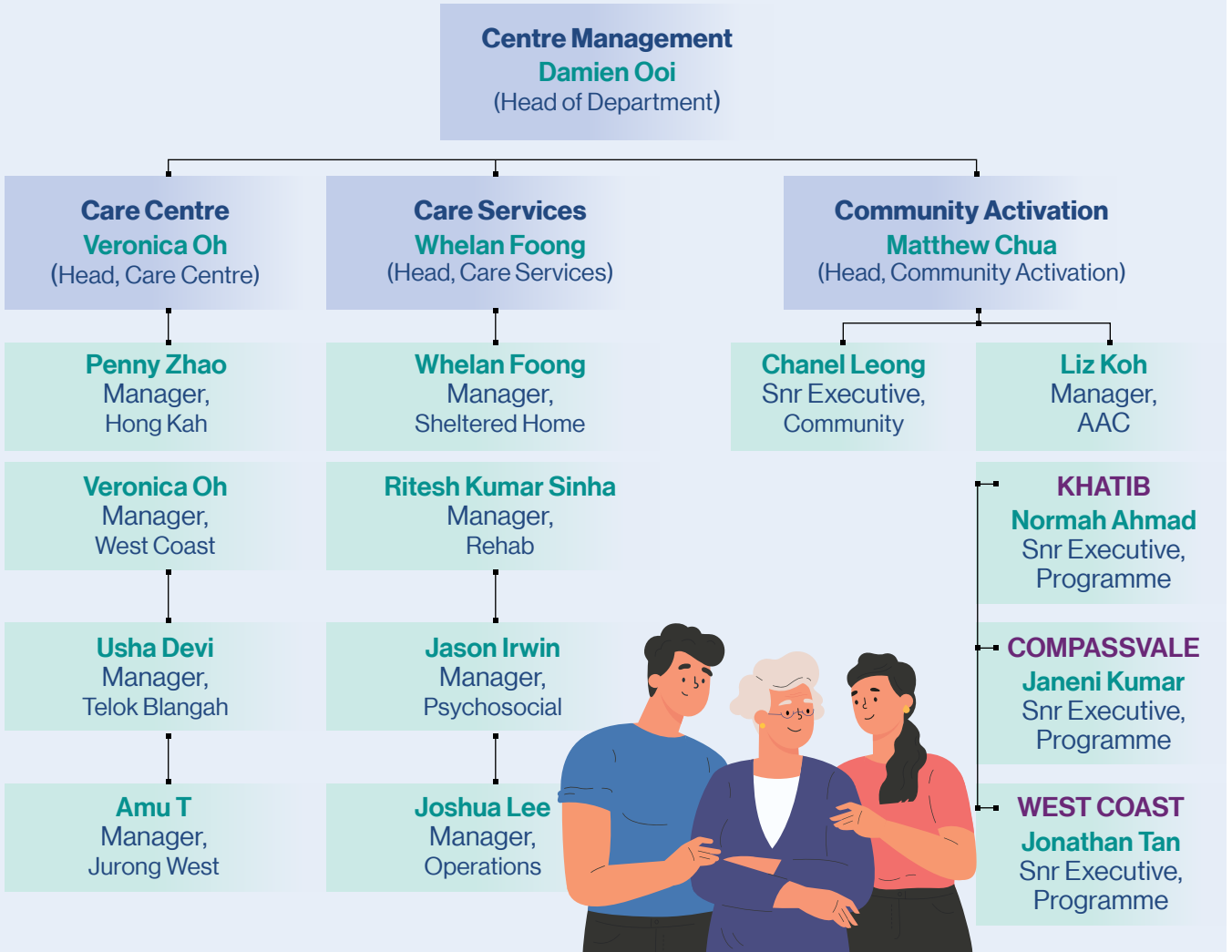
| Leader Seak Poh Leong | | | |
|-----------------------------|---|----------------------------|--|
| Co-ordinators Damien Ooi | | Co-ordinators Eric Song | |
| | | Team Leads | Team Leads |
| H1 | Case Management (PCC) | Jason | E1 Organisational Health (OHFSS) |
| H2 | Dementia Upgraded | Usha | E2 Digitalisation Initiatives according to MasterPlan |
| H3 | IHDC Structure | Tong | E3 Establish People Developer Framework - Total Training Plan |
| H4 | Committed Volunteer Resources | Matthew | E4 Research (Knowledge Management) |
| H5 | Quality Therapy - Head Therapist | Veronica | E5 ESG Compliant |
| H6 | Bring on board Geriatric Specialist | Penny | P1 Enhance SASCO Brand Awareness in the Sector |
| H7 | Comprehensive Caregiver support package | Jason | S1 Develop and Implement Service Excellence Framework/Strategy |
| H8 | Mobile Homecare | Amu | |
| H9 | SASCO Membership Scheme | Liz | |
| H10 | Implement Concierge Services | Liz | |
| S2 | Viable Business Model - SCCs | Felicia & CMs | |
| P2.1 | Expansion AAC Satellites | Damien | |
| P2.2 | RFP of AACs | Damien | |
| P3 | Free Sheltered Home Care | Whelan | |

■ 2023 New initiatives

Project Mid-Term Plan (MTP), as it was coined, provided further necessary changes in response to evolving needs and eldercare landscape. Hence, Centre Management revised its structure to encompass the impending developments.



Centre Management Department Structure Mid-Term Plan (2022-2025)



Further Achievements and Innovations

Digitalisation Transformation Journey

'Digitalisation transformation' is one of the MTP initiatives. With the Digitalisation Masterplan based on the 'Digital Acceleration Index' summary matrix, 2023 saw the finalisation of digitalising key support functions.

The Holistic Care System which entailed a massive and comprehensive system to ensure the efficiency and effectiveness in manning the healthcare sector of the house — the Sheltered Home, Day Care Centres, and Active Ageing Centres, was finalised with the new system (on board by November 2022), running in 2023.

The Donor Management System and the Volunteer Management System found themselves a compatible and seemingly sustainable system

via Charitas, a local set-up with vast experience in starting up for charity organisations.

Another key operation was the Human Resource/Payroll and Appraisal System. Towards the last quarter of the year, the eventual system was found and work began immediately. The target was to have the whole system up and ready by the beginning of 2024.

These digitalisation efforts were also consolidated in a Digital Masterplan for SASCO Home. It was also one of the MTP initiatives.

Having obtained our NCSS' Digital Accelerator Index (DAI) in 2021, we then set the target for ourselves to move from 'Starter' (on the DAI) to 'Performer'. In late 2023, we participated in the DAI again – we scaled to the index score of '59' which put us in the 'performer' category.



Data Protection Trust Mark (DPTM) - Maintenance

We received our certification on 14 December 2022.

In 2023, we 'kept our foot on the pedal'. MSF came up further with their Data Security Instructions (DSI) and requiring all social service agencies to comply by June 2024.

We made our submissions and SASCO Home managed to check all the requirement boxes and more.

Healthcheck - Organisational Health Framework for Social Services (OHFSS)

We were among the first social service agencies to take our health check using the OHFSS. We attained a score of 'Fair' at 61.1% (consolidated by NCSS). But it was the way we approached the need to check our organisational health – NCSS made us their 'OHFSS Ambassador' as we helped more SSAs to understand the OHFSS and to come on board and check their organisational health, using the OHFSS.

Following our mid-year strategic planning review in August 2023, we checked ourselves again – 73.1%; from 'pink of health'(fair) to a luscious green (good) for most of the seven (7) domains and thirty-two (32) sub-domains, respectively.





Corporate Branding / Corporate Identity

It all lies in the weaving of the organisational fabric – as we move along, the 'transformation' has to spread in all the areas, that surely must be covered, with time. It proliferates itself.







Refreshed from 2022; we started to be more visible and conspicuous; we started to be noticed more. We brandished ourselves on the social media

front – Facebook, Instagram and Tik Tok.

Our 'colours', in being deliberate, were helpful – we were beginning to inspire (- dash of orange).

And we completed the renovations of our senior care centres in 2023 – they exuded a vibrant yet nostalgic, exhilarating yet welcoming, refreshing yet peaceful look.

What we have done:

| | | | | | |
|--|--|--|--|--|--|
|  <p>Developed our 'brand book'</p> |  <p>Revamped for website</p> |  <p>Produced our Corporate Video Rebuilt our Corporate Video</p> |  <p>Made a video for Fundraising</p> |  <p>Built on our Collaterals Business Stationery Marketing Collaterals</p> |  <p>Transport Vans Vision Mission Walls Vision Mission Cards Donation Boxes Signages</p> |
|--|--|--|--|--|--|

The signages at our senior care centre at Jurong West and our active ageing centre at West Coast were also updated with lightbox signages. Our vans were also refreshed.

Progressive Employer

The Tripartite Standards (TS) is a 'set of good employment practices that all employers should implement at their workplaces'. There are ten (10) standards and they each cover various aspects

of employment areas such as fair recruitment practices, flexible work arrangements, grievance handling processes, age management and more.

By end 2023, we had attained four (4) of those TS badges:



New Additions

We included a sit and shower facility at our Jurong West senior care centre, patient lifters at all our

centres and also acquired a Silver&Fit healthy ageing and exercise programme for all our centres.

Our Sights Ahead – 2024



Strategic Roadmap for the 2023 - 2025

We embarked on our Strategic Planning journey in end 2021, going to two (2) Management Summits - in Chiang Mai in July 2022 and Sri Lanka in August 2023. The 'directional roadmap' was further distilled into various initiatives which were consolidated into the 'Mid-Term Plan'.

Mid-Term Plan

- The 16 initiatives in our 2023 Mid-Term Plan were reviewed and refined. Three (3) initiatives resumed 'normal operations' and another four (4) were added, making a total of 17 initiatives coming into 2024.
- New developments took place in the national

eldercare landscape. Our Mid-Term Plan initiatives were further adjusted in line with these 'directional changes'.

- As the initiatives pan out, we will review them again at the 2024 Management Summit, planned for August/September 2024.
- Beyond 2025, the MTP will morph into an established and sustainable strategic framework, under the current four or even more comprehensive strategic thrusts. Initiatives will also be strategically aligned with national directions in the eldercare landscape.
- Technology may feature more prominently or assist in operational efficiencies, like having an organisational dashboard of key performance indicators.

Organisational Excellence – Our Journey Thus Far...

| ... in search of excellence | | | | |
|---|--|--|--|--|
| 2020 | 2021 | 2022 | 2023 | 2024 |
| <ul style="list-style-type: none"> • Admin Committee • CEO on board 13 Jul • 1st review of Vision-Mission-Values • Established Organisation Structure | <ul style="list-style-type: none"> • Moved to 991 Alexandra Road • Re-organised further – Corporate Planning and Community Engagement • Streamlined operational processes • OHFSS – 'FAIR' • DAI – '21' | <ul style="list-style-type: none"> • IPC for 21 mths • Further re-org- Corporate Affairs & Admin; Centre Mgt • Management Revisioning Summit • 'New V-M-V' • Mid-Term Plan (3 years) • DTPM • Trpartite Standards (Age-friendly Org) • Purchased property for investment | <ul style="list-style-type: none"> • Renewed funding partnership • Project MTP with \$2M budget • 16 MTP initiatives • Management Summit in Aug to review MTP • Refreshed branding • Increased brand awareness | <ul style="list-style-type: none"> • IPC • By-laws • RFPs – AAcS • Review MTP • Project SOPs • Participate in Transparency Award • Digital Maturity – Literate to Performer • Funding – new awareness of \$\$ • Branding level • OHFSS – Fair to Excellent • Adopt PDCA cycle |



It began a while back. But in 2021, we made the leap to organise the 'jigsaw puzzle':

- We were looking at the 'Business Excellence Framework' (BEF) when the 'Organisational Health Framework for Social Services' (OHFSS) by NCSS was launched. (It was actually based on the BEF.) We wasted no time and were among the first to use the OHFSS. We scored Fair (61.1%).
- * We also participated in the 'Digital Acceleration Index' (DAI) (also by NCSS). The DAI helped us to measure our digitalisation maturity level. We achieved the 'starter' score of '21'.
- With these indicators that showed us our 'where we are', we engaged a Consultant to facilitate our 'where we want to go' – hence the Mid-Term Plan or MTP.

OE Journey – its Impact

As an organisation striving to be a significant player in the eldercare landscape, we had to consider several angles, including how we look from outside in, from the front of the house.

This resulted in:

- Improved networking with peer organisations and learning best practices;
- Developing our relationships with Authorities, including various governmental agencies;
- Making more deliberate efforts to expand our partnerships and working relationships in the healthcare community;
- Working hard at being more visible as an eldercare organisation and a charity entity;
- Internally, we strove to improve our capabilities, capacities and operational readiness.



1 Change in Organisational Structure

- We went through a couple of rounds of changes in organisational structure. The biggest impact should be at the Centre Management – from purely facilities-based to function-based (see organisational structure for Centre Management). Staff resources were indeed key to optimising the changes - realigning of departments and support staff functions.
- **There will certainly be a need for refinements.**

2 Improved Facilities & Programmes – Improvements to Environment

- It was a crucial 'facelift' – starting back in 2021/2022 and all four Day Care Centres completed their renovations by July 2023.
- It was a refreshing new environment, for both staff and clients.
- **More services are being lined up to meet the evolving eldercare landscape – like homecare. There will also be the new model of care (Butterfly approach) for dementia clients in 2024.**

3 Brand 'New'

- We had our revised By-Laws approved by the Authorities (in Oct 2023). (The last revision was made in 2013.) We now have 'BOARD of Directors' instead of 'Committee of Management'.
- With a refreshed corporate design and look, we delved into the social media space – Facebook, Instagram and TikTok. **Going into 2024, we have made our presence felt – quite a bit by statistical indicators.**
- Our 'Brand Ambassadors' from our fundraising partner, LadderPro, who collect our donation income on the streets. They indirectly 'shout out our brand' as they go about their work. Many more have met SASCO Home through them.

4 Digitalisation Transformation

- We were a 'starter' (21) in 2021, by our DAI. We achieved 'performer' (59) in 2023; the sector's DAI was 22.
- It was one of our MTP initiatives and we have made good strides. It took a while but coming out of 2023, we are rolling out the systems for our core support functions – healthcare, HR, finance, donor management system, volunteer management system and visitor management system.
- Coming out of 2023, we were more cognisant of using technology where it can improve processes, and its efficiencies.
- **Going into 2024, we were already preparing seriously – to have an Organisational Dashboard that monitors KPIs across departments, functions and systems, automatically. Now, we feel the pulse but not how much.**

5 Environmental, Social and Governance – In Practice

- We have implemented the ESG at our workplace, albeit in 'basic steps' – partly to continue to cultivate an 'ESG mindset'; for example, energy consumption, waste reduction, environmentally friendly utensils – across our facilities, centres and offices.
- **Going into 2024, we will look into establishing a more formal structure of implementation and reporting.**

6 Fundraising

- Fundraising was, is and always will be our organisation's lifeline – to the meaningful work done in the spectrum of eldercare from our sheltered home to the senior care centres to the active ageing centres.
- The expenditures on seniors increasingly must surely be for programmes and activities, subsidies and financial assistance, and enhancing services to help our seniors age actively and with quality of life.
- **As the horizon for fundraising looks less than optimistic, we will need to devise multiple strategies and perhaps look to multiple channels and 'streams of donation income'.**

Future Transformation Age Well SG Programme

Minister Ong Ye Kung launched the Age Well Programme on 16 Nov 2023. It is a national programme to 'support seniors to age well in their homes and their communities'.

One of the pillars of this national programme is the 'seamless delivery of care'. The nation is divided into 85 sub-regions and each sub-region shall have a suite of eldercare facilities, from active ageing centres (AACs) to senior care centres (SCCs) and even nursing homes. Each sub-region may have a population of between 9,000 and 17,000 seniors.

Hence, among the existing service providers for eldercare (social service agencies or SSAs), there would need to be a lead provider, to coordinate and monitor the population of seniors in that sub-region – in terms of ageing activities and healthcare. Thus, a 'class monitor' holds a register of 9,000 seniors and at any one time, would be able to tell the status of a particular senior (in that sub-region). This is part of 'bundled services to the senior' or 'seamless delivery of care' that may take a senior through an AAC, SCC, home care and then further to a nursing home, if needed.

SASCO HOME

- SASCO Home currently resides in six (6) such sub-regions. We would definitely be keen to play a more active and contributory role, especially in our own sub-regions.



- What it would mean, would be for us to be more deliberate in mustering our resources, and/or engaging with highly compatible partners – whether in terms of systems or resources.
- We are also embarking into 'higher horizons' that will even steer our organisation beyond our current frontiers:

Service Excellence

- We would like to be more than intuitive in this area of 'service excellence'; in all areas, but starting with our clients, our seniors;
- We will be more deliberate in developing a 'service excellence framework' such that our practices in service delivery can be consistent across our organisation, in all aspects of our responsibilities and accountabilities.

Research

- Part of our aspiration has been to be a learning organisation – hence, to nurture a culture of an 'enquiring mind' such that it will be conducive to continuous learning and improving individual selves, professionally and individually;
- In 2024, a skeletal resource will form a research unit, to spearhead the necessary development of capabilities in research as well as driving initiatives that seek to uncover information, details and analyses from available data or new data. Such knowledge will be meaningful and purposeful in improving daily work, systems and processes.
- Hence, an important area for emphasis would be to harness 'current data' and even design the collection of data such that analyses can be made and be used for better decision-making, in the organisation. An organisational Dashboard, with the various tiers, is in the pipeline.

