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Statement by the Board of Directors

In the opinion of the Board of Directors, the financial statements of Bishan Home for the Intellectually Disabled (the "Home") set out on page 25 to 47 are properly drawn up, so as to give a true and fair view of the state of affairs of the Home as at 31 March 2013 and the financial activities, changes in funds and cash flows of the Home for the year ended on that date.

On behalf of the Board of Directors,



Mr. Lau Wah Ming
Hon. Chairman



Mr. Tan Jack Pin
Hon. Treasurer

Singapore, 29 AUG 2013

Report of the Independent Auditors

To the Members of Bishan Home for the Intellectually Disabled

Report on the Financial Statements

We have audited the accompanying financial statements of Bishan Home for the Intellectually Disabled (the “Home”), which comprise the statement of financial position as at 31 March 2013, and the statement of financial activities, statement of changes in funds and statement of cash flows of the Home for the financial year then ended, and a summary of significant accounting policies and other explanatory notes as set out on pages 25 to 47.

Management’s Responsibility for the Financial Statements

The Board of Directors of the Home (the “Board”) is responsible for the preparation of financial statements that give a true and fair view in accordance with the provision of the Charities Act, Cap. 37, the Societies Act, Cap. 311 and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair statement of financial activities and balance sheet and to maintain accountability of assets.

Auditors’ Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Home’s preparation of the financial statements that give a true and fair view 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements of the Home are properly drawn up in accordance with the provisions of the Charities Act, Cap. 37, the Societies Act, Cap. 311 and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Home as at 31 March 2013 and the financial activities, changes in funds and cash flows of the Home for the year ended on that date.

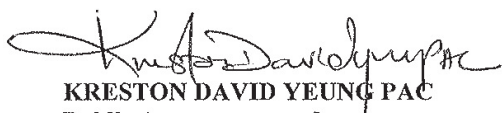
Report of the Independent Auditors

To the Members of Bishan Home for the Intellectually Disabled

Report on Other Legal and Regulatory Requirements

During the course of our audit, nothing came to our attention that caused us to believe that the use of donation money received is not in accordance with the Home's objectives.

In our opinion, the accounting and other records required by the above regulations to be kept by the Home have been properly kept in accordance with the regulations.



KRESTON DAVID YEUNG PAC
Public Accountants and
Chartered Accountants

Singapore, 29 AUG 2013

Statement of Financial Position

As at 31 March 2013

	Note	2013 S\$	2012 S\$
ASSETS			
Non-current assets			
Property, plant and equipment	3	5,002,244	5,306,038
Current assets			
Programme fees in arrears	4	13,604	6,265
NCSS grant receivables		-	69,682
Other receivables		-	60
Deposits		23,475	18,078
Prepayments		13,127	10,470
Cash and cash equivalents	5	3,887,912	3,046,889
Total current assets		3,938,118	3,151,444
Total assets		8,940,362	8,457,482
FUNDS AND LIABILITIES			
Unrestricted funds			
General fund		3,309,024	2,629,532
Sinking fund		400,000	400,000
Restricted funds			
Deferred capital donations	6	4,818,546	5,160,029
Deferred capital donations - Herbs and Spice Garden	7	3,900	9,000
Community silver trust	8	28,970	-
Total funds		8,560,440	8,198,561
Current liabilities			
Programme fees received in advance		9,020	2,330
Amount due to NCSS	9	56,125	-
Deposits received		76,920	74,340
Accruals		90,615	81,960
Other payables	10	147,242	100,291
Total liabilities		379,922	258,921
Total funds and liabilities		8,940,362	8,457,482

The notes set out on pages 30 to 47 form an integral part of and should be read in conjunction with this set of financial statements.

