

LIVING WITH
JOY



ANNUAL REPORT
2021/2022



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Financial Statements

Home Nursing Foundation (Established under the Societies Act, Chapter 311 and Charities Act, Chapter 37)

FOUNDATION INFORMATION

Foundation Registration Number	152/76 S344/82	
Foundation unique entity number	S76SS0044D	
Registered Office	490 Lorong 6 Toa Payoh, HDB Hub #05-10, Singapore 310490	
Board of Management Current as at 31 March 2022	Mr T.K. Udairam Mr Tan Shong Ye Ms Lilian Tham Ms Ong Hwee Ling Jenny Ms Charmaine Chow Mrs Deby Saroujiyu Pala Krishnan Ms Low Beng Hoi Mr Teo Hui Yu Richard Ms Lim Choon Noi Mr Goh Jia Yong Ms Jessica Ho Ms Tee Hui Min Christine Mr Mock Pack Kay	President Vice-President Secretary Treasurer Board Member Board Member Board Member Board Member Board Member Board Member Co-opted Board Member Co-opted Board Member Co-opted Board Member
Bankers	Oversea-Chinese Banking Corporation Limited	
Independent auditor	RSM Chio Lim LLP 8 Wilkie Road, #03-08, Wilkie Edge, Singapore 228095	
Partner in-charge:	Tan Wei Ling	

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Statement by Executive Committee

In the opinion of the Executive Committee,

- (a) the accompanying financial statements of Home Nursing Foundation (the "Foundation") are drawn up in accordance with the Societies Act 1966 (the "Societies Act"), the Charities Act 1994 and other relevant regulations (the "Charities Act and Regulations"), and Singapore Financial Reporting Standards ("SFRS"), so as to present fairly, in all material respects, the state of affairs of the Foundation as at 31 March 2022 and of the results and cash flows of the Foundation for the reporting year ended; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Foundation will be able to pay its debts as and when they fall due.

The Executive Committee approved and authorised these financial statements for issue.

On behalf of the Executive Committee



Tan Shong Ye
Vice President



Jenny Ong Hwee Ling
Treasurer

30 June 2022

Independent Auditor's Report

To the Members of Home Nursing Foundation

(Registered in Singapore under the Societies Act 1966 and the Charities Act 1994)

Report on the audit of financial statements

Opinion

We have audited the accompanying financial statements of Home Nursing Foundation (the "Foundation"), which comprise the statement of financial position as at 31 March 2022, and the statement of financial activities and statement of cash flows for the reporting year then ended, and notes to the financial statements, including the significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Societies Act 1966 (the "Societies Act"), the Charities Act 1994 and other relevant regulations (the "Charities Act and Regulations") and the Singapore Financial Reporting Standards ("SFRS") so as to present fairly, in all material respects, the state of affairs of the Foundation as at 31 March 2022 and the results, changes in funds and cash flows of the Foundation for the reporting 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 Foundation 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 statement by executive committee and 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. When we read the annual report, if 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.

Independent Auditor's Report

To the Members of Home Nursing Foundation

(Registered in Singapore under the Societies Act 1966 and the Charities Act 1994)

Responsibilities of management and those charged with governance for the financial statements

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

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

The Executive Committee is responsible for overseeing the Foundation's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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

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

- (a) 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.
- (b) 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 Foundation's internal control.
- (c) 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 Home Nursing Foundation

(Registered in Singapore under the Societies Act 1966 and the Charities Act 1994)

Auditor's responsibilities for the audit of the financial statements (cont'd)

- (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 Foundation'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 Foundation to cease to continue as a going concern.
- (e) 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 the Executive Committee 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.

We also provide the Executive Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on other legal and regulatory requirements

In our opinion:

- (a) the accounting and other records required to be kept by the Foundation have been properly kept in accordance with the provisions of the Societies Regulations enacted under the Societies Act and the Charities Act and Regulations; and
- (b) the fund-raising appeals held during the reporting year has been carried out in accordance with Regulation 6 of the Societies Regulations issued under the Societies Act and proper accounts and other records have been kept of the fund-raising appeals.

Independent Auditor's Report

To the Members of Home Nursing Foundation

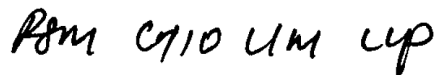
(Registered in Singapore under the Societies Act 1966 and the Charities Act 1994)

Report on other legal and regulatory requirements (cont'd)

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

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

The engagement partner on the audit resulting in this independent auditor's report is Tan Wei Ling.



RSM Chio Lim LLP
Public Accountants and
Chartered Accountants
Singapore

8 July 2022

Statement of Financial Activities

Reporting Year Ended 31 March 2022

		UNRESTRICTED	
2022	<u>Notes</u>	General Operating Fund \$	Expendable Endowment Fund \$
Incoming resources:			
<u>Income from generated funds</u>			
Government subvention and other subsidies		9,440,727	-
General donations	4A	924,919	-
Fund raising projects	4B	1,847,428	-
Service fees	5	2,042,089	-
Investment income			
Interest income:			
- Cash and cash equivalents		11,976	-
- Debt assets instruments		460,445	-
- Less: Amortisation of investment premium on debt assets instruments	11B	(96,130)	-
- Subtotal		376,291	-
- Less: Allocation between funds		-	-
		376,291	-
Other income			
Membership subscriptions		1,215	-
Amortisation of deferred capital grant	19B	435,828	-
Miscellaneous income		115,595	-
Total incoming resources		15,184,092	-

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

Statement of Financial Activities

Reporting Year Ended 31 March 2022

RESTRICTED				
<u>Sub-total</u>	Specific Fund - Corporate <u>Adoption</u>	Restricted <u>Funds</u>	<u>Sub-total</u>	<u>Total</u>
\$	\$	\$	\$	\$
9,440,727	-	-	-	9,440,727
924,919	-	25,366	25,366	950,285
1,847,428	-	627,102	627,102	2,474,530
2,042,089	(152,012)	(85,404)	(237,416)	1,804,673
11,976	-	-	-	11,976
460,445	-	-	-	460,445
(96,130)	-	-	-	(96,130)
376,291	-	-	-	376,291
-	-	-	-	-
376,291	-	-	-	376,291
1,215	-	-	-	1,215
435,828	-	8,193	8,193	444,021
115,595	-	-	-	115,595
15,184,092	(152,012)	575,257	423,245	15,607,337

Statement of Financial Activities

Reporting Year Ended 31 March 2022

		UNRESTRICTED	
2022	<u>Notes</u>	General Operating Fund \$	Expendable Endowment Fund \$
Resources expended:			
Employee benefits expense	6	11,444,904	–
Unrealised fair value loss on investments held at FVTPL	11	300,547	–
Fund raising projects		186,971	–
Transports		414,654	–
Supplies and materials		396,230	–
Community networking and volunteer management		4,696	–
Loss on disposal of property, plant and equipment		138,033	–
Interest expense		77,125	–
Maintenance fees:			
- vehicles		2,585	–
- equipment		24,596	–
- building		298,915	–
Administration expenses		696,251	–
Contract services		2,513,956	–
Depreciation of property, plant and equipment	8	322,087	–
Amortisation of intangible assets	9	27,453	–
Depreciation of right-of-use assets	10	437,719	–
General publicity		131,242	–
Goods and services tax		227,017	–
Total resources expended		17,644,981	–

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

Statement of Financial Activities

Reporting Year Ended 31 March 2022

RESTRICTED				
<u>Sub-total</u>	Specific Fund - Corporate Adoption	Restricted Funds	<u>Sub-total</u>	<u>Total</u>
\$	\$	\$	\$	\$
11,444,904	790,089	2,903	792,992	12,237,896
300,547	-	-	-	300,547
186,971	-	20,646	20,646	207,617
414,654	680	-	680	415,334
396,230	9,122	-	9,122	405,352
4,696	-	-	-	4,696
138,033	-	-	-	138,033
77,125	2,940	-	2,940	80,065
2,585	1,825	-	1,825	4,410
24,596	10,172	-	10,172	34,768
298,915	76,451	4,626	81,077	379,992
696,251	350,500	2,116	352,616	1,048,867
2,513,956	105,839	25,226	131,065	2,645,021
322,087	-	8,193	8,193	330,280
27,453	-	-	-	27,453
437,719	-	-	-	437,719
131,242	7,973	4,252	12,225	143,467
227,017	15,174	4,503	19,677	246,694
17,644,981	1,370,765	72,465	1,443,230	19,088,211