Board of Directors



From left to right: Mr Iskander bin Abdul Kabis, Mr John Raghavan, Mr Farihullah s/o A W Safiullah, Mr Bernard Tan Leng Joo, Mr Subramaniam s/o Krishnan and Mr Abdul Kalam Azad (S Gulam)

Mr Farihullah s/o A W Safiullah

Chairman (Appointed on 18 Mar 2020)
Trade Investigation Officer,
Singapore Customs

Mr Bernard Tan Leng Joo

Secretary (Appointed 17 Jun 2021)
Business Owner, ST Sports
Distributor LLP

Mr Iskander bin Abdul Kabis

Treasurer (Appointed 5 Sept 2023)
Self-employed, 165 Services Pte Ltd

Mr Subramaniam Krishnan

Committee Member
(Appointed 15 Nov 2018)
Retiree

Mr John Raghavan

Committee Member
(Appointed 15 Nov 2018)
Retiree

Mr Abdul Kalam Azad

Committee Member
(Appointed 15 Nov 2018; stepped down
as Member 31 Dec 2023)
Self-employed, Silver Screen International
Pte Ltd



From left to right: Mr Daryl Han Keen Siew, Mr Chua Tian Teck, Mr Jignesh s/o Surendra Ramanlal, Mr Lakhbir Gill and Mr Subramaniam s/o C.Chinnayya

Mr Jignesh s/o Surendra Ramanlal

Committee Member
 (Appointed 10 Jun 2020)
 ACE Group Team Lead,
 Ministry of Manpower

Mr Lakhbir Gill

Committee Member
 (Appointed 27 Jan 2021)
 Consultant, Equibloom Asia

Mr Daryl Han Keen Siew

Committee Member
 (Appointed 16 Jun 2021)
 Sales Consultant,
 Borneo Motors (S) Pte Ltd

Mr Chua Tian Teck

Committee Member
 (Appointed 5 Sep 2023)
 Retiree

Mr Subramaniam s/o C.Chinnayya

Committee Member
 (Appointed 5 Sep 2023)
 Retiree

Not in picture:

Mr Hussain bin Yunus

Treasurer (Appointed 16 Jun 2021;
 Deceased 2 Sept 2023), Retiree

2023 Committee Attendance

Jan–Jun 2023

| Name of BODs | 26 Jan | 1 Mar | 29 Mar | 26 Apr | 31 May | 28 Jun | Total |
|----------------------------------|----------|----------|-----------|----------|----------|-----------|-------|
| Mr Farihullah s/o A W Safiullah | 1 | 1 | 1 | 1 | 1 | 1 | 6/6 |
| Mr Bernard Tan Leng Joo | 1 | 1* | 1 | 0 | 1 | 1 | 5/6 |
| Mr Hussain bin Yunos | 1 | 1 | 1 | 1 | 1 | 1 | 6/6 |
| Mr Abdul Kalam Azad | 1 | 1* | 1 | 1 | 1 | 1 | 6/6 |
| Mr Subramaniam Krishnan | 0 | 1 | 1 | 1 | 1 | 1 | 5/6 |
| Mr John Raghavan | 1* | 1* | 1 | 1* | 0 | 1* | 5/6 |
| Mr Jignesh s/o Surendra Ramanlal | 1 | 0 | 1 | 1* | 1 | 1 | 5/6 |
| Mr Lakhbir Gill | 1* | 1* | 1 | 1* | 1 | 1* | 6/6 |
| Mr Daryl Han Keen Siew | 1 | 1 | 1 | 1 | 1 | 1 | 6/6 |
| Mr Iskander bin Abdul Kabis | 1 | 1 | 1 | 0 | 0 | 1 | 4/6 |
| Mr Subramaniam s/o C Chinnayya | | | | | | | |
| Mr Chua Tian Teck | | | | | | | |
| Total (Jan-Jun 2023) | 9 | 9 | 10 | 8 | 8 | 10 | |

* attended virtually

Jul–Dec 2023

| Name of BODs | 20 Jul | 30 Aug | 4 Sep | 27 Sep | 25 Oct | 20 Nov | 27 Dec | Total |
|----------------------------------|-----------|----------|----------|-----------|-----------|-----------|-----------|-------|
| Mr Farihullah s/o A W Safiullah | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 7/7 |
| Mr Bernard Tan Leng Joo | 1* | 1 | 1 | 1 | 0 | 1* | 1 | 6/7 |
| Mr Hussain bin Yunos | 1 | | | | | | | 1/7 |
| Mr Abdul Kalam Azad | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 7/7 |
| Mr Subramaniam Krishnan | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 7/7 |
| Mr John Raghavan | 1* | 1* | 1* | 1 | 1* | 1 | 1 | 7/7 |
| Mr Jignesh s/o Surendra Ramanlal | 1* | 1 | 1 | 1 | 1 | 0 | 1 | 6/7 |
| Mr Lakhbir Gill | 1* | 1 | 1* | 1 | 1 | 1* | 1 | 7/7 |
| Mr Daryl Han Keen Siew | 1 | 0 | 1 | 1 | 1 | 1 | 1 | 6/7 |
| Mr Iskander bin Abdul Kabis | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 7/7 |
| Mr Subramaniam s/o C Chinnayya | | | | 1 | 1 | 1 | 1 | 4/7 |
| Mr Chua Tian Teck | | | | 1 | 1 | 1 | 1 | 4/7 |
| Total (Jul-Dec 2023) | 10 | 8 | 9 | 11 | 10 | 10 | 11 | |

* attended virtually

Note:

Mr Iskander bin Abdul Kabis – Appointed treasurer (5 Sep 2023)
Mr Subramaniam s/o C Chinnayya – Appointed member (5 Sep 2023)

Mr Chua Tian Teck – Appointed member (5 Sep 2023)
Mr Hussain bin Yunos – Deceased (2 Sep 2023)

| Audit Sub Com | 21 Feb | 28 Mar | 25 Apr | 23 Aug (via email) | 15 Sep (via email) |
|---------------------------------|--------|--------|--------|--------------------|--------------------|
| Mr Bernard Tan Leng Joo | 1 | 1 | 1 | 1 | 1 |
| Mr Subramaniam Krishnan | 1 | 1 | 1 | 1 | 1 |
| Mr Rajan Manogaran | 1 | 1 | 1 | 1 | 1 |
| Mr Farihullah s/o A W Safiullah | 1 | 1 | 1 | 1 | 1 |

| Strategic Planning (AAC) Sub Com | 19 Dec |
|----------------------------------|--------|
| Mr Bernard Tan Leng Joo | 1 |
| Mr Subramaniam Krishnan | 1 |
| Mr Iskander bin Abdul Kabis | 1 |
| Mr Abdul Kalam Azad | 1 |
| Mr Farihullah s/o A W Safiullah | 1 |

| Marketing Sub Com | 25 Apr |
|----------------------------------|--------|
| Mr Jignesh s/o Surendra Ramanlal | 1 |
| Mr Lakhbir Gill | 1 |
| Mr Daryl Han Keen Siew | 1 |

| Finance Sub Com | 23 Jan | 24 Mar | 18 Apr | 23 May | 23 Jun | 22 Sep | 24 Oct |
|---------------------------------|--------|--------|--------|--------|--------|--------|--------|
| Mr Farihullah s/o A W Safiullah | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Mr Hussain bin Yunos | 1 | 1 | 1 | 1 | 1 | | |
| Mr Iskander bin Abdul Kabis | | | | | | 1 | 1 |

| HR Sub-Committee | 17 Feb | 18 Apr | 23 May | 13 Jul | 24 Nov | 19 Dec |
|---------------------------------|---|--------|--------|--------|--------|--------|
| Mr Farihullah s/o A W Safiullah | 1 | 1 | 1 | 1 | 1 | 1 |
| Mr Hussain bin Yunos | 1 | 1 | 1 | 1 | | |
| Mr Iskander bin Abdul Kabis | Took over Mr Hussain's duties and was appointed Treasurer on 5 September 2023 | | | | 1 | 1 |
| Mr Abdul Kalam Azad | 1 | 1 | 1 | 1 | 1 | 1 |

Note:

Mr Iskander bin Abdul Kabis – Appointed treasurer (5 Sep 2023)
Mr Subramaniam s/o C Chinnayya – Appointed member (5 Sep 2023)

Mr Chua Tian Teck – Appointed member (5 Sep 2023)
Mr Hussain bin Yunos – Deceased (2 Sep 2023)

Corporate Governance

SASCO Senior Citizens' Home ("SASCO Home") is committed to living our vision, mission and values (V-M-V), which we revised in 2022:

| | |
|--------------------------------|--|
| Vision: | To be the preferred eldercare organisation that inspires active and quality ageing. |
| Mission: | To provide holistic care that makes a positive difference in every life we touch. |
| Our core values entail: | 'we serve with COMPASSION'; 'we strive for TEAMWORK'; 'we are professional'; and 'we deliver quality services'. |

SASCO Home is the flagship programme of our parent-body, SASCO Limited. 'Born' in 1981 in the void deck of Block 30, Telok Blangah Rise, we have since grown into a Home that spans across a Sheltered Home (for the destitute and homeless), four (4) senior care centres and three (3) active ageing centres – sprawling the west and north of our island nation.

Unique Relationship

As a programme under SASCO Limited, SASCO Home is not a separate legal entity from SASCO Limited. But SASCO Home has to be a separate entity – with its own UEN number, by-laws, BOARD of Directors, separate statutory audit of its finances – in order that SASCO Home can be a charity with IPC status.

Our parent-body appoints the Members of the BOARD of Directors ("BOARD") of SASCO Home, with 49% representation from the Committee of Management (COM) of SASCO Limited and 51% being Independent Members. The structure of the BOARD is in compliance with the Charity Act and the by-laws of the Home.

BOARD Members are encouraged to attend training programmes, seminars and workshops organised by professional institutions to keep apprised of laws, regulations and changes in the social service landscape. The BOARD meets on monthly, keeping pace with management and the rigorous developments of the organisation.

BOARD Members of SASCO Home serve as volunteers, and do not receive any monies from SASCO Home, but are reimbursed for out-of-pocket expenses when in the service of SASCO Home. However, due to the unique relationship of SASCO Home with its parent-body, SASCO Limited sees the BOARD members of SASCO Home as 'another of its sub-committee' and hence, with approval from its constituents (affiliate members at the AGM), provides a monthly allowance to the independent BOARD members.

Staff remuneration is subject to guidelines approved by the BOARD and sector salary guidelines. SASCO Home has one paid staff who is related to a BOARD Member who received more than \$50,000 during the year 2023.

In September 2023, during a management retreat overseas, Treasurer Hussain bin Yunos had heart failure and was successfully evacuated to Singapore; however, a second heart attack in the week that followed took its toll and he passed away on 2 September 2023. SASCO Home paid tribute to him for his unwavering dedication and services to the Home. Mr Iskander bin Abdul Kabis was then elected to the Treasurer's position on 5 September 2023.

BOARD Members continued to self-evaluate for the third consecutive year; further exchanging opinions on areas where they can help the organisation in its evolving journey.

Audit Committee

The Audit Committee (AC) comprises Mr Bernard Tan Leng Joo (Head of Committee), Mr Subramaniam s/o Krishnan, and Mr Manogaran Rajan (Independent Member/Accountant). The Committee was emplaced in October 2021 and was re-elected in 2023. The AC assists the BOARD in fulfilling its oversight and fiduciary responsibilities to act in the interest of SASCO Home, the scope and responsibilities of which include:

- Reviewing and evaluating the effectiveness and adequacy of internal control systems to ensure the integrity and confidentiality of critical information;
- Ensuring the adequacy of disclosure of any public financial reporting;
- Reviewing the effectiveness of internal control to mitigate operational, financial and business risks;
- Reviewing the robustness of the corporate governance structure;

| Remuneration Band | Number of staff | Name of Executive Head or COM Member to whom the staff is a close family member |
|---------------------------------|-----------------|---|
| Between \$50,000 and \$100,000 | 1 | Subramaniam and s/o Krishnan |
| Between \$150,000 and \$250,000 | – | – |

- Reviewing the internal and external audit plans and reports

Internal Audit (IA)

For 2023, the AC came up with a 3-year plan – to conduct an internal audit into the areas reviewed by the MSF Governance review in 2021. The Ernst & Young review provided 75 findings and recommendations which were fulfilled by end 2021.

Nevertheless, the AC contended that the internal audits, in yearly phases, could look into:

| | | |
|---|---|--|
| 2023: Compliance areas (14 findings) | 2024: Governance areas (23 findings) | 2025: Internal Controls and Processes (37 findings) |
|---|---|--|

The 2023 IA concluded successfully without any 'non-compliance' findings.

Annual Remuneration Disclosure

In accordance with the Code of Governance for Charities and Institutions of Public Character 2017, it is recommended that charities shall disclose the remuneration of its 3 highest-paid staff. The annual remuneration of SASCO Home's 3 highest paid staff, each of whom receives more than \$100,000, in bands of \$100,000, is as follows*:

| Remuneration Band | Number of staff |
|---------------------------------|-----------------|
| Between \$100,000 and \$200,000 | 2 |
| Between \$200,000 and \$300,000 | 0 |
| Between \$300,000 and \$400,000 | 1 |

*For detailed financial numbers, please refer to the Finance Report on page 91.

As members of the charity sector, we have an obligation to act in the best interests of SASCO Senior Citizens' Home (the Charity) and the public. Hence, we need to avoid situations where there may be real, potential or perceived conflicts of interest, which may arise when a member's personal or family interests are in conflict with those of the Charity. This policy aims to protect both the Charity and its members from any appearance of impropriety. Such conflicts may result in:

- damaging the Charity's reputation
- influencing the member's judgement and compromising objectivity when conducting the Charity's affairs;

- restricting free discussion, resulting in decisions or actions not in the interest of the Charity; and
- risking the impression that the Charity has acted inappropriately or unfairly.

Whistleblowing Policy

SASCO Home is committed to lawful and ethical behaviour in all its activities, and requires its COM Members, Management, staff, volunteers and consultants to conduct themselves in a manner that complies with all applicable laws and internal policies. In keeping with this commitment and SASCO Home's interest in promoting open communication, its whistleblowing policy aims to provide a means through which concerned employees can raise ethics- and governance-related issues with the assurance that their identity will be kept confidential, and that they will be protected from reprisals or victimisation for acting in good faith.

| Funds | FY2023 | FY2022 |
|---|--------------|--------------|
| Unrestricted Funds (Reserves) | \$46,865,548 | \$44,402,324 |
| Designated Funds | \$1,785,129 | \$2,000,000 |
| Restricted Funds | \$5,978,425 | \$4,401,257 |
| Total Funds | \$54,629,102 | \$50,803,581 |
| Ratio of Reserves to Annual Operating Expenditure | 3.05 | 3.29 |

*For detailed financial numbers, please refer to the Finance Report on page 37.

Investment Policy & Reserves Policy

These policies govern the Charity's financial and accounting activities to ensure compliance and accountability in the usage of charitable funds received through donations and grants.

By-laws

The governing instrument for the Charity is its by-laws, which were revised and registered on 22 June 2010, and last amended on 16 October 2013. In 2022, the 'proposed amendments to the by-laws' were sent to MSF and the Commissioner of Charities for approval.

Charities Act

SASCO Senior Citizens' Home is registered under the Charities Act.

UEN: **S89CC0702G**

GST Registration No: **M90368299G**

It is an Approved Institution of a Public Character (IPC), and affiliated to the National Council of Social Service (NCSS).

Governance Evaluation Checklist

(Advanced Tier)









Please note that this checklist is based on the Code of Governance (2017).

Instructions: Please fill out the boxes. Input the reason if the selection is non-compliance for each field.

Applicable to large IPCs with gross annual receipts or total expenditure of \$10 million or more.

| S/N | Code Guidelines | Code ID | Response <i>(select whichever is applicable)</i> |
|-----|-----------------|---------|---|
|-----|-----------------|---------|---|

Board Governance

| | | | |
|---|--|-------|---|
| 1 | Induction and orientation are provided to incoming governing board members upon joining the Board. | 11.2 |  |
| | Are there governing board members holding staff' 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. | 11.3 |  |
| 3 | There are written job descriptions for the staff's executive functions and operational duties, which are distinct from the staff's Board role. | 11.5 |  |
| 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." | 11.7 |  |
| 5 | All governing board members must submit themselves for re-nomination and re-appointment , at least once every 3 years. | 11.8 |  |
| 6 | "The Board conducts self evaluation to assess its performance and effectiveness once during its term or every 3 years, whichever is shorter." | 11.12 |  |
| | 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. | 11.13 |  |
| 8 | "There are documented terms of reference for the Board and each of its committees." | 1.2.1 |  |



| S/N | Code Guideline | Code ID | Response <i>(select whichever is applicable)</i> |
|-----|----------------|---------|---|
|-----|----------------|---------|---|

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 | ✓ |
| 10 | Governing board members do not vote or participate in decision making on matters where they have a conflict of interest. | 2.4 | ✓ |

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 | ✓ |
| 12 | There is a documented plan to develop the capacity and capability of the charity and the Board monitors the progress of the plan. | 3.2.4 | ✓ |

Human Resource and Volunteer² Management

| | | | |
|----|---|-----|------------|
| 13 | The Board approves documented human resource policies for staff. | 5.1 | ✓ |
| 14 | There is a documented Code of Conduct for governing board members, staff and volunteers (where applicable) which is approved by the Board. | 5.3 | ✓ |
| 15 | "There are processes for regular supervision, appraisal and professional development of staff." | 5.5 | ✓ |
| | Are there volunteers serving in the charity? (skip item 16 if "No") | | YES |
| 16 | There are volunteer management policies in place for volunteers. | 5.7 | ✓ |



Governance Evaluation Checklist

(Advanced Tier)
(continued)



| S/N | Code Guideline | Code ID | Response <i>(select whichever is applicable)</i> |
|-----|----------------|---------|---|
|-----|----------------|---------|---|