Statement of Financial Activities

For the Year Ended 31 March 2013

		<---Unrestricted Funds--->		<---Restricted Funds--->		2013
	Note	Residential Home S\$	Day Activity Centre S\$	Community Silver Trust S\$	Capital Donation S\$	Total S\$
Incoming resources						
Income resources from generated funds:						
Voluntary income						
Deferred capital donations/grants	6	-	-	-	447,797	447,797
Deferred herbs and spice grant	7	-	-	-	5,100	5,100
Community silver trust	8	-	-	60,234	-	60,234
Donations in cash	11	157,091	-	-	-	157,091
Investment income	12	44,929	-	-	-	44,929
Income resources from charitable activities:						
Programme fees		328,151	-	-	-	328,151
Daycare collection		-	86,333	-	-	86,333
Government subvention grants		1,869,670	197,387	-	-	2,067,057
Transport income		-	19,528	-	-	19,528
Sundry income		22,301	7,140	-	-	29,441
Other incoming resources		19,293	-	-	-	19,293
Total income resources		2,441,435	310,388	60,234	452,897	3,264,954
Less: Resources expended						
Charitable activities expenses:						
Activities and outings	13	7,332	1,760	117	-	9,209
Food and marketing		149,439	10,166	-	-	159,605
Staff costs		1,063,392	114,756	5,506	-	1,183,654
Nursing supplies and medical services		63,241	-	-	-	63,241
Transportation		6,325	12,357	-	-	18,682
Information technology		9,511	2,247	-	-	11,758
Miscellaneous expenses		6,747	-	-	-	6,747
Total charitable activities expenses		1,305,987	141,286	5,623	-	1,452,896
Governance costs	14	500,594	114,582	957	465,270	1,081,403
Other operating and administration expenses	15	40,654	7,590	2,510	400	51,154
Total resources expended		(1,847,235)	(263,458)	(9,090)	(465,670)	(2,585,453)
Net income resources before other gains and losses		594,200	46,930	51,144	(12,773)	679,501
Less: Other recognised gain/(loss)						
Gain on disposal of plant and equipment		799	-	-	-	799
Plant and equipment written off		(808)	-	-	-	(808)
Net surplus/(deficit) for the year		594,191	46,930	51,144	(12,773)	679,492

The notes set out on pages 30 to 47 form an integral part of and should be read in conjunction with this set of financial statements.

Statement of Financial Activities

For the Year Ended 31 March 2012

		<----Unrestricted Funds---->			
	Note	Residential Home S\$	Day Activity Centre S\$	Restricted Fund S\$	2012 Total S\$
Incoming resources					
Income resources from generated funds:					
Voluntary income					
Deferred capital donations/grants	6	-	-	473,990	473,990
Deferred herbs and spice grant	7	-	-	6,600	6,600
Donations in cash	11	126,821	-	-	126,821
Investment income	12	3,571	-	-	3,571
Income resources from charitable activities:					
Programme fees		324,883	-	-	324,883
Daycare collection		-	68,175	-	68,175
Government subvention grants		1,684,861	133,471	-	1,818,332
Transport income		-	15,592	-	15,592
Sundry income		22,394	5,729	-	28,123
Other incoming resources		1,528	-	1,057	2,585
Total income resources		2,164,058	222,967	481,647	2,868,672
Less: Resources expended					
Charitable activities expenses:					
Activities and outings		7,515	315	-	7,830
Day activity centre		-	53	-	53
Food and marketing		140,977	7,942	-	148,919
Staff costs	13	1,064,604	76,527	-	1,141,131
Nursing supplies and medical services		46,048	-	-	46,048
Transportation		4,900	12,240	-	17,140
Information technology		16,153	3,077	-	19,230
Miscellaneous expenses		8,212	-	-	8,212
Total charitable activities expenses		1,288,409	100,154	-	1,388,563
Governance costs	14	498,124	84,431	435,010	1,017,565
Other operating and administration expenses	15	30,061	2,159	-	32,220
Total resources expended		(1,816,594)	(186,744)	(435,010)	(2,438,348)
Net income resources before other gains and losses		347,464	36,223	46,637	430,324
Less: Other recognised gain/loss					
Plant and equipment written off		(1,561)	-	-	(1,561)
Net surplus for the year		345,903	36,223	46,637	428,763

The notes set out on pages 30 to 47 form an integral part of and should be read in conjunction with this set of financial statements.