Statement of Financial Activities

Reporting Year Ended 31 March 2022

	UNRESTRICTED	
	General Operating Fund	Expendable Endowment Fund
2022	\$	\$
Deficit of income over expenditure for the year before grants from Government	(2,460,889)	-
Government grants	5,005,730	-
Surplus / (deficit) for the year	2,544,841	-
Opening balance as at 1 April 2020	11,400,463	19,354,437
Transfer of funds	361,251	(361,251)
Balance as at 31 March 2021	14,306,555	18,993,186

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

Statement of Financial Activities

Reporting Year Ended 31 March 2022

RESTRICTED				
<u>Sub-total</u>	Specific Fund - Corporate Adoption	Restricted Funds	<u>Sub-total</u>	<u>Total</u>
\$	\$	\$	\$	\$
(2,460,889)	(1,522,777)	502,792	(1,019,985)	(3,480,874)
5,005,730	-	-	-	5,005,730
2,544,841	(1,522,777)	502,792	(1,019,985)	1,524,856
30,754,900	1,522,777	80,267	1,603,044	32,357,944
-	-	-	-	-
33,299,741	-	583,059	583,059	33,882,800

Statement of Financial Activities

Reporting Year Ended 31 March 2022

		UNRESTRICTED	
2021	<u>Notes</u>	General Operating Fund \$	Expendable Endowment Fund \$
<u>Incoming resources:</u>			
<u>Income from generated funds</u>			
Government subvention and other subsidies		6,680,528	-
General donations	4A	805,095	-
Fund raising projects	4B	1,910,640	-
Service fees	5	1,466,317	-
 <u>Investment income</u>			
Interest income:			
- Cash and cash equivalents		29,618	-
- Debt assets instruments		569,019	-
- Less: Amortisation of investment premium on debt assets instruments		(107,531)	-
- Subtotal		491,106	-
- Less: Allocation between funds		(351,516)	305,779
		139,590	305,779
 <u>Other income</u>			
Membership subscriptions		383	-
Amortisation of deferred capital grant	19B	556,691	-
Miscellaneous income		134,430	-
Total incoming resources		11,693,674	305,779

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

Statement of Financial Activities

Reporting Year Ended 31 March 2022

RESTRICTED				
<u>Sub-total</u>	Specific Fund - Corporate Adoption	Restricted Funds	<u>Sub-total</u>	<u>Total</u>
\$	\$	\$	\$	\$
6,680,528	-	-	-	6,680,528
805,095	-	6,643	6,643	811,738
1,910,640	-	62,865	62,865	1,973,505
1,466,317	(70,579)	(2,871)	(73,450)	1,392,867
29,618	-	-	-	29,618
569,019	-	-	-	569,019
(107,531)	-	-	-	(107,531)
491,106	-	-	-	491,106
(45,737)	45,737	-	45,737	-
445,369	45,737	-	45,737	491,106
383	-	-	-	383
556,691	-	-	-	556,691
134,430	-	-	-	134,430
11,999,453	(24,842)	66,637	41,795	12,041,248

Statement of Financial Activities

Reporting Year Ended 31 March 2022

		UNRESTRICTED	
2021	<u>Notes</u>	General Operating Fund \$	Expendable Endowment Fund \$
Resources expended:			
Employee benefits expense	6	8,477,717	-
Unrealised fair value loss on investments held at FVTPL	11	45,193	-
Fund raising projects		151,347	-
Transports		405,874	-
Supplies and materials		1,971,826	-
Community networking and volunteer management		22,603	-
Interest expense		5,980	-
Maintenance fees:			
- vehicles		1,552	-
- equipment		8,493	-
- building		120,796	-
Administration expenses		483,034	-
Contract services		1,863,918	-
Depreciation of property, plant and equipment	8	610,224	-
Amortisation of intangible assets	9	31,605	-
Depreciation of right-of-use assets	10	188,472	-
General publicity		88,601	-
Goods and services tax		100,177	-
Total resources expended		14,577,412	-

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

Statement of Financial Activities

Reporting Year Ended 31 March 2022

RESTRICTED				
<u>Sub-total</u>	Specific Fund - Corporate Adoption	Restricted Funds	<u>Sub-total</u>	<u>Total</u>
\$	\$	\$	\$	\$
8,477,717	919,095	-	919,095	9,396,812
45,193	-	-	-	45,193
151,347	-	2,805	2,805	154,152
405,874	2,082	-	2,082	407,956
1,971,826	7,268	-	7,268	1,979,094
22,603	-	-	-	22,603
5,980	4,985	-	4,985	10,965
1,552	4,132	-	4,132	5,684
8,493	2,637	-	2,637	11,130
120,796	30,672	-	30,672	151,468
483,034	234,575	2,719	237,294	720,328
1,863,918	114,863	-	114,863	1,978,781
610,224	-	-	-	610,224
31,605	-	-	-	31,605
188,472	-	-	-	188,472
88,601	6,725	1,926	8,651	97,252
100,177	15,640	4,546	20,186	120,363
14,577,412	1,342,674	11,996	1,354,670	15,932,082

Statement of Financial Activities

Reporting Year Ended 31 March 2022

	UNRESTRICTED	
	General Operating Fund	Expendable Endowment Fund
2021	\$	\$
Deficit of income over expenditure for the year before grants from Government	(2,883,738)	305,779
Government grants	5,188,272	–
Surplus / (deficit) for the year	2,304,534	305,779
Opening balance as at 1 April 2020	8,821,229	19,323,358
Transfer of funds	274,700	(274,700)
Balance as at 31 March 2021	11,400,463	19,354,437

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

Statement of Financial Activities

Reporting Year Ended 31 March 2022

RESTRICTED				
<u>Sub-total</u>	Specific Fund - Corporate Adoption	Restricted Funds	<u>Sub-total</u>	<u>Total</u>
\$	\$	\$	\$	\$
(2,577,959)	(1,367,516)	54,641	(1,312,875)	(3,890,834)
5,188,272	-	-	-	5,188,272
2,610,313	(1,367,516)	54,641	(1,312,875)	1,297,438
28,144,587	2,890,293	25,626	2,915,919	31,060,506
-	-	-	-	-
30,754,900	1,522,777	80,267	1,603,044	32,357,944

Statement of Financial Position

As at 31 March 2022

	<u>Notes</u>	<u>2022</u> \$	<u>2021</u> \$
Assets			
<u>Non-current assets</u>			
Property, plant and equipment	8	1,251,357	818,859
Intangible assets	9	173,930	50,532
Right-of-use assets	10	2,870,362	171,878
Other financial assets, non-current	11	8,724,328	13,589,293
Total non-current assets		<u>13,019,977</u>	<u>14,630,562</u>
<u>Current assets</u>			
Other receivables	12	6,929,069	1,269,671
Other financial assets, current	11	15,182,335	10,689,497
Other assets	13	171,152	159,846
Cash and cash equivalents	14	14,254,397	14,093,760
Total current assets		<u>36,536,953</u>	<u>26,212,774</u>
Total assets		<u>49,556,930</u>	<u>40,843,336</u>
Funds and liabilities			
<u>Funds</u>			
<u>Unrestricted:</u>			
General operating fund	15	14,306,555	11,400,463
Expendable endowment fund	15	18,993,186	19,354,437
Total unrestricted funds		<u>33,299,741</u>	<u>30,754,900</u>
<u>Restricted:</u>			
Specific fund - corporate adoption scheme fund	15	-	1,522,777
Restricted funds	15	583,059	80,267
Total restricted funds		<u>583,059</u>	<u>1,603,044</u>
Total funds		<u>33,882,800</u>	<u>32,357,944</u>
<u>Non-current liabilities</u>			
Provision	16	176,000	41,000
Lease liabilities, non-current	17	2,312,983	34,652
Total non-current liabilities		<u>2,488,983</u>	<u>75,652</u>
<u>Current liabilities</u>			
Trade and other payables	18	3,974,431	2,589,086
Lease liabilities, current	17	541,599	121,932
Other liabilities	19	8,669,117	5,698,722
Total current liabilities		<u>13,185,147</u>	<u>8,409,740</u>
Total liabilities		<u>15,674,130</u>	<u>8,485,392</u>
Total funds and liabilities		<u>49,556,930</u>	<u>40,843,336</u>