Financial Management and Internal Controls

| | | | |
|----|--|-------|-------------------------------------|
| 17 | 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 | <input checked="" type="checkbox"/> |
| 18 | The Board ensures that internal controls for financial matters in key areas are in place with documented procedures . | 6.1.2 | <input checked="" type="checkbox"/> |
| 19 | The Board ensures that reviews on the charity's internal controls, processes, key programmes and events are regularly conducted. | 6.1.3 | <input checked="" type="checkbox"/> |
| 20 | The Board ensures that there is a process to identify, and regularly monitor and review the charity's key risks . | 6.1.4 | <input checked="" type="checkbox"/> |
| 21 | The Board approves an annual budget for the charity's plans and regularly monitors the charity's expenditure | 6.2.1 | <input checked="" type="checkbox"/> |
| | Does the charity invest its reserves (e.g. in fixed deposits)? (skip item 22 if "No") | | YES |
| 22 | The charity has a documented investment policy approved by the Board. | 6.4.3 | <input checked="" type="checkbox"/> |

Fundraising Practices

| | | | |
|----|--|-------|-------------------------------------|
| | Did the charity receive cash donations (solicited or unsolicited) during the financial year? (skip item 23 if "No") | | YES |
| 23 | All collections received (solicited or unsolicited) are properly accounted for and promptly deposited by the charity. | 7.2.2 | <input checked="" type="checkbox"/> |
| | Did the charity receive donations in kind during the financial year? (skip item 24 if "No") | | YES |
| 24 | All donations in kind received are properly recorded and accounted for by the charity. | 7.2.3 | <input checked="" type="checkbox"/> |

| S/N | Code Guideline | Code ID | Response <i>(select whichever is applicable)</i> |
|-----|----------------|---------|---|
|-----|----------------|---------|---|

Disclosure and Transparency

| | | | |
|----|---|-----|---|
| 25 | "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 | |
| | Are governing board members remunerated for their services to the Board? (skip items 26 and 27 if "No") | | YES Monthly allowance given to remaining Independent Members by Parent-body, SASCO Ltd in accordance with their By-Laws |
| 26 | No governing board member is involved in setting his own remuneration. | 2.2 | |
| 27 | "The charity discloses the exact remuneration and benefits received by each governing board member in its annual report. OR The charity discloses that no governing board member is remunerated." | 8.3 | |
| | Does the charity employ paid staff? (skip items 28, 29 and 30 if "No") | | YES |
| 28 | No staff is involved in setting his own remuneration. | | |
| 29 | "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. OR The charity discloses that none of its paid staff receives more than \$100,000 each in annual remuneration." | 2.2 | |
| | | 8.4 | |
| 30 | 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. OR The charity discloses that there is no paid staff, being a close member of the family ³ belonging to the Executive Head ⁴ or a governing board member of the charity, who has received remuneration exceeding \$50,000 during the financial year." | 8.5 | |

Public Image

| | | | |
|----|---|-----|--|
| 31 | The charity has a documented communication policy on the release of information about the charity and its activities across all media platforms. | 9.2 | |
|----|---|-----|--|

Notes:

- 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.
- Volunteer: A person who willingly serves the charity without expectation of any remuneration.
- Close member of the family: A family member belonging to the Executive Head or a governing board member of a charity —
 - 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
 - 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:
 - the child or spouse of the Executive Head or governing board member;
 - the stepchild of the Executive Head or governing board member;
 - the dependant of the Executive Head or governing board member.
 - the dependant of the Executive Head's or governing board member's spouse.
- Executive Head: The most senior staff member in charge of the charity's staff.



Our Mission

To provide holistic care that makes a positive difference in every life we touch.



Our Vision

To be the preferred eldercare organisation that inspires active and quality ageing.



Our 4 Values



1

Relationship with Seniors

We Serve with Compassion

We do our best, always aiming to improve but with empathy, care and consideration for others.



2

Our Service and Value Proposition

We Deliver Quality Services

We attend to our work and matters, with excellence in our mind.



3

Corporate and Employee Culture

We Strive for Teamwork

We respond, being prepared to face challenges together, thinking of how best we can contribute towards finding the solution.



4

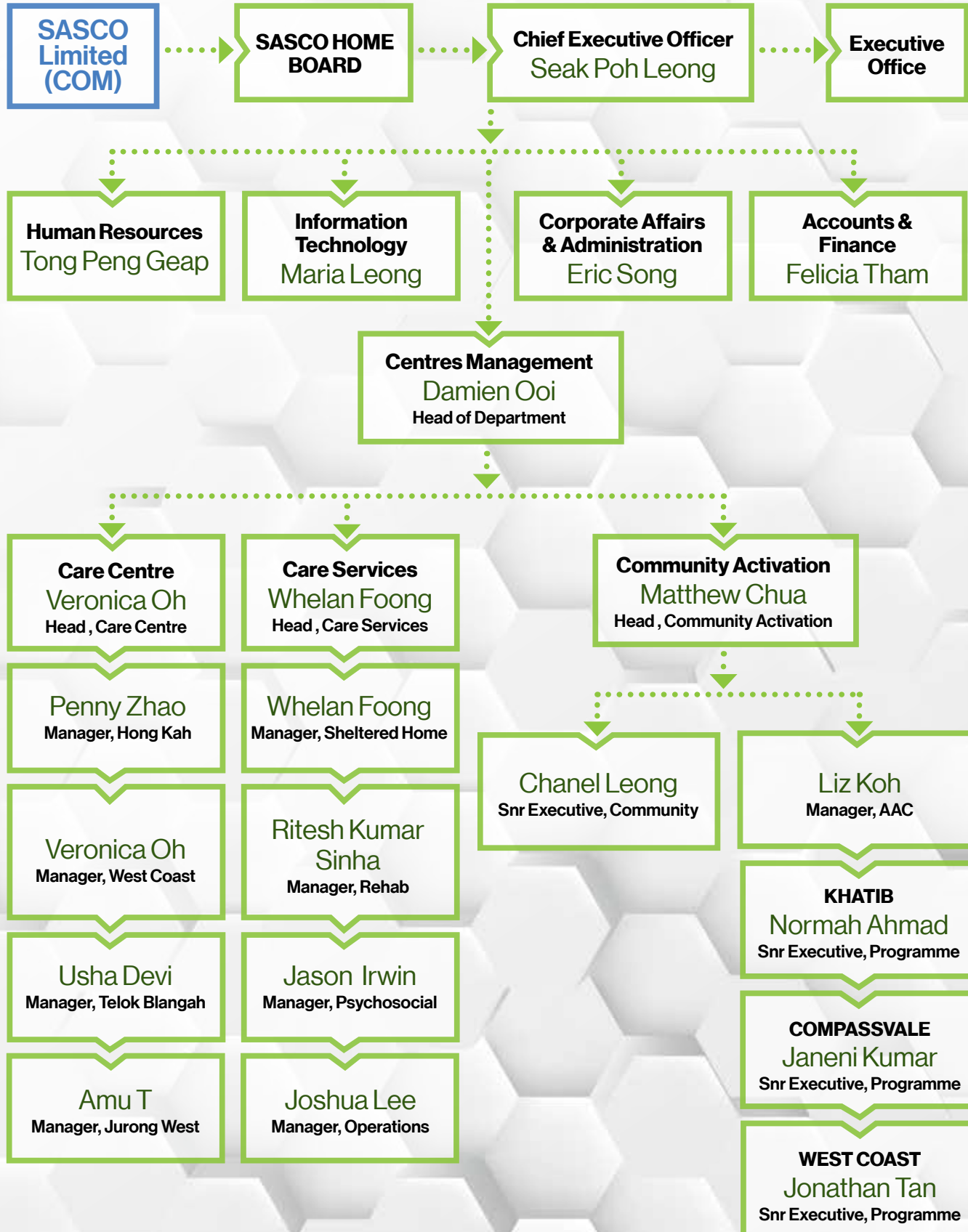
Relationship with stakeholders

We Are Professional

We act and work with integrity and respect, in the best interests of our organisation and identity.



How We are Structured



Our Philosophy of Care



There are four tenets in our care philosophy. They are:

Tenet 1: **Improving the Quality of Life**

We operate on the premise that all clients are able to achieve a better quality of life arising from our care, from the time they enrol into our programmes and services. We therefore work towards helping clients alleviate and improve their

- physical and functional abilities
- medical condition
- mental health
- psychosocial status
- financial burden

bearing in mind that quality of life is affected by a combination of the above factors.

Tenet 2: **Person-centred Care**

Each client is a unique individual with a particular set of history, achievements, abilities, limitations and needs, as well as expectations, aspirations and potential. We strive to

- recognise the uniqueness of each client
- understand the specific needs of that individual
- provide care customised for that person

in order to bring about improvements mentioned in Tenet 1 above, in consultation and collaboration with the client and/or family members where possible. We know that it is important to allow the client and/or family members to participate in the care-planning and decision-making processes so that the client's preferences and choices are respected.

Tenet 3: **Holistic Approach**

The well-being of clients is influenced by not only their condition, but also the state of their family unit. In Tenets 1 and 2, we focus on the client's whole person. In Tenet 3, we aim to be more holistic and attempt to address issues faced by the client's family unit, so that the stability of the family environment can contribute to an improved quality of life. This case management work is done in collaboration with other social service agencies and government agencies to provide more coordinated and comprehensive support for the entire family. This approach is also in line with the Ministry of Social and Family Development's S3D (Strengthening Social Service Delivery) strategy, which calls for a holistic approach, integrating services, being proactive, going upstream to address root problems, and concentrating services around the care recipient.

Tenet 4: **Mission-driven & Guided by Core Values**

We align our entire organisation with our vision and mission, so that the actions of our staff are purposefully channelled towards achieving our overarching objective. As a social service agency, we are aware that our *raison d'être* is to serve the elderly who come from less privileged households, and that we have an obligation to serve them with the best possible care through prudent use of the resources we garner.



By the Numbers

170 STAFF STRENGTH



113 Direct and Ancillary Care

Direct

- Nursing Manager
- Enrolled & Registered Nurse
- Nursing Aides
- Therapists
- Therapy Aides
- Healthcare Assistants

Ancillary

- Head Centre Management
- Head Psychosocial Services
- Centre Managers
- Nursing Trainer
- Social Workers
- Social Worker Associates
- Counsellors
- Programme Executives
- Programme Assistants
- Community Engagement

+

57 Corporate HQ & Support

Corporate HQ

- Executive Office
- Corporate Planning
- Finance
- Human Resource
- Information Technology

Support

- Facilities
- Transport
- Kitchen
- Hygiene & Laundry

729 SASCO@ WestCoast AAC

+

30 SASCO@ JurongWest

+

70 SASCO@ HongSan

+

50 SASCO@ HongKahNorth

124 SASCO@ WestCoast

+

40 SASCO@ TelokBlangah

+

1,013 SASCO@ Compassvale AAC

+

1,340 SASCO@ Khatib AAC

3,396 CLIENTS SERVED



Programme Details



Seniors



Volunteers



Art & Craft Workshops

- Nagomi art
- hand clay making
- knitting
- stitching

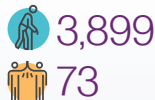
Attendance Numbers:



Other Workshops

- Physical exercises
- Digital Skills
- Community Service sessions

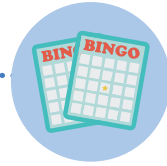
Attendance Numbers:



Celebrations

- Halloween Party
- Chingay
- Golden Years

Attendance Numbers:



Games

- Bingo
- Domino Run

Attendance Numbers:



Interactions with Volunteers

- VIA with schools
- CSR with corporates
- Meal sponsors

Attendance Numbers:



Outings & Excursions

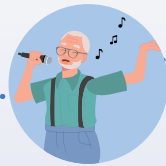
- Coffeeshop Outings
- Bird Paradise
- Concerts & Operas

Attendance Numbers:



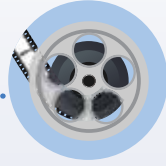
Haircutting Sessions

Attendance Numbers:



Karaoke Sessions

Attendance Numbers:



Movie Nights

Attendance Numbers:



Music Workshops

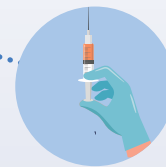
Attendance Numbers:



Pet-assisted Activities

- dog
- cat
- rabbit

Attendance Numbers:



Vaccinations & Health Screenings

Attendance Numbers:





Admission & Programme Enquiries

Sheltered Home



SASCO @ HongSan

30 Hong San Terrace
Singapore 688246

Active Ageing Centre (Care)

SASCO @ WestCoast

Blk 704, #01-431
West Coast Road
Singapore 120704

Active Ageing Centres



SASCO @ Compassvale

Blk 274B, #01-521 &
Blk 274C, #01-509
Compassvale Bow
Singapore 542274
& 543274

SASCO @ Khatib

Blk 813, #01-01
Yishun Ring Road
Singapore 760813



Senior Care Centres



SASCO @ HongKahNorth

Blk 337, #01-06
Bukit Batok St 34
Singapore 650337

SASCO @ JurongWest

Blk 715, #01-47
Jurong West St 71
Singapore 640715

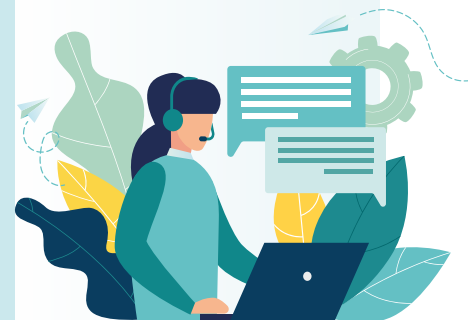
SASCO @ TelokBlangah

Blk 30, #01-316
Telok Blangah Rise
Singapore 090030

Corporate Services

SASCO @ HQ

991, #01-04
Alexandra Road
Singapore 119964




Tel: **6273 5183** for all enquiries

Financial Statements

SASCO Senior Citizens' Home

31 December 2023

Contents

| | | |
|---|-----------|--|
|  | 33 | Statement by the Management Committee |
| | 34 | Independent auditor's report |
| | 37 | Statement of financial position |
| | 38 | Statement of financial activities |
| | 46 | Statement of changes in funds |
| | 50 | Statement of cash flows |
| | 52 | Notes to the financial statements |





HOME INFORMATION

Home registration number: S89CC0702G

Registered office: 991 ALEXANDRA ROAD, #01-04, Singapore 119964

Management committee:

- Farihullah s/o Abdul Wahab Safiullah (Chairman)
- Tan Leng Joo Bernard (Secretary)
- Iskander Bin Abdul Kabis (Treasurer) (appointed 4 Sept 2023)
- Abdul Kalam Azad s/o Savukat Ally (Member) (resigned on 27 Dec 2023)
- John s/o Raghavan (Member)
- Subramaniam s/o Krishnan (Member)
- Lakhbir Gill (Member)
- Jignesh s/o Surendra Ramanlal (Member)
- Daryl Han Keen Siew (Member)
- Subramaniam s/o Chinnayya (Member) (appointed 5 Sept 2023)
- Chua Tian Teck (Member) (appointed 5 Sept 2023)
- Hussain Bin Yunos (Treasurer) (resigned on 30 Aug 2023)

Secretary: Tan Leng Joo Bernard

Banker:

- United Overseas Bank Limited
- Maybank Singapore Limited
- BNP Paribas, Singapore Branch

Independent auditor:

- Foo Kon Tan LLP
- Public Accountants and Chartered Accountants
- 1 Raffles Place
- One Raffles Place Tower 2
- #04-61/62
- Singapore 048616

Statement by the Management Committee for the financial year ended 31 December 2023

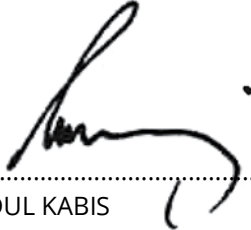
In the opinion of the Management Committee,

- (a) the financial statements are drawn up in accordance with the provisions of the Charities Act 1994 and other relevant regulations (the “Charities Act and Regulations”) and Financial Reporting Standards in Singapore (“FRS”) so as to present fairly, in all material respects, the state of affairs of the SASCO Senior Citizens’ Home (the “Home”) as at 31 December 2023 and of the results, changes in funds and cash flows of the Home for the financial year ended;
- (b) at the date of this statement, there are reasonable grounds to believe that the Home will be able to pay its debts when they fall due;
- (c) the Home has used the donation moneys in accordance with its objectives as required under Regulation 11 of the Charities (Institutions of a Public Character) Regulations;
- (d) the Home has complied with the requirements of Regulation 15 of the Charities (Institutions of a Public Character) Regulations; and
- (e) the accounting and other records required to be kept by the Home have been properly kept in accordance with the provisions of the Charities Act and Regulations.

On behalf of the Management Committee



.....
FARIHULLAH S/O ABDUL WAHAB SAFIULLAH



.....
ISKANDER BIN ABDUL KABIS

Dated: 29 April 2024



Independent auditor's report to the members of SASSCO Senior Citizens' Home

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of SASSCO Senior Citizens' Home (the "Home"), which comprise the statement of financial position of the Home as at 31 December 2023, and the statement of financial activities, statement of changes in funds and statement of cash flows of the Home for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Charities Act 1994 and other relevant regulations (the "Charities Act and Regulations") and Financial Reporting Standards in Singapore ("FRS") so as to present fairly, in all material respects, the state of affairs of the Home as at 31 December 2023 and of the results, changes in funds and cash flows of the Home 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 Home in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Management is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Management Committee for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the provisions of the Charities Act and Regulations and FRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Home's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Home or to cease operations, or has no realistic alternative but to do so.