Statement of Changes in Funds

For the Year Ended 31 March 2013

	General Fund S\$	Sinking Fund S\$	Deferred Capital Donation/Grants S\$	Deferred Capital Donation - Herbs and Spice Garden S\$	Community Silver Trust S\$	Total S\$
Balance as at 01.04.2011	2,200,769	400,000	5,444,145	15,600	-	8,060,514
Additions during the year						
- Government Grants	-	-	99,874	-	-	99,874
- Donated Funds from President's Challenge 2011	-	-	90,000	-	-	90,000
Amortisation during the year	-	-	(473,990)	(6,600)	-	(480,590)
Net surplus for the year	428,763	-	-	-	-	428,763
Balance as at 31.03.2012/01.04.2012	2,629,532	400,000	5,160,029	9,000	-	8,198,561
Additions during the year						
- Government Grants	-	-	40,088	-	89,204	129,292
- Tax-Exempt Donations for Capital Purchases	-	-	15,400	-	-	15,400
- Non-Tax-Exempt Donation-in-Kind	-	-	50,826	-	-	50,826
Amortisation during the year	-	-	(447,797)	(5,100)	(60,234)	(513,131)
Net surplus for the year	679,492	-	-	-	-	679,492
Balance as at 31.03.2013	3,309,024	400,000	4,818,546	3,900	28,970	8,560,440
			(Note 6)	(Note 7)	(Note 8)	

The notes set out on pages 30 to 47 form an integral part of and should be read in conjunction with this set of financial statements.

Statement of Cash Flows

For the Year Ended 31 March 2013

	Note	2013 S\$	2012 S\$
Cash flows from operating activities			
Net surplus for the year		679,492	428,763
Adjustments for:-			
Allowance for credit losses		3,800	1,720
Allowance for credit losses written back		(2,160)	(2,176)
Deferred capital donations/grants	6	(447,797)	(473,990)
Deferred herbs and spice grant	7	(5,100)	(6,600)
Community silver trust fund	8	(60,234)	-
Depreciation of property, plant and equipment		501,604	502,824
Gain on disposal of property, plant and equipment		(799)	-
Property, plant and equipment written off		808	1,561
Interest income		(44,929)	(3,571)
Operating surplus before working fund changes		<u>624,685</u>	<u>448,531</u>
Changes in working fund:-			
Decrease/(Increase) in other receivables		52,709	(546)
Increase/(Decrease) in accruals and other payables		<u>121,001</u>	<u>(3,720)</u>
Net cash generated from operating activities		<u>798,395</u>	<u>444,265</u>
Cash flows from investing activities			
Purchase of property, plant and equipment		(198,619)	(152,697)
Proceeds from disposal of property, plant and equipment		800	-
Interest received		<u>44,929</u>	<u>3,571</u>
Net cash used in investing activities		<u>(152,890)</u>	<u>(149,126)</u>
Cash flows from financing activities			
Capital donations received	6	106,314	189,874
Community silver trust received	8	<u>89,204</u>	<u>-</u>
Net cash generated from financing activities		<u>195,518</u>	<u>189,874</u>
Net increase in cash and cash equivalents		841,023	485,013
Cash and cash equivalents at beginning of year		<u>3,046,889</u>	<u>2,561,876</u>
Cash and cash equivalents at end of year	5	<u>3,887,912</u>	<u>3,046,889</u>

The notes set out on pages 30 to 47 form an integral part of and should be read in conjunction with this set of financial statements.

Notes to the Financial Statements

31 March 2013

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

1. GENERAL

Bishan Home for The Intellectually Disabled (the “Home”) is registered in the Republic of Singapore under the Societies Act and the Charities Act.

The principal activities of the Home are to provide a place of residence and care for the intellectually disabled.

The registered office and principal place of the Home is located at 6 Bishan Street 13, Singapore 579798.

The financial statements of the Home are presented in Singapore dollar (SGD or S\$).

2. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Preparation

The financial statements of the Home have been prepared in accordance with the historical cost convention, except as disclosed in the accounting policies below, and are drawn up in accordance with the Statement of Recommended Accounting Practice (“RAP 6”) and Singapore Financial Reporting Standards (“FRS”) including its Interpretations.