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

Statement of Cash Flows

Reporting Year Ended 31 March 2022

	<u>2022</u>	<u>2021</u>
	\$	\$
Cash flows from operating activities		
Surplus for the year	1,524,856	1,297,438
Adjustments for:		
Amortisation of deferred capital grants	(444,021)	(556,691)
Amortisation of intangible assets	27,453	31,605
Amortisation of investment premium	96,130	107,531
Covid-19 related rent concessions from lessor	(7,134)	–
Depreciation of property, plant and equipment	330,280	610,224
Depreciation of right-of-use assets	437,719	188,472
Loss on disposal of property, plant and equipment	138,033	–
Unrealised loss on fair value changes in investments held at FVTPL	300,547	45,193
Interest income	(472,421)	(598,637)
Interest expense	80,065	10,965
Operating cash flows before changes in working capital	<u>2,011,507</u>	<u>1,136,100</u>
Other receivables	(5,658,933)	624,937
Other assets	(11,306)	(22,014)
Cash restricted in use	(550,593)	(773,483)
Trade and other payables	1,385,345	822,332
Other liabilities	3,414,416	986,839
Net cash flows from operating activities	<u>590,436</u>	<u>2,774,711</u>
Cash flows from investing activities		
Interest income received	471,956	647,421
Proceeds from redemption of debt assets instruments	–	5,750,000
Purchase of debt assets instruments	(24,550)	(5,006,871)
Purchase of intangible assets	(150,851)	(33,750)
Purchase of plant and equipment	(900,811)	(285,826)
Net cash flows (used in) / from investing activities	<u>(604,256)</u>	<u>1,070,974</u>
Cash flows from financing activities		
Interest expense paid	(80,065)	(10,965)
Repayment of principle portion of lease liabilities	(296,071)	(175,634)
Net cash flows used in financing activities	<u>(376,136)</u>	<u>(186,599)</u>
Net (decrease) / increase in cash and cash equivalents	<u>(389,956)</u>	<u>3,659,086</u>
Cash and cash equivalents, beginning balance	10,080,542	6,421,456
Cash and cash equivalents, ending balance (Note 14D)	<u>9,690,586</u>	<u>10,080,542</u>

Notes to the Financial Statements

31 March 2022

1. General

Home Nursing Foundation (the "Foundation") is a charitable organisation established in Singapore under the Societies Act 1966 and the Charities Act 1994. The Foundation is also registered as an Institution of a Public Character ("IPC") under the Income Tax Act 1947. The financial statements are presented in Singapore Dollar.

The Executive Committee approved and authorised these financial statements for issue on the date of the Statement by Executive Committee.

The principal objective of the Foundation is to provide a full range of integrated, comprehensive care services and programmes to clients. These services consist of home-nursing care, home-medical care, home-therapy, social welfare, maintenance day care, day rehabilitation such as physiotherapy, dementia care, centre-based nursing care and wellness programmes.

The registered office of the Foundation is located at 490 Lorong 6 Toa Payoh, HDB Hub #05-10, Singapore 310490. The Foundation is situated in Singapore.

The Covid-19 pandemic and its aftermath

Management has reviewed the estimated potential impact and plausible downside scenarios, along with its responses as a result of the Covid-19 pandemic. No material uncertainties were identified in connection with the Foundation's ability to continue in operational existence for the foreseeable future.

Statement of compliance with financial reporting standards

These financial statements have been prepared in accordance with the Singapore Financial Reporting Standards ("SFRS") and the related interpretations to SFRS ("INT SFRS") as issued by the Singapore Accounting Standards Council. They are in compliance with the provisions of the Societies Act 1966 and the Charities Act 1994.

Accounting convention

The financial statements are prepared on a going concern basis under the historical cost convention except where a financial reporting standard requires an alternative treatment (such as fair values) as disclosed where appropriate in these financial statements. The accounting policies in the financial reporting standards may not be applied when the effect of applying them is not material. The disclosures required by financial reporting standards may not be provided if the information resulting from that disclosure is not material.

Basis of preparation of the financial statements

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make 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 reporting year. Actual results could differ from those estimates. The estimates and assumptions are reviewed on an ongoing basis. Apart from those involving estimations, management has made judgements in the process of applying the Foundation's accounting policies. The areas requiring management's most difficult, subjective or complex judgements, or areas where assumptions and estimates are significant to the financial statements, are disclosed on Note 2C below, where applicable.

Notes to the Financial Statements

31 March 2022

2. Significant accounting policies and other explanatory information

2A. Significant accounting policies

Incoming resources

(a) Rendering of services

The financial reporting standard on revenue from contracts with customers establishes a five-step model to account for revenue arising from contracts with customers. Revenue is recognised at an amount that reflects the consideration to which the Foundation expects to be entitled in exchange for transferring goods or services to a customer (which excludes estimates of variable consideration that are subject to constraints, such as right of return exists, trade discounts, volume rebates and changes to the transaction price arising from modifications), net of any related sales taxes and excluding any amounts collected on behalf of third parties. An asset (goods or services) is transferred when or as the customer obtains control of that asset. As a practical expedient the effects of any significant financing component is not adjusted if the payment for the good or service will be within one year.

Revenue from the rendering of services is recognised when the Foundation satisfies the performance obligation at a point in time generally when the significant acts have been completed and when transfer of control occurs or for services that are not significant transactions revenue is recognised as the services are provided.

(b) Government subvention

Government subvention is recognised in the statement of financial activities when the right to receive payment is established, i.e. the services have been provided. Government subvention may be adjusted subsequently when the government has reviewed and finalised the subvention paid and payable to the Foundation.

(c) Government grants

Government grants are recognised at fair value when there is reasonable assurance that the conditions attaching to them will be complied with and that the grants will be received.

Grants in recognition of specific expenses are recognised in profit or loss on a systematic basis over the periods necessary to match them with the related costs that they are intended to compensate. Grants which are received but not utilised are included in the grants received in advance account.

The grant related to assets is presented in the statement of financial position by recognising the grant as deferred income that is recognised in statement of financial activities on a systematic basis over the useful life of the asset and in the proportions in which depreciation expense on those assets is recognised. On disposal of the property, plant and equipment, the balance of the related grants is recognised in the statement of comprehensive income to match the net book value of the property, plant and equipment disposed of.

Notes to the Financial Statements

31 March 2022

2. Significant accounting policies and other explanatory information

2A. Significant accounting policies (con'td)

Incoming resources (cont'd)

(d) Donations

Donations, including those from fund raising projects are recognised as and when the right to receive is established, typically upon receipt. Donations received in advance for future fund raising projects are deferred and recognised as incoming resources as and when the fund raising projects are held. Donations from special fund-raising events are recognised when the event takes place.

A donation in kind is included in the statement of financial activities based on an estimate of the fair value at the date of the receipt of the gift of the non-monetary asset or the grant of a right to the monetary asset. The gift is recognised if the amount of the gift can be measured reliably and there is no uncertainty that it will be received. No value is ascribed to volunteer services.

(e) Interest income

Interest income is recognised on a time proportion basis using the effective interest rate method. All interest income is first credited to the General Operating Fund, and subsequently allocated to various funds based on the average fund balances during the year.

(f) Membership subscriptions

Membership subscriptions are recognised over the membership period on a straight-line basis.

(g) Other income

Miscellaneous income is recognised upon receipt.

Employee benefits

Contributions to a defined contribution retirement benefit plan are recorded as an expense as they fall due. The Foundation's legal or constructive obligation is limited to the amount that it is obligated to contribute to an independently administered fund (such as the Central Provident Fund in Singapore, a government managed defined contribution retirement benefit plan). For employee leave entitlement the expected cost of short-term employee benefits in the form of compensated absences is recognised in the case of accumulating compensated absences, when the employees render service that increases their entitlement to future compensated absences; and in the case of non-accumulating compensated absences, when the absences occur. A liability for bonuses is recognised where the Foundation is contractually obliged or where there is constructive obligation based on past practice.

Notes to the Financial Statements

31 March 2022

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Foreign currency transactions

The functional currency is the Singapore Dollar as it reflects the primary economic environment in which the Foundation operates. Transactions in foreign currencies are recorded in the functional currency at the rates ruling at the dates of the transactions. At each end of the reporting year, recorded monetary balances and balances measured at fair value that are denominated in non-functional currencies are reported at the rates ruling at the end of the reporting year and fair value measurement dates respectively. All realised and unrealised exchange adjustment gains and losses are dealt with in profit or loss. The presentation is in the functional currency.