The Management Committee's responsibilities include overseeing the Home's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Home's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



Independent auditor's report to the members of SASCO Senior Citizens' Home (Cont'd)

Auditor's Responsibilities for the Audit of the Financial Statements (Cont'd)

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also: (Cont'd)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Home's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Home to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required to be kept by the Home have been properly kept in accordance with the provisions of 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:

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

Foo Kon Tan LLP
Public Accountants and
Chartered Accountants

Singapore, 29 April 2024

Statement of financial position

as at 31 December 2023

| | Note | 31 December 2023 \$ | 31 December 2022 \$ |
|------------------------------------|------|------------------------|------------------------|
| ASSETS | | | |
| Non-Current Assets | | | |
| Plant and equipment | 3 | 1,730,047 | 1,586,305 |
| Intangible assets | 4 | 30,838 | 67,494 |
| Right-of-use assets | 5 | 576,169 | 798,391 |
| Investment properties | 6 | 9,368,237 | 9,627,521 |
| | | 11,705,291 | 12,079,711 |
| Current Assets | | | |
| Receivables | 7 | 2,550,852 | 2,659,615 |
| Cash and cash equivalents | 8 | 44,575,971 | 39,452,112 |
| | | 47,126,823 | 42,111,727 |
| Total assets | | 58,832,114 | 54,191,438 |
| FUNDS AND LIABILITIES | | | |
| FUNDS | | | |
| General fund | | 46,865,548 | 44,402,323 |
| Designated fund | 9 | 1,785,129 | 2,000,000 |
| Restricted funds | 10 | 5,978,425 | 4,401,257 |
| Total Funds | | 54,629,102 | 50,803,580 |
| LIABILITIES | | | |
| Non-Current Liabilities | | | |
| Lease liabilities | 11 | 167,039 | 311,286 |
| Provisions | 12 | 66,593 | 70,000 |
| | | 233,632 | 381,286 |
| Current Liabilities | | | |
| Lease liabilities | 11 | 399,204 | 426,899 |
| Other payables | 13 | 3,570,176 | 2,570,789 |
| Tax payable | | - | 8,884 |
| | | 3,969,380 | 3,006,572 |
| Total liabilities | | 4,203,012 | 3,387,858 |
| Total funds and liabilities | | 58,832,114 | 54,191,438 |

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

Statement of financial activities

for the financial year ended 31 December 2023

| 2023 | Note | Unrestricted fund | |
|---|------|--------------------|-----------------------------------|
| | | General fund \$ | Designated Fund (Note 9) \$ |
| Income: | | | |
| <i>Voluntary income:</i> | | | |
| Donations | | 8,116,886 | - |
| Funding from Ministry of Social and Family Development | | - | - |
| Funding from Ministry of Health | | - | - |
| Agency for Integrated Care subsidy | | - | - |
| Funding under Community Care Salary Enhancement ("CCSE") from Agency of Integrated Care | | - | - |
| Funding under Community Silver Trust ("CST") from Agency of Integrated Care ("AIC") | | - | - |
| Rental subvention from Ministry of Health and Ministry of Social and Family Development | | - | - |
| <i>Income from charitable activities:</i> | | | |
| Income from residents | | - | - |
| <i>Interest income:</i> | | | |
| Interest on fixed deposits | | 1,288,151 | - |
| Other income | 14 | - | - |
| Total income | | 9,405,037 | - |

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

Restricted Fund

| Evergreen Place, Home@ HongSan Fund (Note 10) \$ | Ministry of Health (“MOH”) Centre-based Services Fund (Note 10) \$ | Ministry of Health (“MOH”) Active Ageing Centre Fund (Note 10) \$ | Ministry of Health (“MOH”) IHDC Fund (Note 10) \$ | Total \$ |
|--|---|--|---|--------------------|
| 222,019 | 5,607 | 91,925 | 6,869 | 8,443,306 |
| 1,084,109 | - | - | - | 1,084,109 |
| - | 1,399,277 | 29,988 | 74,013 | 1,503,278 |
| - | 13,958 | 1,118,019 | 1,442,074 | 2,574,051 |
| - | 839,273 | - | 751,343 | 1,590,616 |
| - | 523,363 | - | 513,892 | 1,037,255 |
| 279,200 | 21,096 | 99,988 | 48,009 | 448,293 |
| 335,972 | 521,757 | 112,344 | 339,488 | 1,309,561 |
| - | - | - | - | 1,288,151 |
| 175,317 | 243,018 | 197,007 | 250,713 | 866,055 |
| 2,096,617 | 3,567,349 | 1,649,271 | 3,426,401 | 20,144,675 |

Statement of financial activities (Cont'd)

for the financial year ended 31 December 2023

| 2023 | Note | Unrestricted fund | |
|---------------------------------------|------|--------------------|-----------------------------------|
| | | General fund \$ | Designated fund (Note 9) \$ |
| Expenditures: | | | |
| Costs of charitable activities | 15 | 2,266,246 | 88,490 |
| Costs of governance activities | 16 | 1,347 | 56,564 |
| Other expenditure | 17 | 284,784 | 69,817 |
| Finance costs | | - | - |
| Total expenditures | | 2,552,557 | 214,871 |
| Surplus/(Deficit) before tax | | 6,852,480 | (214,871) |
| Tax credit | 18 | 8,884 | - |
| Surplus/(Deficit) for the year | | 6,861,364 | (214,871) |

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

Restricted Fund

| Evergreen Place, Home@ HongSan Fund (Note 10) \$ | Ministry of Health ("MOH") Centre-based Services Fund (Note 10) \$ | Ministry of Health ("MOH") Active Ageing Centre Fund (Note 10) \$ | Ministry of Health ("MOH") IHDC Fund (Note 10) \$ | Total \$ |
|--|---|--|---|--------------------|
| 3,336,820 | 3,698,722 | 1,409,439 | 3,364,884 | 14,164,781 |
| 22,972 | 72,924 | 12,837 | 108,249 | 274,893 |
| 1,045,118 | 784,766 | 425,803 | 832,239 | 3,442,527 |
| 6,403 | 4,422 | 7,987 | 4,192 | 23,004 |
| 4,411,313 | 4,560,834 | 1,856,066 | 4,309,564 | 17,905,205 |
| (2,314,696) | (993,485) | (206,795) | (883,163) | 2,239,470 |
| - | - | - | - | 8,884 |
| (2,314,696) | (993,485) | (206,795) | (883,163) | 2,248,354 |

Statement of financial activities (Cont'd)

for the financial year ended 31 December 2023

| 2022 | Note | Restricted Funds | |
|---|------|------------------|--|
| | | General fund | Evergreen Place, Home @ HongSan Fund (Note 10) |
| | | \$ | \$ |
| Income: | | | |
| <i>Voluntary income:</i> | | | |
| Donations | | 6,428,671 | 364,050 |
| Funding from Ministry of Social and Family Development | | - | 1,129,385 |
| Funding from Ministry of Health Agency for Integrated Care subsidy | | - | 28,852 |
| Funding under Community Care Salary Enhancement ("CCSE") from Agency of Integrated Care | | - | - |
| Funding under Community Silver Trust ("CST") from Agency of Integrated Care ("AIC") | | - | 825,536 |
| Rental subvention from Ministry of Health and Ministry of Social and Family Development | | - | 283,999 |
| <i>Income from charitable activities:</i> | | | |
| Income from residents | | - | 338,408 |
| <i>Interest income:</i> | | | |
| Interest on fixed deposits | | 437,686 | - |
| Other income | 14 | - | 285,806 |
| Total income | | 6,866,357 | 3,256,036 |

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

Restricted Funds

| Ministry of Health ("MOH") Centre-based Services Fund (Note 10) \$ | Ministry of Health ("MOH") Active Ageing Centre Fund (Note 10) \$ | Ministry of Health ("MOH") IHDC Fund (Note 10) \$ | Ministry of Health ("MOH") SSL Fund (Note 10) \$ | Total \$ |
|---|--|---|--|-------------------|
| 8,654 | 71,870 | 9,759 | 84 | 6,883,088 |
| - | - | - | - | 1,129,385 |
| 1,032,084 | 141,093 | - | - | 1,173,177 |
| 92,363 | 318,510 | 1,447,722 | 14,541 | 1,901,988 |
| 611,597 | - | 292,430 | - | 904,027 |
| 590,990 | 145,858 | 482,897 | 6,390 | 2,051,671 |
| 28,320 | 62,416 | 73,823 | 1,216 | 449,774 |
| 446,703 | 94,629 | 309,267 | (1,297) | 1,187,710 |
| - | - | - | - | 437,686 |
| 225,134 | 174,730 | 218,358 | 2,069 | 906,097 |
| 3,035,845 | 1,009,106 | 2,834,256 | 23,003 | 17,024,603 |

Statement of financial activities (Cont'd)

for the financial year ended 31 December 2023

| 2022 | <u>Restricted Funds</u> | | |
|---------------------------------------|-------------------------|-----------------------|---|
| | Note | General fund \$ | Evergreen Place, Home @ HongSan Fund (Note 10) \$ |
| Expenditures: | | | |
| Costs of charitable activities | 15 | 1,665,653 | 3,420,398 |
| Costs of governance activities | 16 | 47,356 | 50,734 |
| Other expenditure | 17 | 209,320 | 1,071,139 |
| Finance costs | | - | 5,394 |
| Total expenditures | | 1,922,329 | 4,547,665 |
| Surplus/(Deficit) before tax | | 4,944,028 | (1,291,629) |
| Tax expenses | 18 | (8,884) | - |
| Surplus/(Deficit) for the year | | 4,935,144 | (1,291,629) |

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

Restricted Funds

| Ministry of Health ("MOH") Centre-based Services Fund (Note 10) \$ | Ministry of Health ("MOH") Active Ageing Centre Fund (Note 10) \$ | Ministry of Health ("MOH") IHDC Fund (Note 10) \$ | Ministry of Health ("MOH") SSL Fund (Note 10) \$ | Total \$ |
|---|--|---|--|-------------------|
| 3,338,351 | 950,900 | 2,971,569 | 28,785 | 12,375,656 |
| 45,925 | 15,073 | 38,770 | 349 | 198,207 |
| 642,619 | 360,305 | 580,250 | 5,453 | 2,869,086 |
| 1,472 | 884 | 1,287 | 12 | 9,049 |
| 4,028,367 | 1,327,162 | 3,591,876 | 34,599 | 15,451,998 |
| (992,522) | (318,056) | (757,620) | (11,596) | 1,572,605 |
| - | - | - | - | (8,884) |
| (992,522) | (318,056) | (757,620) | (11,596) | 1,563,721 |



Statement of changes in funds

for the financial year ended 31 December 2023

| 2023 | Unrestricted Funds | |
|---|--------------------|--------------------------|
| | General Fund | Designated Fund (Note 9) |
| | \$ | \$ |
| At 1 January | 44,402,323 | 2,000,000 |
| Surplus/(Deficit) for the year, representing total comprehensive income/(loss) for the year | 6,861,364 | (214,871) |
| Transfer to restricted funds | (4,398,139) | - |
| Funding receipt for the year | - | - |
| Utilisation of restricted fund | - | - |
| At 31 December | 46,865,548 | 1,785,129 |

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

Restricted Funds

| Evergreen Place, Home @ HongSan Fund (Note 10) \$ | Ministry of Health ("MOH") Centre-based Services Fund (Note 10) \$ | Ministry of Health ("MOH") Active Ageing Centre Fund (Note 10) \$ | Ministry of Health ("MOH") Integrated Home and Day Care ("IHDC") Fund (Note 10) \$ | Community Silver Trust ("CST") Fund (Note 10) \$ | Total \$ |
|---|---|--|--|--|--------------------|
| - | - | - | - | 4,401,257 | 50,803,580 |
| (2,314,696) | (993,485) | (206,795) | (883,163) | - | 2,248,354 |
| 2,314,696 | 993,485 | 206,795 | 883,163 | - | - |
| - | - | - | - | 3,352,401 | 3,352,401 |
| - | - | - | - | (1,775,233) | (1,775,233) |
| - | - | - | - | 5,978,425 | 54,629,102 |

Statement of changes in funds (Cont'd)

for the financial year ended 31 December 2023

| 2022 | Unrestricted Funds | | Restricted Funds | |
|---|--------------------|-----------------------------|---|--|
| | General Fund | Designated Fund (Note 9) | Evergreen Place, Home @ HongSan Fund (Note 10) | Ministry of Health ("MOH") Centre-based Services Fund (Note 10) |
| | \$ | \$ | \$ | \$ |
| At 1 January | 44,838,602 | - | - | - |
| Surplus/(Deficit) for the year, representing total comprehensive income/(loss) for the year | 4,935,144 | - | (1,291,629) | (992,522) |
| Transfer to restricted funds | (3,371,423) | - | 1,291,629 | 992,522 |
| Transfer to designated fund | (2,000,000) | 2,000,000 | - | - |
| Funding receipt for the year | - | - | - | - |
| Utilisation of restricted fund | - | - | - | - |
| At 31 December | 44,402,323 | 2,000,000 | - | - |

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

Restricted Funds

| Ministry of Health ("MOH") Active Ageing Centre Fund (Note 10) \$ | Ministry of Health ("MOH") Integrated Home and Day Care ("IHDC") Fund (Note 10) \$ | Ministry of Health ("MOH") Senior Supportive Living ("SSL") Fund (Note 10) \$ | Community Silver Trust ("CST") Fund (Note 10) \$ | Total \$ |
|--|---|--|---|-------------|
| - | - | - | 1,932,911 | 46,771,513 |
| (318,056) | (757,620) | (11,596) | - | 1,563,721 |
| 318,056 | 757,620 | 11,596 | - | - |
| - | - | - | - | - |
| - | - | - | 4,520,017 | 4,520,017 |
| - | - | - | (2,051,671) | (2,051,671) |
| - | - | - | 4,401,257 | 50,803,580 |

Statement of cash flows

for the financial year ended 31 December 2023

| | Note | 2023 \$ | 2022 \$ |
|---|------|-------------------|---------------------|
| Cash Flows from Operating Activities | | | |
| Surplus before tax | | 2,239,470 | 1,572,605 |
| Adjustments for: | | | |
| Plant and equipment written off | 3 | 1,650 | 536 |
| Depreciation of plant and equipment | 3 | 525,578 | 422,700 |
| Amortisation of intangible assets | 4 | 21,678 | 19,834 |
| Depreciation of right-of-use assets | 5 | 515,442 | 481,765 |
| Depreciation of investment properties | 6 | 191,832 | 48,379 |
| Interest income | | (1,288,151) | (437,686) |
| Amortisation of deferred income | 13 | (367,254) | (15,179) |
| Intangible assets written off | 4 | 14,978 | - |
| Investment properties adjustment | 6 | 67,452 | - |
| Loss on termination of lease contract | 5 | 11,980 | - |
| Interest expenses | | 23,004 | 9,049 |
| Amortisation of provision | | (3,407) | - |
| Operating cash flows before movements in working capital | | 1,954,252 | 2,102,003 |
| Changes in receivables | | 295,868 | (1,037,542) |
| Changes in payables | | 1,357,862 | 522,785 |
| Cash generated from/(used in) operations | | 3,607,982 | 1,587,246 |
| Government grant received | 10 | 3,352,401 | 4,520,017 |
| Government grant utilised | 10 | (1,775,233) | (2,051,671) |
| Net cash generated from operating activities | | 5,185,150 | 4,055,592 |
| Cash Flows from Investing Activities | | | |
| Acquisition of plant and equipment | 3 | (670,970) | (930,807) |
| Acquisition of intangible assets | 4 | - | (25,160) |
| Acquisition of investment properties | 6 | - | (9,675,900) |
| Interest received | | 1,101,046 | 437,686 |
| Net cash generated from/(used in) investing activities | | 430,076 | (10,194,181) |
| Cash Flows from Financing Activities | | | |
| Lease liabilities: | | | |
| - Principal paid | A | (477,142) | (472,687) |
| - Interest paid | A | (14,225) | (9,049) |
| Net cash used in financing activities | | (491,367) | (481,736) |
| Net increase/(decrease) in cash and cash equivalents | | 5,123,859 | (6,620,325) |
| Cash and cash equivalents at beginning of the year | | 39,452,112 | 46,072,437 |
| Cash and cash equivalents at end of the year | 8 | 44,575,971 | 39,452,112 |

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

Note A:

The following is the disclosure of the reconciliation of items for which cash flows has been, or would be, classified as financing activities, excluding equity item:

| | | < ----- Cash flows ----- > | | | < ----- Non-cash changes----- > | | | |
|-------------------|------|----------------------------------|------------------------------|------------------------|---------------------------------|----------------------------|---------------------------|------------------------------------|
| | Note | As at 1 January 2023 \$ | Principal repayment \$ | Interest paid \$ | New leases \$ | Lease termination \$ | Interest expense \$ | As at 31 December 2023 \$ |
| Lease liabilities | 11 | 738,185 | (477,142) | (14,225) | 315,304 | (10,104) | 14,225 | 566,243 |

| | | < ----- Cash flows ----- > | | | < ----- Non-cash changes----- > | | | |
|-------------------|------|----------------------------------|------------------------------|------------------------|---------------------------------|----------------------------|---------------------------|------------------------------------|
| | Note | As at 1 January 2022 \$ | Principal repayment \$ | Interest paid \$ | New leases \$ | Lease termination \$ | Interest expense \$ | As at 31 December 2022 \$ |
| Lease liabilities | 11 | 894,494 | (472,687) | (9,049) | 316,378 | - | 9,049 | 738,185 |

The annexed notes form an integral part of and should be read in conjunction with these financial statements.



Notes to the financial statements

for the financial year ended 31 December 2023

1 General information

The Home is registered in the Republic of Singapore under the Charities Act 1994 and other relevant regulations (the “Charities Act and Regulations”). The registered office is located at 991 Alexandra Road, #01-04 Singapore 119964. The principal place of business is located at No. 30 Hong San Terrace, Singapore 688246. The Home was granted the status of Institutions of Public Character (“IPC”) from 7 July 2022 to 6 April 2024. Subsequently, the IPC status was renewed from 7 April 2024 to 6 December 2025.

The Home is principally engaged to provide aid and relief to a group of people who are in need or in distress, by running a Home for the Aged and to establish and run social and community projects or enterprises and such other welfare activities as may be considered necessary from time to time. There has been no significant change in the nature of these activities during the financial year.

The financial statements for the Home include the financial statement of SASCO@HongKahNorth (Hong Kah Day Care Centre), SASCO@TelokBlangah or SASCO Day Activity Centre for the Elderly (DACE), SASCO@WestCoast or Singapore Programme for Integrated Care for the Elderly (SIECC), SASCO@JurongWest, SASCO@Khatib, SASCO@Compassvale and SASCO Senior Citizens’ Home (SASCO Home).