In the current financial year, the Home has adopted all the new and revised FRS and Interpretations of FRS (“INT FRS”) that are relevant to its operations and effective for the annual periods beginning on or after 1 April, 2012. The adoptions of these new/revised FRSs and INT FRSs have no material effect on the financial statements.

b) Significant Accounting Estimates and Judgements

Estimates, assumptions concerning the future and judgements are made in the preparation of the financial statements. They affect the application of the Home’s accounting policies, reported amounts of assets, liabilities, income and expense and disclosures made. They are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

Notes to the Financial Statements

31 March 2013

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

b) Significant Accounting Estimates and Judgements (Continued)

The critical accounting estimates and assumptions used and areas involving a high degree of judgement are described below.

Critical assumptions used and accounting estimates in applying accounting policies

Useful lives of property, plant and equipment

As described in Note 2(d), the Home reviews the estimated useful lives of property, plant and equipment at the end of each annual reporting period. The estimated useful lives reflect the management's estimation of the periods that the Home intends to derive future economic benefits from the use of the Home's property, plant and equipment. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

The carrying amount of property, plant and equipment at the end of the reporting period are disclosed in Note 3 to the financial statements.

Critical judgements made in applying accounting policies

In the process of applying the entity's accounting policies, management had made the following judgements that have the most significant effect on the amounts recognised in the financial statements.

Allowance for credit losses

Allowance for credit losses of the Home is based on an evaluation of the collectibility of receivables. A considerable amount of judgement is required in assessing the ultimate realisation of these receivables, including their current creditworthiness, past collection history of each resident and ongoing dealings with them. If the financial conditions of the counterparties with which the Home contracted were to deteriorate, resulting in an impairment of their ability to make payments, additional allowance may be required.

Impairment of property, plant and equipment

The Home assesses annually whether property, plant and equipment have any indication of impairment in accordance with the accounting policy. The recoverable amounts of property, plant and equipment have been determined based on value-in-use calculations. These calculations require the use of judgement and estimates.

Notes to the Financial Statements

31 March 2013

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

c) Foreign Currency

Functional and presentation currency

Items included in the financial statements of the Home are measured using the currency of the primary economic environment in which the Home operates (“functional currency”). The financial statements of the Home are presented in Singapore dollar, which is the Home’s functional currency.

Transactions and balances

Transactions in foreign currencies are measured and recorded in Singapore dollars at the exchange rate in effect at the date of transactions. At the end of each reporting period, recorded foreign currency monetary items are adjusted to reflect the rate at the end of the reporting period. All realised and unrealised differences are taken to the statement of financial activities.

d) Property, Plant and Equipment

All items of property, plant and equipment are initially recorded at cost. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Home and the cost of the item can be measured reliably.

Subsequent to initial recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated on a straight-line method so as to write off the costs over the estimated useful lives of property, plant and equipment as follows: -

Leasehold property	30 years
Motor vehicles	10 years
Renovation	10 years
Furniture and fittings	5 – 10 years
Equipment	5 years
Herbs and spice garden	5 years
Computers	3 years

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

The residual values, useful lives and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the statement of financial activities in the year the asset is derecognised.

Notes to the Financial Statements

31 March 2013

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

e) **Impairment of Non-Financial Assets**

The Home assesses at the end of each reporting period whether there is any indication that an asset may be impaired. If any indication exists, or when an annual impairment assessment for an asset is required, the Home makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value.

Impairment losses are recognised in statement of financial activities in those expense categories consistent with the function of the impaired asset, except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

An assessment is made at the end of each reporting period as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Home estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in statement of financial activities unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

f) **Financial Assets**

Initial recognition and measurement

Financial assets are recognised on the statement of financial position when, and only when, the Home becomes a party to the contractual provisions of the financial instrument. The Home determines the classification of its financial assets at initial recognition.

When financial assets are recognised initially, they are measured at fair value, plus directly attributable transaction costs.

Notes to the Financial Statements

31 March 2013

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

f) Financial Assets (Continued)

Subsequent measurement

Loans and receivables

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in statement of financial activities when the loans and receivables are derecognised or impaired, and through the amortisation process.

The Home classifies the following financial assets as loans and receivables:

- Cash and cash equivalents
- Grant and other receivables

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received is recognised in statement of financial activities.