Income tax

As an approved charity under the Charities Act 1994, the Foundation is exempted from income tax under Section 13(1)(zm) of the Income Tax Act 1947.

Property, plant and equipment

Property, plant and equipment are carried at cost on initial recognition and after initial recognition at cost less any accumulated depreciation and any accumulated impairment losses.

Cost also includes acquisition cost, borrowing cost capitalised and any cost directly attributable to bringing the asset or component to the location and condition necessary for it to be capable of operating in the manner intended by management. Subsequent costs are recognised as an asset only when it is probable that future economic benefits associated with the item will flow to the Foundation and the cost of the item can be measured reliably. All other repairs and maintenance are charged to statement of financial activities when they are incurred.

Depreciation is provided on a straight-line method to allocate the gross carrying amounts of the assets less their residual values over their estimated useful lives of each part of an item of these assets. The annual rates of depreciation are as follows:

Building improvements	-	3% to 20%
Office equipment	-	20% to 33%
Medical equipment	-	20%
Furniture and fittings	-	20%
Motor vehicles	-	20%

The building improvements of the Foundation has been depreciated over its estimated useful life, which assumes that the Foundation will be able to continue to use the present premises over the remaining estimated useful life of the building. No depreciation is provided for items under work-in-progress.

An asset is depreciated when it is available for use until it is derecognised even if during that period the item is idle. Fully depreciated assets still in use are retained in the financial statements.

Notes to the Financial Statements

31 March 2022

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Property, plant and equipment (cont'd)

The residual value and the useful life of an asset is reviewed at least at each end of the reporting year and, if expectations differ significantly from previous estimates, the changes are accounted for as a change in an accounting estimate, and the depreciation charge for the current and future periods are adjusted.

The gain or loss arising from the derecognition of an item of property, plant and equipment is recognised in profit or loss.

Intangible assets

An identifiable non-monetary asset without physical substance is recognised as an intangible asset at acquisition cost if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Foundation and the cost of the asset can be measured reliably. After initial recognition, an intangible asset with finite useful life is carried at cost less any accumulated amortisation and any accumulated impairment losses. An intangible asset with an indefinite useful life is not amortised. An intangible asset is regarded as having an indefinite useful life when, based on an analysis of all of the relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the Foundation.

The amortisable amount of an intangible asset with finite useful life is allocated on a systematic basis over the best estimate of its useful life from the point at which the asset is ready for use. The annual rates of amortisation are as follows:

Computer software	–	33%
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Right-of-use assets

The right-of-use assets are accounted and presented as if they were owned such as property, plant and equipment. The annual rates of depreciation are as follows:

Premises	–	Over the terms of leases that are 33%
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Notes to the Financial Statements

31 March 2022

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Carrying amounts of non-financial assets

The carrying amount of non-financial assets is reviewed at each end of the reporting year for indications of impairment and where an asset is impaired, it is written down through profit or loss to its estimated recoverable amount. The impairment loss is the excess of the carrying amount over the recoverable amount and is recognised in profit or loss. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs of disposal and its value in use. When the fair value less costs of disposal method is used, any available recent market transactions are taken into consideration. When the value in use method is adopted, in assessing the 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 the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). At each end of the reporting year non-financial assets with impairment loss recognised in prior periods are assessed for possible reversal of the impairment. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been measured, net of depreciation and amortisation, if no impairment loss had been recognised.

Financial instruments

Recognition and derecognition of financial instruments:

A financial asset or a financial liability is recognised in the statement of financial position when, and only when, the Foundation becomes party to the contractual provisions of the instrument. All other financial instruments (including regular-way purchases and sales of financial assets) are recognised and derecognised, as applicable, using trade date accounting or settlement date accounting. At initial recognition the financial asset or financial liability is measured at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. A financial asset is derecognised when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Foundation neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. A financial liability is removed from the statement of financial position when, and only when, it is extinguished, that is, when the obligation specified in the contract is discharged or cancelled or expires.

Classification and measurement of financial assets:

1. Financial asset classified as measured at amortised cost: A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss (FVTPL), that is (a) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Typically trade and other receivables, bank and cash balances are classified in this category.

Notes to the Financial Statements

31 March 2022

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Financial instruments (cont'd)

2. Financial asset that is a debt asset instrument classified as measured at fair value through other comprehensive income (FVTOCI): There were no financial assets classified in this category at reporting year end date.
3. Financial asset that is an equity investment measured at fair value through other comprehensive income (FVTOCI): There were no financial assets classified in this category at reporting year end date.
4. Financial asset classified as measured at fair value through profit or loss (FVTPL): All other financial assets are classified as measured at FVTPL. In addition, on initial recognition, management may irrevocably designate a financial asset as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Classification and measurement of financial liabilities:

Financial liabilities are classified as at fair value through profit or loss (FVTPL) in either of the following circumstances: (1) the liabilities are managed, evaluated and reported internally on a fair value basis; or (2) the designation eliminates or significantly reduces an accounting mismatch that would otherwise arise. All other financial liabilities are carried at amortised cost using the effective interest method. Reclassification of any financial liability is not permitted.

Cash and cash equivalents

Cash and cash equivalents in the statement of cash flows include bank and cash balances, and fixed deposits. For the statement of cash flows the item includes cash and cash equivalents less cash subject to restriction, if any.

Leases of lessee

Where a lease arrangement is identified, a liability to the lessor is recognised as a lease obligation calculated at the present value of minimum lease payments. A corresponding right-of-use asset is recorded. Lease payments are apportioned between finance costs and reduction of the lease liability so as to reflect the interest on the remaining balance of the liability. Finance charges are recorded as an expense. Right-of-use assets are depreciated over the shorter of the estimated useful life of the asset and the lease term. Leases with a term of 12 months or less and leases for low value are not recorded as a liability and lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term.

Notes to the Financial Statements

31 March 2022

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Fair value measurement

The fair value is 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. When measuring the fair value of an asset or a liability, market observable data to the extent possible is used. If the fair value of an asset or a liability is not directly observable, an estimate is made using valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs (e.g., by use of the market comparable approach that reflects recent transaction prices for similar items, discounted cash flow analysis, or option pricing models refined to reflect the issuer's specific circumstances). Inputs used are consistent with the characteristics of the asset/liability that market participants would take into account. The Foundation's intention to hold an asset or to settle or otherwise fulfil a liability is not taken into account as relevant when measuring fair value.

Fair values are categorised into different levels in a fair value hierarchy based on the degree to which the inputs to the measurement are observable and the significance of the inputs to the fair value measurement in its entirety: Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices). Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs). Transfers between levels of the fair value hierarchy are recognised at the end of the reporting period during which the change occurred.

The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value. The fair values of non-current financial instruments may not be disclosed separately unless there are significant differences at the end of the reporting year and in the event the fair values are disclosed in the relevant notes to the financial statements.

2B. Other explanatory information

Provisions

A liability or provision is recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. A provision is made using best estimates of the amount required in settlement and where the effect of the time value of money is material, the amount recognised is the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense. Changes in estimates are reflected in statement of financial activities in the reporting year they occur.

Notes to the Financial Statements

31 March 2022

2. Significant accounting policies and other explanatory information (cont'd)

2B. Other explanatory information (cont'd)

Funds

All income and expenditures are reflected in the statement of financial activities. Income and expenditures specifically relating to any of the funds separately set up by the Foundation are allocated subsequently to those funds. Fund balances restricted by outside sources are so indicated and are distinguished from unrestricted funds allocated to specific purposes, if any, by action of the management. Externally restricted funds may only be utilised in accordance with the purposes established by the source of such funds or through the terms of an appeal and are in contrast with unrestricted funds over which management retains full control to use in achieving any of its institutional purposes. An expense resulting from the operating activities of a fund that is directly attributable to the fund is charged to that fund.

2C. Critical judgements, assumptions and estimation uncertainties

The critical judgements made in the process of applying the accounting policies that have the most significant effect on the amounts recognised in the financial statements and the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting year, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities currently or within the next reporting year are discussed below. These estimates and assumptions are periodically monitored to ensure they incorporate all relevant information available at the date when financial statements are prepared. However, this does not prevent actual figures differing from estimates.