The financial statements of the SASCO Senior Citizens’ Home (the “Home”) for the year ended 31 December 2023 were authorised for issue in accordance with a resolution of the directors on the date of the Statement by Management Committee.

2(a) Basis of preparation

The financial statements are prepared in accordance with provisions of the Charities Act 1994 and other relevant regulations (the “Charities Act and Regulations”) and Financial Reporting Standards in Singapore (“FRS”). 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 dollars, which is the Home’s functional currency. All financial information are presented in Singapore dollars, unless otherwise stated.

2(b) Adoption of new and revised FRS effective for the current financial year

On 1 January 2023, the Home has adopted all the new and revised FRSs, interpretations (“INT FRSs”) and amendments to FRSs, effective for the current financial year that are relevant to them. The adoption of these new and revised FRSs pronouncements does not result in significant changes to the Home’s accounting policies and has no material effect on the amounts or the disclosures reported for the current or prior reporting periods.

2(c) New and revised FRS in issue but not yet effective

At the date of authorisation of these financial statements, the following FRSs were issued but not yet effective which are relevant to the Home and has not early adopted:

| Reference | Description | Effective date (Annual periods beginning on or after) |
|-------------------------------------|--|--|
| Amendments to FRS 1 | <i>Classification of Liabilities as Current or Non-current</i> | 1 January 2024 |
| Amendments to FRS 1 | <i>Non-current Liabilities with Covenants</i> | 1 January 2024 |
| Amendments to FRS 116 | <i>Lease Liability in a Sale and Leaseback</i> | 1 January 2024 |
| Amendments to FRS 7 and FRS 107 | <i>Supplier Finance Arrangements</i> | 1 January 2024 |
| Amendments to FRS 21 | <i>Lack of Exchangeability</i> | 1 January 2025 |
| Amendments to FRS 110 and FRS 28 | <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> | Yet to be determined |

The Home intend to adopt the above FRSs when they become effective.

The initial applications of the above-mentioned FRSs are not expected to have significant impacts on the financial statements of the Home.

2(d) Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements in conformity with FRSs requires the use of judgements, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the reporting period in which the estimate is revised and in any future reporting periods affected.



Notes to the financial statements (Cont'd) for the financial year ended 31 December 2023

2(d) Critical accounting judgements and key sources of estimation uncertainty (Cont'd)

The areas involving significant judgement and critical accounting estimates and assumptions used are described below.

Significant judgements used in applying accounting policies

Classification between investment properties and property, plant and equipment

The Home has developed certain criteria based on FRS 40 *Investment Property* in making judgement whether a property qualifies as an investment property. Investment property is a property held to earn rentals or for capital appreciation or both. Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately (or leased out separately under a finance lease), the Home would account for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Judgement is made on an individual property basis to determine whether ancillary services are significant that a property does not qualify as investment property.

Determining the lease term of contracts with renewal options – Home as lessee

The Home determines the lease term as the non-cancellable term of the lease, together with any period covered by an option to extend the lease if it is reasonably certain to be exercised.

The Home has several lease contracts that include extension options. The Home applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Home reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

The Home includes the renewal period as part of the lease term for office building with non-cancellable period included as part of the lease term as these are reasonably certain to be exercised because there will be a significant negative effect on operation if a replacement asset is not readily available.

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period, are discussed below.

2(d) Critical accounting judgements and key sources of estimation uncertainty (Cont'd)

Key sources of estimation uncertainty (Cont'd)

Depreciation of plant and equipment (Note 3)

Plant and equipment are depreciated on a straight-line basis over their estimated useful lives. The Home's estimates the useful lives of plant and equipment to be within 3 to 10 years. The carrying amount of the Home's plant and equipment as at 31 December 2023 is \$1,730,047 (2022: \$1,586,305). Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised. If the estimated useful lives of plant and equipment increase/decrease by 10% from management's estimates, the Home's surplus for the year will decrease/increase by approximately \$52,558 (2022: \$42,270).

Amortisation of intangible assets (Note 4)

Intangible assets are accounted for using the cost model. The capitalised costs of these intangible assets are amortised on a straight-line basis over their estimated useful lives. Management estimates the useful lives of these intangible assets to be within 3 to 5 years. After initial recognition, the intangible assets are carried at cost less accumulated amortisation and impairment, if any. In addition, the intangible assets are subject to impairment testing if there are any indicators of impairment, and are written off when, in the opinion of management, no further economic benefits are expected to arise. The carrying amount of the Home's intangible assets is disclosed in Note 4. In 2023, a change of 20% in the amortisation rate of these intangible assets will not lead to significant change in the amortisation expense for the year and their carrying amount at the reporting date.

Estimation of the incremental borrowing rate ("IBR") (Note 11)

For the purpose of calculating the right-of-use asset and lease liability, the Home applies the interest rate implicit in the lease ("IRIL") and, if the IRIL is not readily determinable, the Home uses its IBR applicable to the lease asset. The IBR is the rate of interest that the Home would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. For most of the leases whereby the Home is the lessee, the IRIL is not readily determinable. Therefore, the Home estimates the IBR relevant to each lease asset by using observable inputs (such as market interest rate and asset yield) when available, and then making certain lessee specific adjustments (such as the Home's credit rating). The carrying amount of the Home's right-of-use assets and lease liabilities are disclosed in Notes 5 and 11 respectively.

An increase/decrease of 50 basis points the estimated IBR will decrease/increase the Home's right-of-use assets and lease liabilities by approximately \$2,200 (2022: \$4,500) respectively.



Notes to the financial statements (Cont'd)

for the financial year ended 31 December 2023

2(e) Material accounting policy information

Plant and equipment

Plant and equipment are initially recorded at cost. Subsequent to recognition, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is computed on a straight-line method to allocate depreciable amounts over their estimated useful lives. The estimated useful lives are as follows:

| | |
|------------------------|----------------|
| Computers | - 3 years |
| Electrical equipment | - 3 years |
| Furniture and fittings | - 5 years |
| Other equipment | - 3 to 5 years |
| Motor vehicle | - 10 years |
| Renovation | - 5 years |

Fully depreciated assets still in use are retained in the financial statements.

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in statement of financial activities.

Intangible assets

Intangible assets acquired separately

Intangible assets acquired separately, are initially recognised at cost. Such costs include the purchase price (net of any discounts and rebates) and other directly attributable costs of preparing the assets for their intended use.

Subsequent to initial recognition, intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses, if any. These costs are amortised to profit or loss using the straight-line method over 3 to 5 years, which is the shorter of their remaining estimated useful lives and periods of contractual rights.

The estimated useful lives are as follows:

| | |
|----------|----------------|
| Software | - 3 to 5 years |
|----------|----------------|

2(e) Material accounting policy information (Cont'd)

Leases

The Home as lessee

The Home assesses whether a contract is or contains a lease, at inception of the contract. The Home recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of twelve months or less) and leases of low value assets. For these leases, the Home recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Home uses the incremental borrowing rate specific to the lessee. The incremental borrowing rate is defined as the rate of interest that the lessee would have to pay to borrow over a similar term and with a similar security the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

Variable lease payments that are not based on an index or a rate are not included as part of the measurement and initial recognition of the lease liability. The Home shall recognise those lease payments in profit or loss in the periods that trigger those lease payments.

For all contracts that contain both lease and non-lease components, the Home has elected to not separate lease and non-lease components and account these as one single lease component.

The lease liabilities are presented as a separate line item in the statement of financial position.

The lease liability is subsequently measured at amortised cost, by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.



Notes to the financial statements (Cont'd)

for the financial year ended 31 December 2023

2(e) Material accounting policy information (Cont'd)

Leases (Cont'd)

The Home as lessee (Cont'd)

The Home remeasures the lease liability (with a corresponding adjustment to the related right-of-use asset or to profit or loss if the carrying amount of the right-of-use asset has already been reduced to Nil) whenever:

- the lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used); or
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Home as lessor

When the Home acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. Leases in which the Home does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases.

The Home recognises lease payments under operating leases as income on a straight-line basis over the lease term unless another systematic basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished. The lease payment recognised is included as part of "Other income". Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

Subsequent to initial recognition, the Home regularly reviews the estimated unguaranteed residual value and applies the impairment requirements, recognising an allowance for expected credit losses on the lease receivables.

Right-of-use asset

The right-of-use asset comprises the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Whenever the Home incurs an obligation for costs to dismantle and remove a leased asset, restore the office premises on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under FRS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset.

2(e) Material accounting policy information (Cont'd)

Right-of-use asset (Cont'd)

Depreciation on right-of-use assets is calculated using the straight-line method to allocate their depreciable amounts over the shorter period of lease term and useful life of the underlying asset, as follows:

| | |
|--------------------|-----------------------------------|
| Office equipment | - over lease term of 5 years |
| Office premises | - over lease term of 2 to 5 years |
| Computers | - over lease term of 3 years |
| Reinstatement cost | - over lease term of 4 years |

If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Home expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line item in the statement of financial position.

The Home applies FRS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss.

Investment properties

Investment properties are properties which are owned or held under a freehold interest to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment properties are measured initially at cost, including transaction costs, and subsequently carried at cost less accumulated depreciation and any impairment loss. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met; and excludes the costs of day-to-day servicing of an investment property.

Depreciation is calculated on a straight-line basis over a period of 50 years.

Investment properties are derecognised upon disposal or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. Any gain or loss on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

Investment properties are subject to renovations or improvements at regular intervals. The cost of major renovations and improvements is capitalised and the carrying amounts of the replaced components are written off to profit or loss. The cost of maintenance, repairs and minor improvements is recognised in profit or loss when incurred.

When the cost model is applied, the fair value of the investment property is disclosed at each reporting date.



Notes to the financial statements (Cont'd)

for the financial year ended 31 December 2023

2(e) Material accounting policy information (Cont'd)

Investment properties (Cont'd)

Transfers are made to or from investment properties when and only when there is a change in use. For a transfer from investment property to owner occupied property, the deemed costs of property for subsequent accounting is its fair value at the date of change in use. For a transfer from owner occupied property to investment property, the property is accounted for in accordance with the accounting policy for property, plant and equipment up to the date of change in use.

Transfers to or from investment properties are made when there is a change in use evidenced by:

- Commencement of owner's occupation, for a transfer from investment properties to property, plant and equipment; or
- End of owner occupation, for a transfer from property, plant and equipment to investment properties.

Financial instruments

Financial assets and financial liabilities are recognised in the Home statement of financial position when the Home becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value, except for receivables that do not have a significant financing component which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Financial assets

(i) Classification

The Home classifies its financial assets in the following measurement categories:

- amortised cost;
- fair value through other comprehensive income ("FVOCI"); and
- fair value through profit or loss ("FVPL").

The classification depends on the Home's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset. The Home reclassifies investments in debt instruments when and only when its business model for managing those assets changes.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

2(e) Material accounting policy information (Cont'd)

Financial assets (Cont'd)

(ii) Measurement

At initial recognition, the Home measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset.

Investments in debt instruments

Investments in debt instruments mainly comprise receivables, cash and cash equivalents. There are three subsequent measurement categories, depending on the Home's business model for managing the asset and the cash flow characteristics of the asset:

- *Amortised cost*: Investments in debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest method.
- *FVOCI*: Investments in debt instruments that are held for collection of contractual cash flows and for sale, and where the assets' cash flows represent solely payments of principal and interest, are classified as FVOCI. Movements in fair values are recognised in other comprehensive income ("OCI") and accumulated in fair value reserve, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and presented in "other gains and losses". Interest income from these financial assets is recognised using the effective interest rate method and presented in "interest income".
- *FVPL*: Investments in debt instruments that are held for trading as well as those that do not meet the criteria for classification as amortised cost or FVOCI are classified as FVPL. Movement in fair values and interest income is recognised in profit or loss in the period in which it arises and presented in "other gains and losses".

Investments in equity instruments

The Home subsequently measures all its investments in equity instruments, including listed and unlisted equity securities, at their fair values. Such equity investments are classified as FVPL with movements in their fair values recognised in profit or loss in the period in which the changes arise and presented in "other gains and losses", except for those equity securities which are not held for trading. The Home has elected to recognise changes in fair value of equity securities not held for trading in other comprehensive income as these are strategic investments and the Home considers this to be more relevant. Movements in fair values of investments classified as FVOCI are presented as "fair value gains or losses" in other comprehensive income. Dividends from equity investments are recognised in profit or loss as dividend income within "other income".



Notes to the financial statements (Cont'd)

for the financial year ended 31 December 2023

2(e) Material accounting policy information (Cont'd)

Financial assets (Cont'd)

(iii) Receivables

Receivables are recognised initially at the amount of consideration that is unconditional to which the Home expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of a third party, if the receivables do not contain a significant financing component. Other receivables generally arise from transactions outside the normal operating activities of the Home.

(iv) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Home commits to purchase or sell the asset.

The Home derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Home neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Home recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Home retains substantially all the risks and rewards of ownership of a transferred financial asset, the Home continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVOCI, the cumulative gain or loss previously accumulated in the fair value reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in equity instrument which the Home has elected on initial recognition to measure at FVOCI, the cumulative gain or loss previously accumulated in the fair value reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Impairment of financial assets

The Home recognises a loss allowance for expected credit losses ("ECLs") on receivables. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Home always recognises lifetime ECL for receivables from residents. The expected credit losses on these financial assets are estimated using a provision matrix based on the Home's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Home recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Home measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increase in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

2(e) Material accounting policy information (Cont'd)

Impairment of financial assets (Cont'd)

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within twelve months after the reporting date.

(i) Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Home compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Home considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Home's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Home's core operations.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk for a particular financial instrument (e.g. significant increase in the credit spread, the credit default swap prices for the debtor, or the length of time or the extent to which the fair value of a financial asset has been less than its amortised cost);
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- actual or expected significant deterioration in the operating results of the debtor;
- significant increases in credit risk on other financial instruments of the same debtor; and
- actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Home presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 7 days past due, unless the Home has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Home assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

- the financial instrument has a low risk of default;
- the borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and
- adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.



Notes to the financial statements (Cont'd)

for the financial year ended 31 December 2023

2(e) Material accounting policy information (Cont'd)

Impairment of financial assets (Cont'd)

(i) Significant increase in credit risk (Cont'd)

The Home considers a financial asset to have low credit risk when the asset has external credit rating of 'investment grade' in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of 'performing'. Performing means that the counterparty has a strong financial position and there are no past due amounts.

The Home regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

(ii) Definition of default

The Home considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that the receivables which meet either of the following criteria are generally not recoverable.

- when there is a breach of financial covenants by the counterparty; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Home, in full (without taking into account any collaterals held by the Home).

Irrespective of the above analysis, the Home considers that default has occurred when a financial asset is more than 90 days past due unless the Home has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;
- the lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

(iv) Write-off policy

The Home writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery (e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings), or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Home's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

2(e) Material accounting policy information (Cont'd)

Impairment of financial assets (Cont'd)

(v) Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Home's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Home in accordance with the contract and all the cash flows that the Home expects to receive, discounted at the original effective interest rate. For finance lease receivable, the cash flows used for determining the expected credit losses is consistent with the cash flows used in measuring the finance lease receivable in accordance with FRS 116 Leases.

If the Home has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Home measures the loss allowance at an amount equal to 12-month ECL at the current reporting date.

The Home recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

Where lifetime ECL is measured on a collective basis to cater for cases where evidence of significant increases in credit risk at the individual instrument level may not yet be available, the financial instruments are grouped on the following basis:

- nature of financial instruments (i.e. the Home's trade and other receivables, and amounts due from customers are each assessed as a separate group, while loans to related parties are assessed for expected credit losses on an individual basis);
- past-due status;
- nature, size and industry of debtors;
- nature of collaterals for finance lease receivables; and
- external credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.



Notes to the financial statements (Cont'd)

for the financial year ended 31 December 2023

2(e) Material accounting policy information (Cont'd)

Financial liabilities

Financial liabilities are recognised when, and only when, the Home become a party to the contractual provisions of the financial instruments. All financial liabilities are recognised initially at fair value plus, in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

Impairment of non-financial assets

At the end of each reporting period, the Home reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Home estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value-in-use. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in statement of financial activities for which the estimates of future cash flows have not been adjusted.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in statement of financial activities.

Provisions

A provision is recognised if, as a result of a past event, the Home has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

2(e) Material accounting policy information (Cont'd)

Related parties

A related party is defined as follows:

- (a) A person or a close member of that person's family is related to the Home if that person:
 - (i) has control or joint control over the Home;
 - (ii) has significant influence over the Home; or
 - (iii) is a member of the key management personnel of the Home or of a parent of the Home.

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

Employee benefits

(i) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Home pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Home has no further payment obligations once the contributions have been paid.

(ii) Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for unutilised annual leave as a result of services rendered by employees up to the reporting date.

Key management personnel

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Home. Chief Executive Officer and Management Committees are considered as key management personnel of the Home.



Notes to the financial statements (Cont'd)

for the financial year ended 31 December 2023

2(e) Material accounting policy information (Cont'd)

Revenue recognition

Revenue is recognised when the Home satisfies a performance obligation by transferring a promised good or extending a service to the customer, which is when the customer obtains control of the good or derived benefits from the usage of the service. A performance obligation may be satisfied at a point in time or over time. If a performance obligation is satisfied over time, the revenue is recognised based on the percentage of completion reflecting the progress towards complete satisfaction of that performance obligation. The amount of revenue recognised is the amount allocated to the satisfied performance obligation. Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

(i) Income from residents

Residents are charged a basic daily fee as a contribution to the provision of care and accommodation. Income from residents is recognised over time as services are provided.

(ii) Income from donations

Donations are recognised as and when the Home's entitlement to such income is established with certainty and the amount can be measured with sufficient reliability. This normally coincides with the receipt of the donation.

(iii) Government grants

Grants received to fund operating expenses are recognised on an accrual basis, based on the funding principles specified by Ministry of Health, Ministry of Social and Family Development, and Agency for Integrated Care.