All regular way purchases and sales of financial assets are recognised or derecognised on the trade date, i.e the date that the Home commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned.

g) Impairment of Financial Assets

The Home assesses at the end of each reporting period whether there is any objective evidence that a financial asset is impaired.

Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Home first assesses individually whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Home determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be recognised are not included in a collective assessment of impairment.

Notes to the Financial Statements

31 March 2013

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

g) **Impairment of Financial Assets (Continued)**

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The impairment loss is recognised in the statement of financial activities.

When the asset becomes uncollectible, the carrying amount of impaired financial assets is reduced directly or if an amount was charged to the allowance account, the amounts charged to the allowance account are written off against the carrying value of the financial asset.

To determine whether there is objective evidence that an impairment loss on financial assets has incurred, the company considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in the statement of financial activities.

h) **Cash and Cash Equivalents**

Cash and cash equivalents are defined as cash in hand, cash at bank and fixed deposits which form part of the Home's cash management are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

i) **Capital Donations/Grants**

Donations/grants received for property, plant and equipment are credited to a designated fund. These donations/grants are amortised to the statement of financial activities over the estimated useful life of the related property, plant and equipment on a straight-line basis (Note 2 (d)).

j) **Sinking Fund**

The sinking fund is an unrestricted designated fund set aside by the Home to finance major repair activities of the Home as and when necessary.

Notes to the Financial Statements

31 March 2013

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

k) Financial Liabilities

Initial recognition and measurement

Financial liabilities include accruals and other payables including amount due to NCSS. Financial liabilities are recognised on the statement of financial position when, and only when, the Home becomes a party to the contractual provisions of the financial instrument. The Home determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in the statement of financial activities when the liabilities are derecognised, and through the amortisation process.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. 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 the statement of financial activities.

l) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Home and the revenue can be measured reliably. Revenue is measured at the fair value of consideration received or receivable.

Revenue is recognised on the following basis:-

- (i) Income from fees collected is accounted for on accrual basis.
- (ii) Donations are recognised when monies are received and the right to receive the amount is certain.
- (iii) Recurrent funds are taken up on accrual basis. Based on the funding principles, accruals are accounted for any over/under funding payable to/from the Government.
- (iv) Interest is recognised using effective interest method.

Notes to the Financial Statements

31 March 2013

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

m) **Government Subvention**

Government subvention is recoverable from the Ministry of Social and Family Development (MSF) when there is reasonable assurance that the conditions attaching to it will be complied with and the subvention will be received.

Government subvention in the form of recurrent funds is recognised as income in the financial statements in the year in which the related activities are performed.

n) **Key Management Personnel**

Key management personnel of the Home are those persons having authority and responsibility for planning, directing and controlling the activities of the Home. The chief executive officer, the matron and accountant are considered as key management personnel.

o) **Employee Benefits**

Defined Contribution Plans

As required by law, the Home makes contributions to the state pension scheme, the Central Provident Fund (CPF). CPF contributions are recognised as compensation expense in the same period as the employment that gives rise to the contribution.

Employee Leave Entitlement

Employee entitlement to annual leave is recognised when it accrues to employees. An accrual is made for the estimated liability for leave as a result of services rendered by employees up to the end of the reporting period.

p) **Provisions**

Provisions are recognised when the Home has a present obligation (legal or constructive) as a result of past events, 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.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Notes to the Financial Statements

31 March 2013

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

q) Contingencies

A contingent liability is:-

- (a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Home; or
- (b) a present obligation that arises from past events but is not recognised because:
 - i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - ii) The amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Home.

Contingent liabilities and assets are not recognised on the statement of financial position of the Home, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