Fair value of unquoted investments

If a financial asset is not traded in an active market or if the quoted price is not readily and regularly available, the fair value is established by using valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. The fair value measurement requires the selection among a range of different valuation methodologies, making estimates about expected future cash flows and discount rates. The carrying amount of the unquoted investments is disclosed in Note 11A.

3. Related party relationships and transactions

The financial reporting standard on related party disclosures requires the Foundation to disclose: (a) transactions with its related parties; and (b) relationships between the parent and subsidiaries irrespective of whether there have been transactions between those related parties. A party is related to a party if the party controls, or is controlled by, or can significantly influence or is significantly influenced by the other party.

A related party includes the Executive Committee and key management of the Foundation. It also includes an entity or person that directly or indirectly controls, is controlled by, or is under common or joint control with these persons; members of the key management personnel or close members of the family of any individual referred to herein and others who have the ability to control, jointly control or significantly influence by or for which significant voting power in such entity resides with, directly or indirectly, any such individual.

Notes to the Financial Statements

31 March 2022

3. Related party relationships and transactions (cont'd)

The Executive Committee and staff members of the Foundation are required to read and understand the conflict of interest policy in place and make full disclosure of interests, relationships and holding that could potentially result in conflict of interests. When a conflict of interest situation arises, the member of the Executive Committee or staff shall abstain from participating in the discussion, decision making and voting on the matter.

The Executive Committee are volunteers and receive no monetary remuneration for their contribution. There are no paid staff who are close members of the family of the Executive Committee, and whose remuneration each exceeds \$50,000 during the year.

3A. Key management compensation

	<u>2022</u> \$	<u>2021</u> \$
Salaries and other short-term employee benefits	1,691,390	1,637,329

The above amounts are included under employee benefits expense.

Key management personnel are the chief executive officer and those persons having authority and responsibility for planning, directing and controlling the activities of the Foundation, directly or indirectly.

Number of key management in compensation bands:

	<u>2022</u>	<u>2021</u>
\$100,000 and below	2	4
\$100,001 to \$200,000	8	7
\$200,001 to \$300,000	-	1
\$300,000 and above	1	1

4. Donations

4A. General donations

	<u>2022</u> \$	<u>2021</u> \$
Tax-deductible donations	638,232	586,099
Non tax-deductible donations	312,053	225,639
Total	950,285	811,738

4B. Donations from fund raising projects

	<u>2022</u> \$	<u>2021</u> \$
Tax-deductible donations	1,788,538	1,886,320
Non tax-deductible donations	685,992	87,185
Total	2,474,530	1,973,505

Notes to the Financial Statements

31 March 2022

4. Donations (cont'd)

4C. Tax deductible receipts

The Foundation enjoys a concessionary tax treatment whereby qualifying donors are granted 2.5 times tax deduction for the donations made to the accumulated funds of the Foundation. The Foundation's Institutions of a Public Character ("IPC") status for general donations is for the period from 1 October 2018 to 30 September 2022.

	<u>2022</u> \$	<u>2021</u> \$
Tax-deductible receipts issued for donations collected	<u>2,426,770</u>	<u>2,472,419</u>

5. Services fee

	<u>2022</u> \$	<u>2021</u> \$
Services fee, gross	3,382,742	2,119,526
Less: waivers and subsidies	(1,578,069)	(726,659)
Net	<u>1,804,673</u>	<u>1,392,867</u>

6. Employee benefits expense

	<u>2022</u> \$	<u>2021</u> \$
Short term employee benefits expense	10,069,025	7,801,646
Contribution to defined contribution plans	1,769,240	1,234,141
Other benefits	399,631	361,025
Total employee benefits expense	<u>12,237,896</u>	<u>9,396,812</u>

7. Income tax

As a charity, the Foundation is exempt from income tax on income and gains within the section 13(1)(zm) of the Income Tax Act 1947 to the extent that these are applied to its charitable objects. Therefore, no provision for income tax has been made in the financial statements.

Notes to the Financial Statements

31 March 2022

8. Property, plant and equipment

	Building improvements	Office equipment	Medical equipment	Furniture and fittings	Motor vehicles	Work-in- progress	Total
	\$	\$	\$	\$	\$	\$	\$
<u>Cost:</u>							
At 1 April 2020	1,655,567	346,977	262,900	130,958	117,284	11,021	2,524,707
Additions	-	165,868	116,368	-	-	3,590	285,826
Written-off	-	(4,627)	-	-	-	-	(4,627)
Transfer	14,611	-	-	-	-	(14,611)	-
At 31 March 2021	1,670,178	508,218	379,268	130,958	117,284	-	2,805,906
Additions	618,030	46,357	110,720	1,250	124,454	-	900,811
Written-off	(1,492,482)	(51,342)	-	(93,407)	-	-	(1,637,231)
At 31 March 2022	795,726	503,233	489,988	38,801	241,738	-	2,069,486
<u>Accumulated depreciation:</u>							
At 1 April 2020	895,413	264,675	45,713	87,685	87,964	-	1,381,450
Depreciation for the year	446,376	65,366	54,835	20,190	23,457	-	610,224
Written-off	-	(4,627)	-	-	-	-	(4,627)
At 31 March 2021	1,341,789	325,414	100,548	107,875	111,421	-	1,987,047
Depreciation for the year	126,017	85,789	85,600	19,059	13,815	-	330,280
Written-off	(1,355,754)	(51,325)	-	(92,119)	-	-	(1,499,198)
At 31 March 2022	112,052	359,878	186,148	34,815	125,236	-	818,129
<u>Carrying value:</u>							
At 1 April 2020	760,154	82,302	217,187	43,273	29,320	11,021	1,143,257
At 31 March 2021	328,389	182,804	278,720	23,083	5,863	-	818,859
At 31 March 2022	683,674	143,355	303,840	3,986	116,502	-	1,251,357

Notes to the Financial Statements

31 March 2022

9. Intangible assets

	Computer software	Computer software work- in-progress	Total
	\$	\$	\$
<u>Cost:</u>			
At 1 April 2020	1,056,792	12,750	1,069,542
Additions	33,750	-	33,750
Transfer	12,750	(12,750)	-
At 31 March 2021	<u>1,103,292</u>	<u>-</u>	<u>1,103,292</u>
Additions	150,160	691	150,851
At 31 March 2022	<u>1,253,452</u>	<u>691</u>	<u>1,254,143</u>
<u>Accumulated amortisation:</u>			
At 1 April 2020	1,021,155	-	1,021,155
Amortisation for the year	31,605	-	31,605
At 31 March 2021	<u>1,052,760</u>	<u>-</u>	<u>1,052,760</u>
Amortisation for the year	27,453	-	27,453
At 31 March 2022	<u>1,080,213</u>	<u>-</u>	<u>1,080,213</u>
<u>Carrying value:</u>			
At 1 April 2020	<u>35,637</u>	<u>12,750</u>	<u>48,387</u>
At 31 March 2021	<u>50,532</u>	<u>-</u>	<u>50,532</u>
At 31 March 2022	<u>173,239</u>	<u>691</u>	<u>173,930</u>

Notes to the Financial Statements

31 March 2022

10. Right-of-use assets

	<u>Premises</u>
	\$
<u>Cost:</u>	
At 1 April 2020	416,729
Additions	105,674
At 31 March 2021	<u>522,403</u>
Additions	3,136,203
Written off	<u>(401,730)</u>
At 31 March 2022	<u>3,256,876</u>
 <u>Accumulated depreciation:</u>	
At 1 April 2020	162,053
Depreciation for the year	188,472
At 31 March 2021	<u>350,525</u>
Depreciation for the year	437,719
Written off	<u>(401,730)</u>
At 31 March 2022	<u>386,514</u>
 <u>Carrying value:</u>	
At 1 April 2020	<u>254,676</u>
At 31 March 2021	<u>171,878</u>
At 31 March 2022	<u>2,870,362</u>

The leases are for the office premise and senior care centres. The lease terms are usually negotiated for an average term of three years.