(iv) Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Government grants

Government grants are not recognised until there is reasonable assurance that the Home will comply with the conditions attached to them and the grants will be received. Government grants whose primary condition is that the Home should purchase, construct or otherwise acquire non-current assets are recognised as deferred income in the statement of financial position and transferred to statement of financial activities on a systematic and rational basis over the useful lives of the related assets. Deferred income are recognised in statement of financial activities over the periods necessary to match the depreciation, write-off and/or impairment loss of the assets purchased with the related grants. Upon disposal of plant and equipment, the balance of the related deferred income is recognised in statement of financial activities to match the carrying amount of the plant and equipment written off.

Government grants are recognised as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Home with no future related costs are recognised in statement of financial activities in the period in which they become receivable.

2(e) Material accounting policy information (Cont'd)

Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents comprise cash in hand, bank balances, and demand deposits that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value. These also includes fixed deposits maturing within 1 to 12 months from financial year end that form an integral part of the Home's cash management

Unrestricted funds

The Unrestricted Funds are funds which are available to be used for any of the charity's purposes.

Designated fund

The Home had allocated a portion of unrestricted funds to designated fund for its 3 years Mid-Term Plan to be implemented from 2023 to 2025. Refer to Note 10 to the financial statements.

Restricted funds

The funds comprise the cumulative operating surplus or deficit arising from the specific income and expenditure account. The specific funds are utilised in accordance with its intended purpose. Amounts not utilised are accumulated in the specific funds.

Current and non-current classification

The Home presents assets and liabilities in the statements of financial position based on current or non-current classification.

An asset is current when it is:

- expected to be realised or intended to be sold or consumed in the normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realised within twelve months after the reporting period; or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- it is expected to be settled in the normal operating cycle;
- it is held primarily for the purpose of trading;
- it is due to be settled within twelve months after the reporting period; or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification. The Home classifies all other liabilities as non-current.

Notes to the financial statements (Cont'd)

for the financial year ended 31 December 2023

3 Plant and equipment

| | Computers \$ | Electrical equipment \$ |
|---------------------------------|-----------------|-------------------------------|
| <u>Cost</u> | | |
| At 1 January 2022 | 268,919 | 3,593 |
| Additions | 38,347 | 1,500 |
| Written off | (331) | - |
| At 31 December 2022 | 306,935 | 5,093 |
| Additions | 6,020 | 1,388 |
| Written off | - | - |
| At 31 December 2023 | 312,955 | 6,481 |
| <u>Accumulated depreciation</u> | | |
| At 1 January 2022 | 126,414 | 2,595 |
| Depreciation for the year | 82,159 | 1,248 |
| Written off | - | - |
| At 31 December 2022 | 208,573 | 3,843 |
| Depreciation for the year | 71,981 | 847 |
| Written off | - | - |
| At 31 December 2023 | 280,554 | 4,690 |
| <u>Carrying amount</u> | | |
| At 31 December 2023 | 32,401 | 1,791 |
| At 31 December 2022 | 98,362 | 1,250 |

| Furniture and fittings | Other equipment | Motor vehicle | Renovation | Total |
|-----------------------------------|----------------------------|--------------------------|-------------------|------------------|
| \$ | \$ | \$ | \$ | \$ |
| 514,014 | 531,027 | 713,855 | 563,412 | 2,594,820 |
| 13,955 | 52,027 | - | 824,978 | 930,807 |
| - | - | - | (1,760) | (2,091) |
| 527,969 | 583,054 | 713,855 | 1,386,630 | 3,523,536 |
| 17,438 | 166,470 | - | 479,654 | 670,970 |
| (10,289) | (980) | - | - | (11,269) |
| 535,118 | 748,544 | 713,855 | 1,866,284 | 4,183,237 |
| 327,380 | 411,435 | 542,174 | 106,088 | 1,516,086 |
| 75,915 | 67,035 | 27,459 | 168,884 | 422,700 |
| - | - | - | (1,555) | (1,555) |
| 403,295 | 478,470 | 569,633 | 273,417 | 1,937,231 |
| 42,949 | 88,730 | 27,459 | 293,612 | 525,578 |
| (8,639) | (980) | - | - | (9,619) |
| 437,605 | 566,220 | 597,092 | 567,029 | 2,453,190 |
| 97,513 | 182,324 | 116,763 | 1,299,255 | 1,730,047 |
| 124,674 | 104,584 | 144,222 | 1,113,213 | 1,586,305 |

Notes to the financial statements (Cont'd)

for the financial year ended 31 December 2023

4 Intangible assets

| | Software \$ |
|---------------------------------|-----------------|
| <u>Cost</u> | |
| At 1 January 2022 | 65,390 |
| Additions | 25,160 |
| At 31 December 2022 | 90,550 |
| Written off | (20,900) |
| At 31 December 2023 | 69,650 |
| <u>Accumulated amortisation</u> | |
| At 1 January 2022 | 3,222 |
| Amortisation for the year | 19,834 |
| At 31 December 2022 | 23,056 |
| Amortisation for the year | 21,678 |
| Written off | (5,922) |
| At 31 December 2023 | 38,812 |
| <u>Carrying amount</u> | |
| At 31 December 2023 | 30,838 |
| At 31 December 2022 | 67,494 |

5 Right-of-use assets

| | Office equipment \$ | Office premises \$ | Computers \$ | Reinstatement cost \$ | Total \$ |
|---------------------------------|---------------------------|--------------------------|-----------------|-----------------------------|------------------|
| <u>Cost</u> | | | | | |
| At 1 January 2022 | 70,605 | 1,738,053 | - | - | 1,808,658 |
| Additions | - | 316,378 | - | 70,000 | 386,378 |
| Expiry of lease contracts | - | (455,613) | - | - | (455,613) |
| At 31 December 2022 | 70,605 | 1,598,818 | - | 70,000 | 1,739,423 |
| Additions | 62,243 | 211,991 | 41,070 | - | 315,304 |
| Termination of lease contracts | (70,605) | - | - | - | (70,605) |
| Expiry of lease contracts | - | (215,956) | - | - | (215,956) |
| Adjustment | - | - | - | (12,186) | (12,186) |
| At 31 December 2023 | 62,243 | 1,594,853 | 41,070 | 57,814 | 1,755,980 |
| <u>Accumulated depreciation</u> | | | | | |
| At 1 January 2022 | 37,463 | 877,417 | - | - | 914,880 |
| Depreciation for the year | 14,680 | 467,085 | - | - | 481,765 |
| Expiry of lease contracts | - | (455,613) | - | - | (455,613) |
| At 31 December 2022 | 52,143 | 888,889 | - | - | 941,032 |
| Depreciation for the year | 13,750 | 451,115 | 7,845 | 42,732 | 515,442 |
| Termination of lease contracts | (60,707) | - | - | - | (60,707) |
| Expiry of lease contracts | - | (215,956) | - | - | (215,956) |
| At 31 December 2023 | 5,186 | 1,124,048 | 7,845 | 42,732 | 1,179,811 |
| <u>Carrying amount</u> | | | | | |
| At 31 December 2023 | 57,057 | 470,805 | 33,225 | 15,082 | 576,169 |
| At 31 December 2022 | 18,462 | 709,929 | - | 70,000 | 798,391 |

Notes to the financial statements (Cont'd)

for the financial year ended 31 December 2023

5 Right-of-use assets (Cont'd)

Details of the Home's significant right-of-use assets as at the reporting date are as follows:

| Property name/ location | Description | Floor area | Tenure |
|---|---|-------------|---|
| 30 Hong San Terrace (Evergreen Place, Home @Hong San) Singapore 688246 | Four storey buildings | 2,432 sqm | 2 years leasehold commenced 19 June 2022 |
| 991 Alexandra Road #01-04 Singapore 119964 | Office buildings | 4,000 sq ft | 3 years and 10 months leasehold commenced 1 March 2021 |
| BLK 274B Compassvale Bow #01-521 Singapore 542274 | Housing and Development Board ("HDB") | N/A | 3 years leasehold commenced 16 May 2023 |
| BLK 274C Compassvale Bow #01-509 Singapore 543274 | Housing and Development Board ("HDB") | N/A | 3 years leasehold commenced 16 May 2023 |
| BLK 813 Yishun Ring Road #01-01 Singapore 760813 | Housing and Development Board ("HDB") | N/A | 3 years leasehold commenced 16 May 2023 |

The following table presents the amounts included in profit or loss:

| | 2023 | 2022 |
|--|----------------|---------|
| | \$ | \$ |
| Depreciation expenses on right-of-use assets | 515,442 | 481,765 |

6 Investment properties

| | Freehold Buildings |
|---------------------------------|-------------------------------|
| | \$ |
| <u>Cost</u> | |
| At 1 January 2022 | - |
| Additions (Note A) | 9,675,900 |
| At 31 December 2022 | 9,675,900 |
| Adjustment | (67,452) |
| At 31 December 2023 | 9,608,448 |
| <u>Accumulated depreciation</u> | |
| At 1 January 2022 | - |
| Depreciation for the year | 48,379 |
| At 31 December 2022 | 48,379 |
| Depreciation for the year | 191,832 |
| At 31 December 2023 | 240,211 |
| <u>Carrying amount</u> | |
| At 31 December 2023 | 9,368,237 |
| At 31 December 2022 | 9,627,521 |

Note A: Additions during the year relates to the acquisition of freehold buildings at 354 Alexandra Road, Singapore 159948 amounting to \$9,675,900 on 31 October 2022.

Details of the Home's investment properties as at 31 December 2023 are as follow:

| Property name/ location | Description | Floor area | Tenure |
|---|----------------------|-------------------|---------------|
| 354 Alexandra Road, #01-01 Alexis Singapore 159948 | 1 storey retail unit | 1,378 sq ft | Freehold |
| 354 Alexandra Road, #01-02 Alexis Singapore 159948 | 1 storey retail unit | 1,690 sq ft | Freehold |

The amounts recognised in profit or loss for investment properties are set out below:

| | 2023 | 2022 |
|---|-----------------|-----------|
| | \$ | \$ |
| Rental income | 331,344 | 55,224 |
| Direct operating expenses arising from: | | |
| - Investment properties that generate rental income | (31,900) | (2,967) |

The estimated fair value of the investment properties amounted to \$9,700,000, classified under level 3 of the fair value hierarchy, as determined on the basis of management's review of similar properties in the market as at 31 December 2023. The key input applied in the estimation of the investment property is unit price per square foot. Further information regarding the fair value measurement of the Home's investment properties are provided in Note 24.

Notes to the financial statements (Cont'd)

for the financial year ended 31 December 2023

7 Receivables

| | 2023 | 2022 |
|------------------------------------|------------------|------------------|
| | \$ | \$ |
| Deposits | 465,820 | 351,913 |
| Prepayment | 163,664 | 97,893 |
| Receivables from residents | 97,539 | 93,823 |
| Accrued grants/Funding receivables | 1,326,656 | 1,877,457 |
| Other receivables | 31,940 | 1,020 |
| GST receivable | 40,619 | - |
| Interest receivables | 424,614 | 237,509 |
| | 2,550,852 | 2,659,615 |

Receivables from residents

The average credit term period on receivables from residents is 7 days (2022: 7 days). No interest is charged on the receivables.

The Home, being a charity, provides financial assistance to those who are having difficulties to pay their fees. Long outstanding balances will be assessed on a yearly basis.

Management determines the receivables are subject to immaterial credit loss.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

Accrued grants/Funding receivables

Accrued grants and funding receivables are mainly subsidies for patients receivable from government agencies. The receivables are interest-free.

For purpose of impairment assessment, the accrued grant and funding receivables are considered to have low credit risk and there has been no significant increase in the risk of default on the receivables since initial recognition. Accordingly, for the purpose of impairment assessment for these receivables, the loss allowance is measured at an amount equal to 12-month ECL.

No loss allowance was recognised as the ECL for accrued grants/funding receivables was deemed to be immaterial.

8 Cash and cash equivalents

| | 2023 | 2022 |
|----------------|-------------------|-------------------|
| | \$ | \$ |
| Cash in hands | 4,847 | 6,674 |
| Cash at bank | 3,092,594 | 1,015,252 |
| Fixed deposits | 41,478,530 | 38,430,186 |
| | 44,575,971 | 39,452,112 |

Fixed deposits bear interest rates ranging from 0.46% to 4.50% (2022: 0.20% to 4.50%) per annum and for a tenure between 1 to 12 months (2022: 1 to 12 months). The fixed deposits could be withdrawn without having to incur significant cost and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

9 Designated fund

| | 2023 | 2022 |
|-------------------------------------|------------------|------------------|
| | \$ | \$ |
| At 1 January | 2,000,000 | - |
| Transfer from general fund (Note A) | - | 2,000,000 |
| Utilisation during the year | (214,871) | - |
| At 31 December | 1,785,129 | 2,000,000 |

The Home's mission and vision are to provide holistic care that makes a difference in every life that it touches and to be the preferred eldercare organisation, that inspires active and quality aging. In 2022, the Home commenced planning work on a 3-year Mid-Term Plan (MTP) comprising initiatives to be implemented from 2023 to 2025. The Management Committee approved the transfer of \$2,000,000 from general fund to designated fund for such MTP initiatives. The initiatives serve to enhance current services (10 of them) and there were also four new services, all, with the aim to achieve the four strategic outcomes of increased presence in the pre-nursing sector, holistic approach in those programmes, excellence service culture as well as a process-excellent organisation. There may be additional initiatives or reductions, pending developments on the national directors for eldercare. The MTP are reviewed on a quarterly basis. Expenditure utilised for MTP initiatives will be tag and reduced from designated fund.

Note A: In 2022, the Home transferred \$2,000,000 to designated fund for the above-mentioned 3-year MTP.

Notes to the financial statements (Cont'd)

for the financial year ended 31 December 2023

10 Restricted funds

| | 2023 | 2022 |
|---|--------------------|-------------|
| | \$ | \$ |
| <u>Evergreen Place, Home @ HongSan Fund</u> | | |
| At 1 January | - | - |
| Deficit for the year | (2,314,696) | (1,291,629) |
| Transfer from general fund | 2,314,696 | 1,291,629 |
| At 31 December | - | - |

The Evergreen Place, Home @ HongSan Fund is subsidies given by Ministry of Social and Family Development for funding of daily activities for homestay residents.

| | 2023 | 2022 |
|--|------------------|-----------|
| | \$ | \$ |
| <u>Ministry of Health ("MOH") Centre-based Services Fund</u> | | |
| At 1 January | - | - |
| Deficit for the year | (993,485) | (992,522) |
| Transfer from general fund | 993,485 | 992,522 |
| At 31 December | - | - |

The Ministry of Health ("MOH") Centre-based Services Fund is subsidies given by Ministry of Health for funding of patients fee, transportation fee, and rental of premises.

| | 2023 | 2022 |
|--|--------------------|-------------|
| | \$ | \$ |
| <u>Community Silver Trust ("CST") Fund</u> | | |
| At 1 January | 4,401,257 | 1,932,911 |
| Funds received and receivables | 3,352,401 | 4,520,017 |
| Funds utilised | (1,775,233) | (2,051,671) |
| At 31 December | 5,978,425 | 4,401,257 |

The Community Silver Trust ("CST") Fund is a dollar-to-dollar donation matching grant provided by the Government to enhance the services of voluntary welfare organisation in the intermediate and long-term care sector. The CST is managed by the Ministry of Health and administered by the Agency of integrated care.

10 Restricted funds (Cont'd)

| | 2023 | 2022 |
|---|------------------|-----------|
| | \$ | \$ |
| <u>Ministry of Health ("MOH") Active Ageing Centre Fund</u> | | |
| At 1 January | - | - |
| Deficit for the year | (206,795) | (318,056) |
| Transfer from general fund | 206,795 | 318,056 |
| At 31 December | - | - |

The Ministry of Health ("MOH") Active Ageing Centre Fund are subsidies given by Ministry of Health for funding of activities catered to senior population held at eldercare centres.

| | 2023 | 2022 |
|---|------|----------|
| | \$ | \$ |
| <u>Ministry of Health ("MOH") Senior Supportive Living ("SSL") Fund</u> | | |
| At 1 January | - | - |
| Deficit for the year | - | (11,596) |
| Transfer from general fund | - | 11,596 |
| At 31 December | - | - |

The Ministry of Health ("MOH") Senior Supportive Living ("SSL") Fund are subsidies given by Ministry of Health for funding of in-situ assisted living services and round-the-clock supervision and support.

| | 2023 | 2022 |
|--|------------------|-----------|
| | \$ | \$ |
| <u>Ministry of Health ("MOH") Integrated Home and Day Care ("IHDC") Fund</u> | | |
| At 1 January | - | - |
| Deficit for the year | (883,163) | (757,620) |
| Transfer from general fund | 883,163 | 757,620 |
| At 31 December | - | - |

The Ministry of Health ("MOH") Integrated Home and Day Care ("IHDC") Fund is subsidies given by Ministry of Health for funding of home and day care of elderly and their families depending on whether they require minimum, moderate or maximum level of assistance.