Notes to the Financial Statements

31 March 2013

3. PROPERTY, PLANT AND EQUIPMENT

	Leasehold property	Motor vehicles	Computers	Equipment	Furniture and fittings	Renovation	Spice garden	Herbs & Spice garden	Total
Cost	\$S	\$S	\$S	\$S	\$S	\$S	\$S	\$S	\$S
At 01.04.2011	8,220,293	149,271	63,928	746,797	583,574	1,105,993	29,053	10,898,909	
Additions	-	-	4,952	16,335	56,574	74,836	-	152,697	
Disposal	-	-	-	(6,617)	-	-	-	(6,617)	
At 31.3.2012/01.04.2012	8,220,293	149,271	68,880	756,515	640,148	1,180,829	29,053	11,044,989	
Additions	-	50,826	-	63,136	25,118	54,424	5,115	198,619	
Disposal	-	(49,718)	-	-	-	-	-	(49,718)	
Written-off	-	-	(7,247)	(62,156)	(46,367)	-	-	(115,770)	
At 31.03.2013	8,220,293	150,379	61,633	757,495	618,899	1,235,253	34,168	11,078,120	
Accumulated depreciation									
At 01.04.2011	3,672,900	67,520	57,004	550,078	569,366	307,105	17,210	5,241,183	
Charge for the year	274,010	3,034	6,313	81,039	16,711	115,906	5,811	502,824	
Disposal	-	-	-	(5,056)	-	-	-	(5,056)	
At 31.3.2012/01.04.2012	3,946,910	70,554	63,317	626,061	586,077	423,011	23,021	5,738,951	
Charge for the year	274,010	13,791	3,224	68,437	20,956	116,737	4,449	501,604	
Disposal	-	(49,717)	-	-	-	-	-	(49,717)	
Written-off	-	-	(7,247)	(61,348)	(46,367)	-	-	(114,962)	
At 31.03.2013	4,220,920	34,628	59,294	633,150	560,666	539,748	27,470	6,075,876	
Net book value									
At 31.03.2013	3,999,373	115,751	2,339	124,345	58,233	695,505	6,698	5,002,244	
At 31.03.2012	4,273,383	78,717	5,563	130,454	54,071	757,818	6,032	5,306,038	

Depreciation expense for the year amounting to S\$501,604 (2012: S\$502,824) is charged to the statement of financial activities and is included in governance costs (Note 14).

Notes to the Financial Statements

31 March 2013

4. PROGRAMME FEES IN ARREARS

	2013 S\$	2012 S\$
Programme fees in arrears	41,094	32,115
Less: Allowance for credit losses	<u>(27,490)</u>	<u>(25,850)</u>
	<u>13,604</u>	<u>6,265</u>

Movements of allowance for credit losses

Balance at beginning of year	25,850	26,306
Allowance for credit losses (Note 15)	3,800	1,720
Allowance for credit losses written back (Note 15)	<u>(2,160)</u>	<u>(2,176)</u>
Balance at end of year	<u>27,490</u>	<u>25,850</u>

Programme fees receivables are due within 30 days which is billed on a monthly basis.

The Home does not charge any interest, unless otherwise stated. Programme fees in arrears include an amount of S\$7,784 (2012: S\$2,330) which is past due at the end of the reporting period but not impaired. The table below is an aging analysis of programme fees in arrears as at the end of the reporting period:-

	Allowance for		Allowance for	
	Gross	credit losses	Gross	credit losses
	2013	2013	2012	2012
	S\$	S\$	S\$	S\$
Not past due	6,360	(540)	4,895	(960)
Past due: -				
- 1 to 30 days	3,850	(540)	2,240	(960)
- 31 to 60 days	2,730	(540)	1,560	(960)
- over 60 days	28,154	(25,870)	23,420	(22,970)
	<u>34,734</u>	<u>(26,950)</u>	<u>27,220</u>	<u>(24,890)</u>
	<u>41,094</u>	<u>(27,490)</u>	<u>32,115</u>	<u>(25,850)</u>

Notes to the Financial Statements

31 March 2013

5. CASH AND CASH EQUIVALENTS

	2013 S\$	2012 S\$
Cash on hand	2,766	8,984
Cash at bank	1,485,146	1,137,905
Fixed deposits	2,400,000	1,900,000
	<u>3,887,912</u>	<u>3,046,889</u>

The fixed deposits are placed with reputable financial institutions for varying periods of between 3 to 36 month (2012: 3 to 24 month) tenures depending on the immediate cash requirement of the Home and earn interest at rates ranging from 1.0% to 1.1% (2012: ranged from 0.50% to 1.30%) per annum.