Notes to the Financial Statements

31 March 2022

11. Other financial assets

	<u>2022</u> \$	<u>2021</u> \$
Investments in unquoted funds at FVTPL (Note 11A)	10,413,500	10,689,497
Investments in debt assets instruments at amortised cost (Note 11B)	13,493,163	13,589,293
	<u>23,906,663</u>	<u>24,278,790</u>
Presented in the statement of financial position as follows:		
Current	15,182,335	10,689,497
Non-current	8,724,328	13,589,293
	<u>23,906,663</u>	<u>24,278,790</u>

11A. Investments in unquoted funds at FVTPL

	<u>2022</u> \$	<u>2021</u> \$
<u>Movement during the year:</u>		
Balance at beginning of the year	10,689,497	5,727,819
Additions	24,550	5,006,871
Unrealised fair value loss for the year	(300,547)	(45,193)
Balance at end of the year	<u>10,413,500</u>	<u>10,689,497</u>

Details of the investment portfolio, including the fair value hierarchy, are as follows:

	<u>Level</u>	<u>2022</u> \$	<u>2021</u> \$
<u>Unquoted funds:</u>			
LionGlobal Singapore Fixed Income Investment Class I Funds	2	5,579,413	5,721,504
PineBridge International Singapore Bond Fund	2	4,834,087	4,967,993
		<u>10,413,500</u>	<u>10,689,497</u>

The Foundation's investments in unquoted funds are managed by external fund managers. The Foundation is only able to dispose off or maintain the investments with the fund manager and has no significant influence or control over the fund.

Notes to the Financial Statements

31 March 2022

11. Other financial assets (cont'd)

11A. Investments in unquoted funds at FVTPL (cont'd)

The key terms of the investments are as follows:

- (a) The investment portfolio of the investment securities are either quoted or issued by Sovereign/ Statutory Board of Singapore.
- (b) The investments do not generate any form of dividend income.
- (c) The Foundation has the right to cease the investment with the external fund managers at any time. The Foundation is entitled to the NAV of the portfolio as determined by the external fund managers as of cessation date.

As these unquoted funds are not publicly traded, the fair values presented are determined by the respective fund managers.

The unquoted funds are exposed to the market price risk arising from uncertainties about future values of the investment securities.

Sensitivity analysis: The effect is as follow:

	<u>2022</u> \$	<u>2021</u> \$
A hypothetical 10% increase in the fair value of unquoted funds would have a favourable effect on the fair value by	<u>1,041,350</u>	<u>1,068,950</u>

For similar price decreases in the fair value of the above financial assets, there would be comparable impact in the opposite direction.

The hypothetical changes in basis points are not based on observable market data (unobservable inputs).

11B. Investments in debt assets instruments at amortised cost

	<u>2022</u> \$	<u>2021</u> \$
<u>Movement during the year:</u>		
Balance at beginning of the year	13,589,293	19,446,824
Redemption	-	(5,750,000)
Amortisation of investment premium	(96,130)	(107,531)
Balance at end of the year	<u>13,493,163</u>	<u>13,589,293</u>

Notes to the Financial Statements

31 March 2022

11. Other financial assets (cont'd)

11B. Investments in debt assets instruments at amortised cost (cont'd)

The information gives a summary of the significant sector concentrations within the investment portfolio and their fair values (determined by reference to the quoted bond prices):

	Level	Carrying values		Fair values	
		2022 \$	2021 \$	2022 \$	2021 \$
Real estate	2	6,330,394	6,380,338	6,347,725	6,569,825
Transport	2	754,772	755,881	756,425	778,075
Life insurance	2	1,008,892	1,010,538	1,006,600	1,031,000
Telecommunication	2	1,251,209	1,253,891	1,255,875	1,282,125
Commercial bank	2	1,006,846	1,015,316	1,012,700	1,040,200
Water supply	2	1,001,082	1,004,915	1,004,900	1,029,900
Government bonds	1	2,139,968	2,168,414	2,112,000	2,254,600
		<u>13,493,163</u>	<u>13,589,293</u>	<u>13,496,225</u>	<u>13,985,725</u>

The above investments are bonds issued by government statutory boards or corporations listed on the Singapore Stock Exchange. These investments are held primarily to provide an investment return for the Foundation. The rate of interest for the interest earning bonds ranged between 2.4% to 3.9% (2021: 2.4% to 3.9%) per annum

A summary of the maturity dates of these debt assets instruments as at the end of reporting year is as follows:

	2022 \$	2021 \$
Less than 1 year	4,768,835	-
Within 1 to 3 years	5,575,468	7,592,248
After 3 years	3,148,860	5,997,045
	<u>13,493,163</u>	<u>13,589,293</u>

Debt assets instruments carried at amortised cost are subject to the expected credit loss model under the financial reporting standard on financial instruments. These debt assets instruments are considered to have low credit risk if they have an investment grade credit rating with one or more reputable rating agencies or the issuer has a strong capacity to meet the contractual cash flow obligations in the near term. At the end of the first reporting period a loss allowance is recognised at an amount equal to 12 month expected credit losses because there has not been a significant increase in credit risk since initial recognition.

At each subsequent reporting date, an evaluation is made whether there is a significant change in credit risk by comparing the debtor's credit risk at initial recognition (based on the original, unmodified cash flows) with the credit risk at the reporting date (based on the modified cash flows). No loss allowance is necessary.

Notes to the Financial Statements

31 March 2022

11. Other financial assets (cont'd)

11B. Investments in debt assets instruments at amortised cost (cont'd)

The carrying value of the debt assets instruments, categorised by their credit risk, is as follows:

	<u>2022</u> \$	<u>2021</u> \$
Balances with investment grade credit rating by reputable rating agencies	5,915,347	6,864,711
Balances where issuers have a strong capacity to meet contractual cash flows	<u>7,577,816</u>	<u>6,724,582</u>
Total	<u>13,493,163</u>	<u>13,589,293</u>

12. Other receivables

	<u>2022</u> \$	<u>2021</u> \$
Subvention and grants receivables	6,757,820	999,670
Interest receivables	77,131	76,666
Outside parties	<u>94,118</u>	<u>193,335</u>
	<u>6,929,069</u>	<u>1,269,671</u>

Other receivables are normally with no fixed terms and therefore there is no maturity.

Other receivables at amortised cost shown above are subject to the expected credit loss model under the financial reporting standard on financial instruments. Other receivables are regarded as low credit risk if they have a low risk of default and the debtor has a strong capacity to meet its contractual cash flow obligations in the near term. At the end of the first reporting period a loss allowance is recognised at an amount equal to 12 month expected credit losses because there has not been a significant increase in credit risk since initial recognition.

At each subsequent reporting date, an evaluation is made whether there is a significant change in credit risk by comparing the debtor's credit risk at initial recognition (based on the original, unmodified cash flows) with the credit risk at the reporting date (based on the modified cash flows). No loss allowance is necessary.

Notes to the Financial Statements

31 March 2022

13. Other assets

	<u>2022</u>	<u>2021</u>
	\$	\$
Prepayments	85,095	102,965
Deposits to secure services	86,057	56,881
	<u>171,152</u>	<u>159,846</u>

14. Cash and cash equivalents

	<u>2022</u>	<u>2021</u>
	\$	\$
Not restricted in use ^(a)	9,690,586	10,080,542
<u>Restricted in use:</u>		
Cash restricted in use (Note 14A)	4,061,019	3,932,951
Cash under restricted funds (Note 14B)	502,792	80,267
	<u>14,254,397</u>	<u>14,093,760</u>
Interest earning balances (Note 14C)	<u>4,556,800</u>	<u>5,550,000</u>

^(a) Included in cash and cash equivalents not restricted in use are monies received under Community Silver Trust Fund amounting to \$864,038 (2021: \$873,298) (Note 19D).

14A. Cash restricted in use

Cash and cash equivalents restricted in use comprise monies received for the following:

	<u>2022</u>	<u>2021</u>
	\$	\$
Cash pledged for bank facilities	50,050	50,000
<u>Monies received for the following:</u>		
Donation received in advance (Note 19A)	157,545	36,723
Care and Share grant (Note 19D)	-	48,520
Community Silver Trust grant	3,740,040	3,622,367
Medifund and Medifund Silver grant (Note 19D)	113,385	175,341
	<u>4,061,019</u>	<u>3,932,951</u>

Cash pledged for bank facilities refers to fixed deposit pledged as security for corporate credit card facilities granted by a bank to the company.