Notes to the financial statements (Cont'd)

for the financial year ended 31 December 2023

10 Restricted funds (Cont'd)

Ministry of Health ("MOH") Centre-based Services Fund and Ministry of Health ("MOH") Integrated Home and Day Care ("IHDC") Fund are subsidies given by Ministry of Health for the below centre-based services programmes:

| Programme | Objective |
|-------------------------------------|--|
| Community Rehabilitation | - Covers both active rehabilitation and Maintenance exercise. Provide therapy, which may include physiotherapy or occupational therapy, which is important for an elderly with heart disease, or who had a stroke, fracture or other condition that affected his ability to do everyday things like walking around or going to the bathroom. It can help him regain his abilities. |
| Maintenance Day Care | - Provides a safe and supportive environment for seniors who need full day custodial care. |
| Maintenance Exercise | - Provide individualised Care Plan with suitable exercises will be created for seniors. |
| Dementia Day Care | - Provides full day custodial care in a centre-based setting for seniors living with mild to moderate level of dementia. |
| Integrated Home and Day Care (IHDC) | - Provide comprehensive and personalised care to support seniors with multiple care needs, to maintain their independence and quality of life in the community for as long as possible. |
| Centre-Based Nursing | - Provides basic nursing care for seniors such as wound management help or assistance with nasogastric tubes and other equipment. |
| Centre-based Dementia Respite Care | - Provide dementia day care on Saturdays, as a form of respite support to caregivers. |
| Active Ageing Centre (Care) | - Drop-in social recreational centre that extends support to seniors living nearby in the community. |

10 Restricted funds (Cont'd)

| 2023 | Evergreen Place, Home @ HongSan Fund | Ministry of Health ("MOH") Centre-based Services Fund (Note A) | Ministry of Health ("MOH") Active Ageing Centre Fund | Ministry of Health ("MOH") Integrated Home and Day Care ("IHDC") Fund |
|---|---|--|---|---|
| | \$ | \$ | \$ | \$ |
| Income: | | | | |
| <i>Voluntary income:</i> | | | | |
| Donations | 222,019 | 5,607 | 91,925 | 6,869 |
| Funding from Ministry of Social and Development | 1,084,109 | - | - | - |
| Funding from Ministry of Health Agency for Integrated Care subsidy | - | 1,399,277 | 29,988 | 74,013 |
| Funding under CST from AIC | - | 13,958 | 1,118,019 | 1,442,074 |
| Funding under CCSE from Agency of Integrated Care | - | 523,363 | - | 513,892 |
| Rental subvention from Ministry of Health and Ministry of Social and Family Development | - | 839,273 | - | 751,343 |
| | 279,200 | 21,096 | 99,988 | 48,009 |
| <i>Income from charitable activities:</i> | | | | |
| Income from residents | 335,972 | 521,757 | 112,344 | 339,488 |
| Other income | 175,317 | 243,018 | 197,007 | 250,713 |
| Total income | 2,096,617 | 3,567,349 | 1,649,271 | 3,426,401 |
| Expenditures | | | | |
| <i>Costs of charitable activities</i> | | | | |
| <i>Employee benefits expenses</i> | | | | |
| Accommodation | 23,900 | 58,993 | - | 49,973 |
| Central provident fund contribution | 219,907 | 336,867 | 117,235 | 299,424 |
| Medical expenses | 28,315 | 19,365 | 4,857 | 17,723 |
| Foreign workers levy | 69,291 | 73,284 | 5,800 | 78,857 |
| Staff salary, overtime and bonuses | 2,171,475 | 2,755,187 | 818,373 | 2,526,778 |
| Recruitment expenses | 1,770 | 2,235 | 872 | 2,802 |
| Training and seminar | 18,457 | 16,387 | 5,898 | 14,121 |
| Staff welfare | 32,978 | 35,198 | 8,383 | 29,759 |
| Other employee benefit expenses | 11,502 | 47,350 | 5,000 | 28,309 |
| <i>Resident Related expenses</i> | | | | |
| Doctor's retainer fees | 8,840 | 4,308 | - | 12,738 |
| Festival celebration | 15,759 | 2,921 | 771 | 3,407 |
| Groceries | 341,807 | 92,766 | 36,218 | 77,231 |
| Occupational therapy expenses | 30,060 | 82,386 | - | 47,342 |
| Physiotherapy expenses | 43,200 | 66,279 | - | 66,629 |
| Resident expenses | 102,574 | 44,997 | 396,883 | 36,897 |
| SASCO Charity Assistance to clients | 205,607 | 41,851 | - | 55,528 |
| <i>Other expenses</i> | | | | |
| | 11,378 | 18,348 | 9,149 | 17,366 |
| | 3,336,820 | 3,698,722 | 1,409,439 | 3,364,884 |
| <i>Costs of governance activities</i> | | | | |
| Audit fee | 17,824 | 24,887 | 9,692 | 21,095 |
| Professional charges | 5,148 | 48,037 | 3,145 | 87,154 |
| | 22,972 | 72,924 | 12,837 | 108,249 |
| <i>Other expenditures</i> | | | | |
| <i>Depreciation expense</i> | | | | |
| Depreciation of plant and equipment | 63,365 | 244,422 | 35,590 | 182,202 |
| Amortisation of intangible asset | 1,812 | 2,900 | 14,209 | 2,756 |
| Depreciation of right-of-use assets | 212,711 | 95,073 | 117,668 | 89,988 |
| <i>Other expenses</i> | | | | |
| | 767,230 | 442,371 | 258,336 | 557,293 |
| | 1,045,118 | 784,766 | 425,803 | 832,239 |
| Finance costs | 6,403 | 4,422 | 7,987 | 4,192 |
| Total expenditures | 4,411,313 | 4,560,834 | 1,856,066 | 4,309,564 |
| Deficit for the year | (2,314,696) | (993,485) | (206,795) | (883,163) |
| Transfer from general fund | 2,314,696 | 993,485 | 206,795 | 883,163 |
| At 31 December 2023 | - | - | - | - |

Notes to the financial statements (Cont'd)

for the financial year ended 31 December 2023

10 Restricted funds (Cont'd)

| Note A | Ministry of Health ("MOH") Community Rehabilitation \$ | Ministry of Health ("MOH") Maintenance Exercise \$ | Ministry of Health ("MOH") Dementia Day Care \$ | Ministry of Health ("MOH") Maintenance Day Care \$ | Ministry of Health ("MOH") Centre-based Nursing \$ | Ministry of Health ("MOH") Centre-based Services Fund \$ |
|---|--|--|---|--|--|--|
| Income: | | | | | | |
| <i>Voluntary income:</i> | | | | | | |
| Donations | 379 | 1,815 | 3,182 | 230 | 1 | 5,607 |
| Funding from Ministry of Health | 51,904 | 566,356 | 746,759 | 33,818 | 440 | 1,399,277 |
| Agency for Integrated Care subsidy | 21 | 8,782 | 5,142 | 13 | - | 13,958 |
| Funding under CST from AIC | 33,786 | 242,376 | 226,711 | 20,390 | 100 | 523,363 |
| Funding under CCSE from Agency of Integrated Care | 36,212 | 323,133 | 457,643 | 22,035 | 250 | 839,273 |
| Rental subvention from Ministry of Health and Ministry of Social and Family Development | 1,097 | 7,976 | 11,401 | 616 | 6 | 21,096 |
| <i>Income from charitable activities:</i> | | | | | | |
| Income from residents | 19,502 | 207,843 | 285,128 | 9,184 | 100 | 521,757 |
| Other income | 12,053 | 96,196 | 127,425 | 7,276 | 68 | 243,018 |
| Total income | 154,954 | 1,454,477 | 1,863,391 | 93,562 | 965 | 3,567,349 |
| Expenditures | | | | | | |
| Costs of charitable activities | | | | | | |
| <i>Employee benefits expenses</i> | | | | | | |
| Accommodation | 1,908 | 27,060 | 28,873 | 1,139 | 13 | 58,993 |
| Central provident fund contribution | 15,375 | 136,220 | 175,843 | 9,336 | 93 | 336,867 |
| Medical expenses | 859 | 7,962 | 10,020 | 520 | 4 | 19,365 |
| Foreign workers levy | 2,840 | 32,384 | 36,364 | 1,680 | 16 | 73,284 |
| Staff salary, overtime and bonuses | 123,750 | 1,135,097 | 1,420,734 | 74,879 | 727 | 2,755,187 |
| Recruitment expenses | 94 | 934 | 1,152 | 55 | - | 2,235 |
| Training and seminar | 793 | 6,596 | 8,511 | 483 | 4 | 16,387 |
| Staff welfare | 1,450 | 15,092 | 17,770 | 878 | 8 | 35,198 |
| Other employee benefit expenses | 2,106 | 20,135 | 23,798 | 1,299 | 12 | 47,350 |
| <i>Resident Related expenses</i> | | | | | | |
| Doctor's retainer fees | 209 | 1,329 | 2,656 | 112 | 2 | 4,308 |
| Festival celebration | 166 | 865 | 1,787 | 101 | 2 | 2,921 |
| Groceries | 4,065 | 38,548 | 47,656 | 2,473 | 24 | 92,766 |
| Occupational therapy expenses | 4,270 | 36,867 | 38,601 | 2,630 | 18 | 82,386 |
| Physiotherapy expenses | 4,417 | 27,256 | 31,908 | 2,681 | 17 | 66,279 |
| Resident expenses | 2,150 | 18,582 | 22,946 | 1,309 | 10 | 44,997 |
| SASCO Charity Assistance to clients | 1,144 | 15,199 | 24,834 | 659 | 15 | 41,851 |
| Other expenses | 807 | 7,465 | 9,583 | 488 | 5 | 18,348 |
| | 166,403 | 1,527,591 | 1,903,036 | 100,722 | 970 | 3,698,722 |
| Costs of governance activities | | | | | | |
| Audit fee | 1,023 | 10,268 | 12,968 | 622 | 6 | 24,887 |
| Professional charges | 2,018 | 9,402 | 35,402 | 1,189 | 26 | 48,037 |
| | 3,041 | 19,670 | 48,370 | 1,811 | 32 | 72,924 |
| Other expenditures | | | | | | |
| <i>Depreciation expense</i> | | | | | | |
| Depreciation of plant and equipment | 127 | 1,181 | 1,516 | 76 | - | 2,900 |
| Amortisation of intangible asset | 10,249 | 106,030 | 121,841 | 6,244 | 58 | 244,422 |
| Depreciation of right-of-use assets | 4,134 | 38,778 | 49,640 | 2,496 | 25 | 95,073 |
| <i>Other expenses</i> | 20,150 | 178,688 | 231,485 | 11,928 | 120 | 442,371 |
| | 34,660 | 324,677 | 404,482 | 20,744 | 203 | 784,766 |
| Finance costs | 190 | 1,808 | 2,307 | 115 | 2 | 4,422 |
| Total expenditures | 204,294 | 1,873,746 | 2,358,195 | 123,392 | 1,207 | 4,560,834 |
| Deficit for the year | (49,340) | (419,269) | (494,804) | (29,830) | (242) | (993,485) |
| Transfer from general fund | 49,340 | 419,269 | 494,804 | 29,830 | 242 | 993,485 |
| At 31 December 2023 | - | - | - | - | - | - |

10 Restricted funds (Cont'd)

2022

| | Evergreen Place, Home @ HongSan Fund | Ministry of Health ("MOH") Centre-based Services Fund (Note A) | Ministry of Health ("MOH") Active Ageing Centre Fund | Ministry of Health ("MOH") Senior Supportive Living ("SSL") Fund | Ministry of Health ("MOH") Integrated Home and Day Care ("IHDC") Fund |
|---|---|--|---|---|---|
| | \$ | \$ | \$ | \$ | \$ |
| Income: | | | | | |
| <i>Voluntary income:</i> | | | | | |
| Donations | 364,050 | 8,654 | 71,870 | 84 | 9,759 |
| Funding from Ministry of Social and Development | 1,129,385 | - | - | - | - |
| Funding from Ministry of Health Agency for Integrated Care subsidy | - | 1,032,084 | 141,093 | - | - |
| Funding under CST from AIC | 28,852 | 92,363 | 318,510 | 14,541 | 1,447,722 |
| Funding under CCSE from Agency of Integrated Care | 825,536 | 590,990 | 145,858 | 6,390 | 482,897 |
| Rental subvention from Ministry of Health and Ministry of Social and Family Development | - | 611,597 | - | - | 292,430 |
| | 283,999 | 28,320 | 62,416 | 1,216 | 73,823 |
| <i>Income from charitable activities:</i> | | | | | |
| Income from residents | 338,408 | 446,703 | 94,629 | (1,297) | 309,267 |
| Other income | 285,806 | 225,134 | 174,730 | 2,069 | 218,358 |
| Total income | 3,256,036 | 3,035,845 | 1,009,106 | 23,003 | 2,834,256 |
| Expenditures | | | | | |
| Costs of charitable activities | | | | | |
| <i>Employee benefits expenses</i> | | | | | |
| Accommodation | 11,400 | 30,318 | - | 212 | 21,766 |
| Central provident fund contribution | 261,153 | 311,434 | 92,436 | 2,664 | 284,740 |
| Medical expenses | 13,070 | 14,479 | 3,921 | 108 | 12,444 |
| Foreign workers levy | 57,595 | 49,779 | 2,390 | 585 | 49,292 |
| Staff salary, overtime and bonuses | 2,278,090 | 2,380,969 | 614,599 | 21,271 | 2,164,639 |
| Recruitment expenses | 400 | 943 | 191 | 14 | 1,076 |
| Training and seminar | 31,773 | 24,202 | 5,580 | 183 | 21,293 |
| Staff welfare | 29,329 | 27,558 | 4,075 | 249 | 24,330 |
| Other employee benefit expenses | 65,547 | 190,031 | 12,311 | 1,244 | 147,263 |
| <i>Resident Related expenses</i> | | | | | |
| Doctor's retainer fees | 2,575 | 10,401 | - | 125 | 9,471 |
| Festival celebration | 15,374 | 1,998 | 1,861 | 48 | 3,725 |
| Groceries | 317,709 | 87,849 | 36,487 | 651 | 70,860 |
| Occupational therapy expenses | 27,540 | 70,152 | - | 319 | 42,044 |
| Physiotherapy expenses | 45,660 | 72,706 | - | 485 | 54,421 |
| Resident expenses | 97,545 | 23,349 | 177,049 | 415 | 34,674 |
| SASCO Charity Assistance to clients | 165,638 | 42,183 | - | 212 | 29,531 |
| | 3,420,398 | 3,338,351 | 950,900 | 28,785 | 2,971,569 |
| Costs of governance activities | | | | | |
| Audit fee | 28,360 | 25,420 | 7,386 | 177 | 20,657 |
| Professional charges | 22,374 | 20,505 | 7,687 | 172 | 18,113 |
| | 50,734 | 45,925 | 15,073 | 349 | 38,770 |
| Other expenditures | | | | | |
| <i>Depreciation expense</i> | | | | | |
| Depreciation of plant and equipment | 75,661 | 166,937 | 72,389 | 751 | 106,961 |
| Amortisation of intangible asset | 3,898 | 3,481 | 9,360 | 29 | 3,066 |
| Depreciation of right-of-use assets | 248,050 | 72,665 | 96,714 | 601 | 63,736 |
| <i>Other expenses</i> | 743,530 | 399,536 | 181,842 | 4,072 | 406,487 |
| | 1,071,139 | 642,619 | 360,305 | 5,453 | 580,250 |
| Finance costs | 5,394 | 1,472 | 884 | 12 | 1,287 |
| Total expenditures | 4,547,665 | 4,028,367 | 1,327,162 | 34,599 | 3,591,876 |
| Deficit for the year | (1,291,629) | (992,522) | (318,056) | (11,596) | (757,620) |
| Transfer from general fund | 1,291,629 | 992,522 | 318,056 | 11,596 | 757,620 |
| At 31 December 2022 | - | - | - | - | - |

Notes to the financial statements (Cont'd)

for the financial year ended 31 December 2023

10 Restricted funds (Cont'd)

Note A

| | Ministry of Health ("MOH") Community Rehabilitation \$ | Ministry of Health ("MOH") Maintenance Exercise \$ | Ministry of Health ("MOH") Dementia Day Care \$ | Ministry of Health ("MOH") Maintenance Day Care \$ | Ministry of Health ("MOH") Centre-based Nursing \$ | Ministry of Health ("MOH") Centre-based Services Fund \$ |
|---|--|--|---|--|--|--|
| Income: | | | | | | |
| <i>Voluntary income:</i> | | | | | | |
| Donations | 309 | 2,673 | 5,470 | 200 | 2 | 8,654 |
| Funding from Ministry of Health | 35,657 | 351,239 | 622,846 | 22,122 | 220 | 1,032,084 |
| Agency for Integrated Care subsidy | - | 54,559 | 37,804 | - | - | 92,363 |
| Funding under CST from AIC | 27,201 | 241,671 | 304,439 | 17,614 | 65 | 590,990 |
| Funding under CCSE from Agency of Integrated Care | 22,538 | 225,240 | 349,104 | 14,594 | 121 | 611,597 |
| Rental subvention from Ministry of Health and Ministry of Social and Family Development | 1,151 | 9,427 | 16,989 | 746 | 7 | 28,320 |
| <i>Income from charitable activities:</i> | | | | | | |
| Income from residents | 14,658 | 163,775 | 257,763 | 10,452 | 55 | 446,703 |
| Other income | 8,687 | 78,167 | 132,605 | 5,625 | 50 | 225,134 |
| Total income | 110,201 | 1,126,751 | 1,727,020 | 71,353 | 520 | 3,035,845 |
| Expenditures | | | | | | |
| <i>Costs of charitable activities</i> | | | | | | |
| <i>Employee benefits expenses</i> | | | | | | |
| Accommodation | 907 | 12,467 | 16,351 | 588 | 5 | 30,318 |
| Central provident fund contribution | 11,932 | 110,884 | 180,826 | 7,727 | 65 | 311,434 |
| Medical expenses | 616 | 5,052 | 8,409 | 399 | 3 | 14,479 |
| Foreign workers levy | 1,498 | 19,689 | 27,612 | 970 | 10 | 49,779 |
| Staff salary, overtime and bonuses | 91,019 | 866,104 | 1,364,430 | 58,940 | 476 | 2,380,969 |
| Recruitment expenses | 27 | 375 | 523 | 18 | - | 943 |
| Training and seminar | 1,091 | 8,217 | 14,183 | 707 | 4 | 24,202 |
| Staff welfare | 914 | 10,552 | 15,495 | 592 | 5 | 27,558 |
| Other employee benefit expenses | 7,194 | 70,540 | 107,602 | 4,659 | 36 | 190,031 |
| <i>Resident Related expenses</i> | | | | | | |
| Doctor's retainer fees | 111 | 4,791 | 5,426 | 72 | 1 | 10,401 |
| Festival celebration | 66 | 586 | 1,301 | 44 | 1 | 1,998 |
| Groceries | 3,200 | 33,102 | 49,458 | 2,072 | 17 | 87,849 |
| Occupational therapy expenses | 2,807 | 27,610 | 37,907 | 1,818 | 10 | 70,152 |
| Physiotherapy expenses | 4,150 | 25,241 | 40,617 | 2,687 | 11 | 72,706 |
| Resident expenses | 1,029 | 7,068 | 14,580 | 666 | 6 | 23,349 |
| SASCO Charity Assistance to clients | 1,202 | 16,407 | 23,788 | 778 | 8 | 42,183 |
| | 127,763 | 1,218,685 | 1,908,508 | 82,737 | 658 | 3,338,351 |
| <i>Costs of governance activities</i> | | | | | | |
| Audit fee | 917 | 9,369 | 14,535 | 594 | 5 | 25,420 |
| Professional charges | 761 | 7,499 | 11,748 | 493 | 4 | 20,505 |
| | 1,678 | 16,868 | 26,283 | 1,087 | 9 | 45,925 |
| <i>Other expenditures</i> | | | | | | |
| <i>Depreciation expense</i> | | | | | | |
| Depreciation of plant and equipment | 2,806 | 70,304 | 91,980 | 1,817 | 30 | 166,937 |
| Amortisation of intangible asset | 130 | 1,269 | 1,996 | 85 | 1 | 3,481 |
| Depreciation of right-of-use assets | 2,731 | 26,529 | 41,623 | 1,768 | 14 | 72,665 |
| <i>Other expenses</i> | 16,003 | 137,726 | 235,356 | 10,363 | 88 | 399,536 |
| | 21,670 | 235,828 | 370,955 | 14,033 | 133 | 642,619 |
| Finance costs | 56 | 538 | 842 | 36 | - | 1,472 |
| Total expenditures | 151,167 | 1,471,919 | 2,306,588 | 97,893 | 800 | 4,028,367 |
| Deficit for the year | (40,966) | (345,168) | (579,568) | (26,540) | (280) | (992,522) |
| Transfer from general fund | 40,966 | 345,168 | 579,568 | 26,540 | 280 | 992,522 |
| At 31 December 2022 | - | - | - | - | - | - |