Notes to the Financial Statements

31 March 2022

- 14B.** Cash and cash equivalents amounting to \$502,792 (2021: \$69,251) are monies received under restricted funds.
- 14C.** The rate of interest for the cash on interest earning balances is 0.10% to 0.45% (2021: 1.35% to 1.67%) per annum.
- 14D.** Cash and cash equivalents in the statement of cash flows

	<u>2022</u>	<u>2021</u>
	\$	\$
Amount as shown above	14,254,397	14,093,760
Restricted in use	(4,563,811)	(4,013,218)
Cash and cash equivalents for statement of cash flows purposes at end of the year	<u>9,690,586</u>	<u>10,080,542</u>

Included in additions to right-of-use assets is an amount of \$135,000 (2021: \$15,000) being provision for restoration costs capitalised (Note 16).

15. Funds of the Foundation

15A. Funds

General Operating Fund

Income and expenditure relating to the main activities of the Foundation are accounted for through the General Operating Fund in the statement of financial activities.

Expendable Endowment Fund

The Expendable Endowment Fund, which was established under the Foundation's by-laws on 23 January 2008, consists of:

- (a) All specific donations and gifts intended for the Expendable Endowment Fund;
- (b) All surplus of the General Operating Fund in excess of the operating expenditure of the past 1 year; and
- (c) Such other monies as the Board of Management may determine to transfer to the Expendable Endowment Fund.

The Expendable Endowment Fund is intended to generate investment income that can be used for the Foundation's activities.

The Expendable Endowment Fund may be used for such purposes as may be approved by the Board of Management.

Notes to the Financial Statements

31 March 2022

15. Funds of the Foundation (cont'd)

15A. Funds (cont'd)

Corporate Adoption Scheme Fund

Donations by a sponsor for acquiring the right to name the adopted function hall for the period of sponsorship, under the Foundation's Corporate Adoption Scheme, are taken to the Corporate Adoption Scheme Fund in the statement of financial activities on Specific Funds.

As the fund is dormant for the past few years, the Foundation had obtained its Sector Administrator's approval in the prior reporting years, to re-purpose this restricted fund to support the expenses of its wellness centres.

Restricted Funds

Restricted Funds comprise of the following restricted funds whereby donors made donations for the purpose(s) as specified in each of the funds below:

- (a) Home Medical / Nursing Service Fee / Home Therapy / Senior Care Centre Fund is to assist needy patients in covering the difference in service fees between the Ministry of Health subvention and actual service fees charged.
- (b) Hamper Fund is for the procurement and distribution of hampers to needy patients.
- (c) Workforce Optimiser (WFO) Fund is to partially fund the development and operating cost for WFO.

15B. Reserves and funds management

The Foundation's objectives when managing the reserves and funds are:

- (a) to safeguard the Foundation's ability to continue as a going concern;
- (b) to support the Foundation's stability and growth; and
- (c) to provide reserves and funds for the purpose of strengthening the Foundation's risk management capability.

There were no changes in the Foundation's approach to reserves and fund management during the reporting year.

Notes to the Financial Statements

31 March 2022

15. Funds of the Foundation (cont'd)

15B. Reserves and funds management

The Foundation's reserve position is as follows:

	<u>2022</u> \$	<u>2021</u> \$
Accumulated unrestricted funds	<u>33,299,741</u>	<u>30,754,900</u>
Annual operating expenditure	<u>17,644,981</u>	<u>14,577,412</u>
Ratio of unrestricted reserves to annual operating expenditure	<u>1.89 : 1</u>	<u>2.11 : 1</u>

* Annual operating expenditure represents total resources expended for unrestricted funds.

The reserves and funds that the Foundation has set aside provide financial stability and the means for the development of its principal activities. The Foundation actively and regularly reviews and manages its reserves and funds to ensure optimal structure taking into consideration the future requirements of the Foundation and reserves and funds efficiency, prevailing and projected profitability, projected operating cash flows, projected capital expenditures and projected strategic investment opportunities.

16. Provision

	<u>2022</u> \$	<u>2021</u> \$
Movements in above provision:		
At beginning of the year	41,000	15,000
Additions	<u>135,000</u>	<u>26,000</u>
At end of the year	<u>176,000</u>	<u>41,000</u>

Provision for restoration costs is the estimated costs of restoration of property, plant and equipment arising from use of assets, which are capitalised and included in the cost of right-of-use assets. The unwinding of discount is not significant.

Notes to the Financial Statements

31 March 2022

17. Lease liabilities

Lease liabilities are present in the statement of financial position as follows:

	<u>2022</u>	<u>2021</u>
	\$	\$
<u>Lease liabilities</u>		
Current	541,599	121,932
Non-current	2,312,983	34,652
	<u>2,854,582</u>	<u>156,584</u>

Movements of lease liabilities for the reporting year are as follows:

	<u>2022</u>	<u>2021</u>
	\$	\$
Balance at beginning of the year	156,584	252,544
Addition	3,001,203	79,674
Accretion of interest	80,065	10,965
Lease payments principal portion paid	(296,071)	(175,634)
Covid-19 related rent concessions	(7,134)	-
Interest expense paid	(80,065)	(10,965)
Balance at the end of year	<u>2,854,582</u>	<u>156,584</u>

The weighted average incremental borrowing rate applied to lease liabilities recognised is 5% (2021: 5%) per year.

A summary of the maturity analysis of lease liabilities that shows the remaining contractual maturities is disclosed in Note 21E. The related right-of-use assets are disclosed in Note 10.

There were no future cash outflows to which the lessee is potentially exposed that are not reflected in the measurement of lease liabilities above. There were no commitments on leases which had not yet commenced as at 31 March 2022.

The total for lease liabilities and the average effective borrowing rate per year is disclosed above. The fair value (Level 2) is a reasonable approximation of the carrying amount.

Apart from the disclosures made in other notes to the financial statements, expenditure relating to short term leases amounted to \$18,729 (2021: \$19,755).

Notes to the Financial Statements

31 March 2022

18. Trade and other payables

	<u>2022</u>	<u>2021</u>
	\$	\$
<u>Trade payables:</u>		
Outside parties	299,914	527,757
<u>Other payables:</u>		
Outside parties and accrued liabilities	3,674,517	2,061,329
Total trade and other payables	<u>3,974,431</u>	<u>2,589,086</u>

19. Other liabilities

	<u>2022</u>	<u>2021</u>
	\$	\$
Donations received in advance (Note 19A)	157,545	36,723
Deferred capital grants (Note 19B)	1,143,173	814,479
Deferred grant (Note 19C)	–	127,994
Grants received in advance (Note 19D)	7,368,399	4,719,526
	<u>8,669,117</u>	<u>5,698,722</u>

19A. Donations received in advance

	<u>2022</u>	<u>2021</u>
	\$	\$
Balance at beginning of the year	36,723	38,929
Addition during the year	125,546	–
Utilised during the year	(4,724)	(2,206)
Balance at end of the year	<u>157,545</u>	<u>36,723</u>

19B. Deferred capital grants

	<u>2022</u>	<u>2021</u>
	\$	\$
Balance at beginning of the year	814,479	1,035,058
Grant received during the year	772,715	336,112
Amortisation for the year	(444,021)	(556,691)
Balance at end of the year	<u>1,143,173</u>	<u>814,479</u>

Deferred capital grants relate to the grants from government for the purchase of property, plant and equipment and intangibles. The deferred capital grants are amortised within the respective useful lives of the property, plant and equipment and intangibles acquired.

Notes to the Financial Statements

31 March 2022

19. Other liabilities (cont'd)

19C. Deferred grant

The deferred grant relates to the estimated payout under the Jobs Support Scheme that the Foundation is expecting to receive in subsequent periods. The Jobs Support Scheme is introduced by the government under the Stabilisation and Support Package that was announced during Budget 2022, with the intention of providing greater assurance and support to workers and enterprises during the COVID-19 pandemic.

19D. Grants received in advance

	<u>Care & Share</u>	<u>Community Silver Trust</u>	<u>Medifund and Medifund Silver</u>	<u>Total</u>
	\$	\$	\$	\$
<u>2022:</u>				
Balance at beginning of the year	48,520	4,495,665	175,341	4,719,526
Grants received during the year	–	4,811,031	192,150	5,003,181
Utilised during the year	(48,520)	(2,051,682)	(254,106)	(2,354,308)
Balance at end of the year	–	7,255,014	113,385	7,368,399
<u>2021:</u>				
Balance at beginning of the year	66,551	3,330,790	105,693	3,503,034
Grants received during the year	–	2,206,145	327,500	2,533,645
Utilised during the year	(18,031)	(1,041,270)	(257,852)	(1,317,153)
Balance at end of the year	48,520	4,495,665	175,341	4,719,526

Care & Share grant is a scheme whereby the government will provide a matching grant for donations raised by the Foundation. The grant can be used to fund programmes / activities that contribute to building the Foundation's capability or capacity, or to fund new programmes that aim to meet emerging or unmet needs of social service sector and enhancements / expansion of the existing services that the Foundation provides or cover the costs of meeting the critical existing needs of the Foundation.

Community Silver Trust grant is a scheme whereby the government will provide a matching grant of one dollar for every donation dollar raised by eligible organisations. The objectives are to encourage more donations and provide additional resources for the service providers in the Intermediate and Long Term Care Sector and to enhance capabilities and provide value-added services to achieve affordable and higher quality care.

Medifund and Medifund Silver is a scheme to help eligible patients pay their medical bills for their co-payment portion.

20. Columnar presentation of statement of financial position

A majority of the assets and liabilities are attributable to the unrestricted funds. All the assets of the restricted funds are represented by cash and the specific fund - corporate adoption scheme fund is represented by investments in quoted bonds. Accordingly the Foundation did not adopt a columnar presentation of its assets, liabilities and funds in the statement of financial position as it was not meaningful.

Notes to the Financial Statements

31 March 2022

21. Financial instruments: information on financial risks

21A. Categories of financial assets and liabilities

The following table categorises the carrying amount of financial assets and financial liabilities recorded at the end of the reporting year:

	<u>2022</u>	<u>2021</u>
	\$	\$
<u>Financial assets:</u>		
At amortised cost	34,676,629	28,952,724
At FVTPL	10,413,500	10,689,497
	<u>45,090,129</u>	<u>39,642,221</u>
<u>Financial liabilities:</u>		
At amortised cost	6,829,013	2,745,670
	<u>6,829,013</u>	<u>2,745,670</u>

Further quantitative disclosures are included throughout these financial statements.

21B. Financial risk management

The main purpose for holding or issuing financial instruments is to raise and manage the finances for the Foundation's operating, investing and financing activities. There are exposure to the financial risks on the financial instruments such as credit risk and liquidity risk. Management has certain practices for the management of financial risks. However these are not documented in formal written documents. The following guidelines are followed: All financial risk management activities are carried out and monitored by senior management staff. All financial risk management activities are carried out following acceptable market practices.

There have been no changes to exposure to risk; objectives, policies and processes for managing the risk and the methods used to measure the risk.

21C. Fair value of financial instruments

The analyses of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 are disclosed in the relevant notes to the financial statements. These include the significant financial instruments stated at amortised cost and at fair value in the statement of financial position. The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value.

Notes to the Financial Statements

31 March 2022

21. Financial instruments: information on financial risks (cont'd)

21D. Credit risk on financial assets

Financial assets that are potentially subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner. These arise principally from cash balances with banks, cash equivalents, receivables and other financial assets. The maximum exposure to credit risk is the total of the fair value of the financial assets at the end of the reporting year. Credit risk on cash balances with banks and any other financial instruments is limited because the counter-parties are entities with acceptable credit ratings. For expected credit losses ("ECL") on financial assets, the three-stage approach in the financial reporting standard on financial instruments is used to measure the impairment allowance. Under this approach the financial assets move through the three stages as their credit quality changes. However, a simplified approach is permitted by the financial reporting standards on financial instruments for financial assets that do not have a significant financing component, such as trade receivables. On initial recognition, a day-1 loss is recorded equal to the 12 month ECL (or lifetime ECL for trade receivables), unless the assets are considered credit impaired.

Cash and cash equivalents as disclosed in Note 14 represents balances with less than 90 days maturity. Cash and cash equivalents are also subject to the impairment requirements of the standard on financial instruments. There was no identified impairment loss.

21E. Liquidity risk – financial liabilities maturity analysis

The liquidity risk refers to the difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. It is expected that all the liabilities will be settled at their contractual maturity. The average credit period taken to settle trade payables is about 30 days (2021: 30 days). The other payables are with short-term durations. The classification of the financial assets is shown in the statement of financial position as they may be available to meet liquidity needs and no further analysis is deemed necessary.

The Foundation monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Foundation's operations and to mitigate the effects of fluctuations in cash flows.

The following table analyses non-derivative financial liabilities by remaining contractual maturity (contractual and undiscounted cash flows):

	Less than <u>1 year</u>	<u>1 – 5 years</u>	<u>Total</u>
	\$	\$	\$
<u>2022:</u>			
Gross lease liabilities	669,240	2,566,180	3,235,420
Trade and other payables	3,974,431	–	3,974,431
	<u>4,643,671</u>	<u>2,566,180</u>	<u>7,209,851</u>
<u>2021:</u>			
Gross lease liabilities	125,809	35,670	161,479
Trade and other payables	2,589,086	–	2,589,086
	<u>2,714,895</u>	<u>35,670</u>	<u>2,750,565</u>

The undiscounted amounts on the borrowings with fixed and floating interest rates are determined by reference to the conditions existing at the reporting date.

Notes to the Financial Statements

31 March 2022

21. Financial instruments: information on financial risks (cont'd)

21F. Interest rate risk

Interest rate risk arises on interest-bearing financial instruments recognised in the statement of financial position and on some financial instruments not recognised in the statement of financial position. The following table analyses the breakdown of the significant financial instruments by type of interest rate:

	<u>2022</u>	<u>2021</u>
	\$	\$
<u>Financial assets with interest:</u>		
Fixed rates	<u>18,049,963</u>	<u>19,139,293</u>
<u>Financial liabilities with interest:</u>		
Fixed rates	<u>2,854,582</u>	<u>156,584</u>

The interest rates are disclosed in Notes 11, 14 and 17.

Sensitivity analysis: The effect on pre-tax profit is not significant.

21G. Foreign currency risk

Foreign exchange risk arises on financial instruments that are denominated in a foreign currency, ie in a currency other than the functional currency in which they are measured. For the purpose of this financial reporting standard on financial instruments: disclosures, currency risk does not arise from financial instruments that are non-monetary items or from financial instruments denominated in the functional currency.

The Foundation is not exposed to significant foreign currency risks.

22. Changes and adoption of financial reporting standards

For the current reporting year new or revised financial reporting standards were issued by the Singapore Accounting Standards Council. Those applicable to the Foundation are listed below. Those applicable new or revised standards did not require any significant modification of the measurement methods or the presentation in the financial statements.

<u>SFRS No.</u>	<u>Title</u>
SFRS 39;107 and 109	Interest Rate Benchmark Reform – Amendments to SFRS 39, 107 and 109 The Conceptual Framework for Financial Reporting

Notes to the Financial Statements

31 March 2022

23. New or amended standards in issue but not yet effective

For the future reporting years certain new or revised financial reporting standards were issued by the Singapore Accounting Standards Council and these will only be effective for future reporting years. Those applicable to the Foundation for future reporting years are listed below. The transfer to the applicable new or revised standards from the effective dates is not expected to result in any significant modification of the measurement methods or the presentation in the financial statements for the following year from the known or reasonably estimable information relevant to assessing the possible impact that application of the new or revised standards may have on the Foundation's financial statements in the period of initial application.

<u>SFRS No.</u>	<u>Title</u>	<u>Effective date for periods beginning on or after</u>
SFRS 16	Property, Plant and Equipment: Proceeds before Intended Use – Amendments to SFRS 16	1 Jan 2022
SFRS 109	Financial Instruments – Fees in the “10 per cent” test for derecognition of financial liabilities (Annual Improvement Project)	1 Jan 2022
Various	Annual Improvements to SFRSs 2018-2020	1 Jan 2022
SFRS 1	Presentation of Financial Statements- amendment relating to Classification of Liabilities as Current or Non-current	1 Jan 2023
SFRS 8	Definition of Accounting Estimates - Amendments to SFRS 8	1 Jan 2023
Various	Amendments to SFRS 1 and SFRS Practice Statement 2: Disclosure of Accounting Policies	1 Jan 2023

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HOME NURSING FOUNDATION

490 Lorong 6 Toa Payoh,
HDB Hub #05-10,
Singapore 310490

T 6854 5555
F 6255 5774
E enquiry@hnf.org.sg

W www.hnf.org.sg
f [home.nursing.foundation](https://www.facebook.com/home.nursing.foundation)
@ [home_nursing_foundation](https://www.instagram.com/home_nursing_foundation)

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