11 Lease liabilities

| | 2023 | 2022 |
|------------------------------------|-----------------|---------|
| | \$ | \$ |
| Undiscounted lease payments due: | | |
| - Year 1 | 410,314 | 433,284 |
| - Year 2 | 132,723 | 310,459 |
| - Year 3 | 20,145 | 2,261 |
| - Year 4 | 13,884 | - |
| - Year 5 | 8,099 | - |
| | 585,165 | 746,004 |
| Less: future finance charges | (18,922) | (7,819) |
| Present value of lease liabilities | 566,243 | 738,185 |
| Presented as: | | |
| - Current | 399,204 | 426,899 |
| - Non-current | 167,039 | 311,286 |
| | 566,243 | 738,185 |

The Home leases office equipment, office premises and computers (Note 5) for its operations.

The Home makes monthly lease payments for usage of premises under leasing agreement for operation purposes. Leases are negotiated for an average term of 5 years for equipment, 4 years for premises and 3 years for computers.

Total cash outflows (including interest paid) for all leases in the year amounted to \$563,318 (2022: \$557,347).

Interest expense on lease liabilities of \$14,225 (2022: \$9,049) is recognised within "finance costs" in statement of financial activities.

The Home's lease liabilities are secured by the lessors' title to the leased assets.

There are no externally imposed covenants on these premises' lease arrangements.

Rental expenses not capitalised in lease liabilities but recognised within "other expenditure" in statement of financial activities are set out below:

| | 2023 | 2022 |
|----------------------------|--------|--------|
| | \$ | \$ |
| Short-term leases | 71,776 | 75,311 |
| Leases of low-value assets | 175 | 300 |

As at 31 December 2023, the Home's short-term lease commitments at the reporting date are not substantially dissimilar to those giving rise to the Home's short-term lease expense for the year.



Notes to the financial statements (Cont'd)

for the financial year ended 31 December 2023

11 Lease liabilities (Cont'd)

As at 31 December 2023, the Home's short-term leases and low value assets commitments at the reporting date under non-cancellable operating leases contracted for but not recognised as liabilities, are as follows:

| | 2023 | 2022 |
|---|---------------|--------|
| | \$ | \$ |
| Short-term leases: | | |
| - Not later than one year | 71,776 | 71,776 |
| Leases of low value assets: | | |
| - Not later than one year | 175 | 300 |
| - Later than one year and not later than five years | - | 150 |
| | 175 | 450 |

12 Provisions

| | 2023 | 2022 |
|--------------------|----------------|--------|
| | \$ | \$ |
| <u>Non-current</u> | | |
| At 1 January | 70,000 | - |
| Additions | - | 70,000 |
| Amortisation | (3,407) | - |
| At 31 December | 66,593 | 70,000 |

Represents provision to be incurred for reinstatement of the office premises upon expiry of the lease term.

Interest expense on provision of \$8,779 (2022: \$Nil) is recognised within "finance costs" in statement of financial activities.

13 Other payables

| | 2023 | 2022 |
|-----------------------------|------------------|------------------|
| | \$ | \$ |
| Accruals for staff costs | 1,454,138 | 1,217,764 |
| Other accruals | 122,293 | 152,956 |
| Sundry creditors | 298,240 | 544,122 |
| Payables to a related party | 206,960 | 204,496 |
| Other residents' deposits | 75,240 | 63,985 |
| Deferred income (Note A) | 1,413,305 | 366,309 |
| GST payable | - | 21,157 |
| | 3,570,176 | 2,570,789 |

Other payables are non-interest bearing and have an average credit term of 30 to 60 days (2022: 30 to 60 days).

Related party refers to an entity that have a common management committee with the Home. The payables to a related party are unsecured, interest free and repayable on demand.

Note A:

The movement in deferred income is set out as below:

| | 2023 | 2022 |
|---------------------------|------------------|----------------|
| | \$ | \$ |
| <u>Deferred income</u> | | |
| At 1 January | 366,309 | 7,490 |
| Addition for the year | 1,414,250 | 373,998 |
| Amortisation for the year | (367,254) | (15,179) |
| At 31 December | 1,413,305 | 366,309 |

14 Other income

| | 2023 | 2022 |
|---------------------------------------|----------------|----------------|
| | \$ | \$ |
| Special employment credit | 30,626 | 29,468 |
| Other government grant ⁽¹⁾ | 343,227 | 664,452 |
| Rental Income | 331,344 | 55,224 |
| Miscellaneous income ⁽²⁾ | 160,858 | 156,953 |
| | 866,055 | 906,097 |

⁽¹⁾ Other government grant mainly consists of training grant, wage credit scheme, jobs growth incentive, NCSS grant, and others grants related with government.

⁽²⁾ Miscellaneous income mainly consists of profit sharing on the sale of items or services and rental of office premises.

Notes to the financial statements (Cont'd)

for the financial year ended 31 December 2023

15 Costs of charitable activities

Cost of charitable activities include:

| | 2023 | 2022 |
|---|------------------|-----------|
| | \$ | \$ |
| Foreign worker levy | 233,030 | 163,811 |
| Groceries | 532,764 | 498,328 |
| Occupational therapy expenses | 159,788 | 140,055 |
| Physiotherapy expenses | 176,108 | 173,222 |
| Resident expenses | 574,126 | 332,558 |
| Database management expenses | 1,448,698 | 1,570,068 |
| Fund-raising expenses | 762,165 | 95,585 |
| SASCO charity assistance to clients | 90,723 | 75,331 |
| Bank administrative charges | 144,053 | 105,006 |
| Employee benefits expenses: | | |
| - Central Provident Fund contribution | 1,006,567 | 982,999 |
| - Staff salaries, overtime, and bonuses | 8,221,004 | 7,391,572 |
| - Medical expenses | 71,796 | 45,878 |
| - Other employee benefit expenses | 45,978 | 38,536 |

16 Costs of governance activities

Costs of governance activities include:

| | 2023 | 2022 |
|----------------------------|----------------|--------|
| | \$ | \$ |
| Board Member reimbursement | 30,820 | 24,285 |
| Professional charges | 143,482 | 68,850 |

17 Other expenditure

Other expenditure include:

| | Note | 2023 \$ | 2022 \$ |
|--|------|------------|------------|
| Bad debts written off | | - | 2,245 |
| Printing and stationery | | 30,502 | 30,709 |
| Repairs & maintenance | | 71,280 | 81,858 |
| Security services | | 83,160 | 76,200 |
| Depreciation of plant and equipment | 3 | 525,578 | 422,700 |
| Amortisation of intangible assets | 4 | 21,678 | 19,834 |
| Depreciation of right-of-use assets | 5 | 515,442 | 481,765 |
| Depreciation of investment properties | 6 | 191,832 | 48,379 |
| Insurance | | 61,574 | 20,884 |
| Lease expenses relating to short-term leases | 11 | 71,776 | 75,311 |
| Lease expenses relating to low-value assets | 11 | 175 | 300 |
| Utilities | | 310,175 | 304,595 |
| Telecommunication | | 60,555 | 65,987 |
| Outsource service fees | | 125,111 | 33,818 |
| IT Expenses | | 265,332 | 237,276 |
| Conservancy and Service Charges | | 176,673 | 156,781 |
| Marketing Expenses | | 114,541 | 73,568 |

18 Tax expense

The Home is an approved charity organisation under the Charities Act 1994. No provision for taxation has been made in the financial statements as the Home is exempted from tax under the Singapore Income Tax Act 2008.

19 Tax exempt receipt

The Home enjoys a concessionary tax treatment whereby qualifying donors are granted 2.5 times double tax deduction for the donations made to the Home. The IPC status was renewed for 21 months with effect from 7 July 2022 to 6 April 2024.

| | 2023 \$ | 2022 \$ |
|---|------------|------------|
| Donations for which tax-exempt receipts were issued | 8,163,015 | 6,015,559 |

Notes to the financial statements (Cont'd)

for the financial year ended 31 December 2023

20 Significant related party transactions

Some of the Home's transactions and arrangements are with a related party and the effect of these on the basis determined between the parties is reflected in these financial statements.

For the purposes of these financial statements, parties are considered to be related to the Home if the Home has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Home and the party is subject to common control, or the party is a member of key management personnel of the Home, or the party is a close family member of any individual of the key management personnel or controlling party.

Related parties include the co-operative entity that provides key management personnel who have the authority and responsibility for planning, directing and controlling the activities of the Home.

Other than as disclosed elsewhere in the financial statement, the following transactions took place between the Home and the related party at terms agreed between the parties:

| | 2023 | 2022 |
|---|--------------------|-------------|
| | \$ | \$ |
| Receipt of AIC grant by a related party on behalf of the Home | 8,542,210 | 7,073,127 |
| AIC grant transferred to Home by a related party | (8,542,210) | (7,073,127) |
| Donation service fees expense | 2,214,737 | 1,659,364 |
| Reimbursement of expenses by a related party | 115,335 | 24,373 |
| Rent and office expense from a related party | 39,679 | 24,148 |

Compensation of key management personnel

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

| | 2023 | 2022 |
|--------------------------|----------------|---------|
| | \$ | \$ |
| Short-term benefit | 299,775 | 302,198 |
| Post-employment benefits | 7,742 | 8,070 |
| | 307,517 | 310,268 |

Number of key managements in remuneration bands:

| | 2023 | 2022 |
|----------------------|-------------|------|
| \$300,001 and above | 1 | 1 |
| \$200,001- \$300,000 | - | - |
| \$200,000 and below | - | - |
| | 1 | 1 |

20 Significant related party transactions (Cont'd)

The annual remuneration (comprising basic salary, bonuses, allowances and employer's contribution to Central Provident Fund) of the three (2022: three) highest paid staff classified by remuneration bands are as follows:

| | 2023 | 2022 |
|---------------------|----------|----------|
| \$300,001 and above | 1 | 1 |
| \$200,001-\$300,000 | - | - |
| \$100,000-\$200,000 | 2 | 2 |
| | 3 | 3 |

Number of paid staff who are close members of the family of the Executive Head or Board members, who each remuneration exceeding \$50,000 during the year, in bands of \$100,000:

| | 2023 | 2022 | Name of Executive Head of Board Member with whom the staff is a close family member |
|---------------------|------|------|---|
| \$50,000- \$150,000 | 1 | 1 | Subramaniam s/o Krishnan |

21 Commitments

Capital commitments

Estimated amounts committed at the end of the reporting year for future capital expenditure but not recognised in the financial statements are as follows:

| | 2023 | 2022 |
|--|----------------|---------|
| | \$ | \$ |
| Capital commitment for future expenditure for: | | |
| - software | 219,458 | 365,020 |

22 Financial risk management

Management monitors and manages the financial risks relating to the operations of the Home to minimise adverse potential effects on financial performance. These risks include market risk (including interest rate risk), credit risk, liquidity risk and fair value risk. Management manages and monitors these exposures to ensure appropriate measures are implemented in a timely and effective manner.

There has been no change to the Home's exposure to these financial risks or the manner in which it manages and measures these risks. Market risk is the risk that change in market prices, such as interest rates will affect the Home's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

Market risk exposures are measured using sensitivity analysis indicated below:



Notes to the financial statements (Cont'd)

for the financial year ended 31 December 2023

22 Financial risk management (Cont'd)

22.1 Interest rate risk management

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

As the fixed deposits are earning interest at fixed interest rate, the Home does not expect any significant effect on the Home's statement of financial activities arising from the effects of reasonably possible changes to interest rates on interest bearing financial instruments at the end of the financial year.

22.2 Credit risk

Credit risk is the potential financial loss resulting from the failure of a counterparty to settle its financial and contractual obligations to the Home as and when they fall due. The maximum exposure to credit risk in the event that the counterparties fail to perform their obligations as at the end of financial year in relation to each class of recognised financial assets is the carrying amounts of those assets as stated in the statement of financial position.

The Home develops and maintains its credit risk gradings to categorise exposures according to their degree of risk of default. The majority of the Home's receivables relate to grant receivables from government bodies which is not subjected to credit risk assessment.

The Home has adopted procedures in monitoring its credit risk. Cash and cash equivalents are held with reputable institutions and are subject to immaterial credit loss.

The Home does not have any significant credit risk exposure to any single counterparty.

The Home's surplus funds are also managed centrally by placing them with reputable financial institutions on varying maturities.

22.3 Liquidity risk

Liquidity risk refers to the risk that the Home will encounter difficulties in meeting its short-term obligations due to shortage of funds. The Home's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. It is managed by matching the payment and receipt cycles. The Home's objective is to maintain an adequate level of cash and cash equivalents to finance the Home's operation.

22 Financial risk management (Cont'd)

22.3 Liquidity risk (Cont'd)

The following table analyses the remaining contractual maturity profile of the Home's financial liabilities based on contractual undiscounted cash flow, including estimated interest payments.

| | -----Contractual undiscounted cash flows----- | | | | Carrying amount \$ |
|-------------------|---|-------------------------------|-----------------------|------------------|-----------------------|
| | Less than 1 year \$ | Between 2 to 5 years \$ | Over 5 years \$ | Total \$ | |
| 2023 | | | | | |
| Lease liabilities | 410,314 | 174,851 | - | 585,165 | 566,243 |
| Other payables* | 2,156,871 | - | - | 2,156,871 | 2,156,371 |
| | 2,567,185 | 174,851 | - | 2,742,036 | 2,722,614 |
| 2022 | | | | | |
| Lease liabilities | 433,284 | 312,720 | - | 746,004 | 738,185 |
| Other payables* | 2,183,323 | - | - | 2,183,323 | 2,183,323 |
| | 2,616,607 | 312,720 | - | 2,929,327 | 2,921,508 |

* exclude deferred income and GST payable

22.4 Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Currency risk arises when transactions are denominated in foreign currencies.

The principal activities of the Home are carried out in Singapore dollars. Hence, the Home does not have exposure to foreign currency risk.

23 Financial instruments

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

| | 2023 \$ | 2022 \$ |
|------------------------------|-------------------|-------------------|
| At amortised cost | | |
| Financial assets | | |
| Receivables* | 1,019,913 | 684,265 |
| Cash and cash equivalents | 44,575,971 | 39,452,112 |
| | 45,595,884 | 40,136,377 |
| At amortised cost | | |
| Financial liabilities | | |
| Lease liabilities | 566,243 | 738,185 |
| Other payables** | 2,156,871 | 2,183,323 |
| | 2,723,114 | 2,921,508 |

* exclude prepayment, accrued grants/funding receivables and GST receivable

** exclude deferred income and GST payable



Notes to the financial statements (Cont'd)

for the financial year ended 31 December 2023

24 Fair value measurement

Definition of fair value

FRSs define fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fair value hierarchy

The Home classifies fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- (a) Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- (b) Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- (c) Level 3 - Inputs for the assets or liability that are not based on observable market data (unobservable inputs).

Other than as disclosed elsewhere in these financial statements, the carrying amounts and fair values of non-financial assets and liabilities, including their fair value hierarchy level, are set out below:

| | Note | Level 1 \$ | Level 2 \$ | Level 3 \$ | Total \$ |
|-----------------------------|------|---------------|---------------|------------------|------------------|
| 2023 | | | | | |
| Non-financial assets | | | | | |
| Investment properties | 6 | - | - | 9,700,000 | 9,700,000 |
| 2022 | | | | | |
| Non-financial assets | | | | | |
| Investment properties | 6 | - | - | 9,700,000 | 9,700,000 |

Fair value measurement of financial assets and liabilities

The carrying amounts of cash and cash equivalents, receivables and other payables approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

The Home does not anticipate that the carrying amounts recorded at the end of the reporting period would be significantly different from the values that would eventually be received or settled.



SASCO Senior Citizens' Home

A Social Service Programme Initiative by SASCO Ltd

 <https://www.facebook.com/SSCH.SG/>

 <https://www.instagram.com/sascohomesg/>

 <https://www.tiktok.com/@sascohomesg>

 <https://www.youtube.com/@saschohome6110>