6. DEFERRED CAPITAL DONATIONS/GRANTS

	2013 S\$	2012 S\$
Balance at beginning of year	5,160,029	5,444,145
Amount received during the year	<u>106,314</u>	<u>189,874</u>
	5,266,343	5,634,019
Less: Amortisation to statement of financial activities		
- Leasehold property	274,010	274,010
- Other plant and equipment	173,787	199,980
	<u>(447,797)</u>	<u>(473,990)</u>
Balance at end of year	<u>4,818,546</u>	<u>5,160,029</u>

7. DEFERRED CAPITAL DONATIONS – HERBS AND SPICE GARDEN

	2013 S\$	2012 S\$
Balance at beginning of year	9,000	15,600
Less: Amortisation to statement of financial activities	<u>(5,100)</u>	<u>(6,600)</u>
Balance at end of year	<u>3,900</u>	<u>9,000</u>

Notes to the Financial Statements

31 March 2013

8. COMMUNITY SILVER TRUST

	2013 S\$	2012 S\$
Balance at beginning of year	-	-
<u>Add: Receipts</u>		
Community Silver Trust - Matching Grant	89,204	-
Less: Expenditure	<u>(60,234)</u>	<u>-</u>
Balance at end of year	<u>28,970</u>	<u>-</u>

The Community Silver Trust Fund was set up by the government to enhance and expand the services of Voluntary Welfare Organisations in the intermediate and long-term care sector. This fund is a dollar-for-dollar donation matching grant from the government to increase the capacity of the Home by adding approved equipments, innovative projects and programmes. The amount received will be amortised to the statement of financial activities in the year the related expenditure is incurred.

9. AMOUNT DUE TO NCSS

This balance represents excess amount of grant received from NCSS during the year. The amount is currently assessed by NCSS and will finalised in the next financial year.

10. OTHER PAYABLES

	2013 S\$	2012 S\$
Sundry creditors	57,684	23,651
Staff saving	20,100	19,450
Cash held for residents	48,891	44,280
Advance from residents	<u>20,567</u>	<u>12,910</u>
	<u>147,242</u>	<u>100,291</u>

11. DONATIONS IN CASH

Tax exempt donations	138,242	89,354
Non-tax exempt donations	<u>18,849</u>	<u>37,467</u>
	<u>157,091</u>	<u>126,821</u>

All donations were collected in respect of the Home's residential services.

Donations for capital purchases are reflected as Deferred Capital Donations.

Notes to the Financial Statements

31 March 2013

12. INVESTMENT INCOME

	2013 S\$	2012 S\$
Bank interest income	127	166
Fixed deposit income	44,802	3,405
	<u>44,929</u>	<u>3,571</u>

13. STAFF COSTS

Salaries and wages	753,416	749,589
Bonuses	131,488	132,751
CPF contribution	63,866	60,633
Foreign worker levy	166,894	134,348
Recruitment fee	5,624	5,570
Training fee	28,367	34,255
Staff welfare	33,593	23,918
Uniform	406	67
	<u>1,183,654</u>	<u>1,141,131</u>

14. GOVERNANCE COSTS

Administrative staff costs: -		
- Salaries and wages	225,972	174,253
- Bonuses	30,863	28,181
- CPF contribution	27,303	23,960
Auditors' remuneration	5,190	4,585
Depreciation of property, plant and equipment (inclusive restricted fund)	501,604	502,824
General maintenance expenses	74,291	62,886
Insurances	30,555	27,613
Professional fee	28,173	19,712
Property maintenance	2,878	13,755
Registration fee	130	311
Telecommunication	5,544	5,533
Utilities	148,900	153,952
	<u>1,081,403</u>	<u>1,017,565</u>

Notes to the Financial Statements

31 March 2013

15. OTHER OPERATING AND ADMINISTRATION EXPENSES

	2013 S\$	2012 S\$
Allowance for credit losses (Note 4)	3,800	1,720
Allowance of credit losses written back (Note 4)	(2,160)	(2,176)
Mattresses and bed linen	535	642
Rental of equipment	1,091	546
Anniversary celebration	8,859	11,123
Bank charges	1,345	606
Non-capitalised assets	21,678	9,174
Printing and stationery	6,375	6,360
Publicity	4,815	-
Refreshment	2,668	2,346
Other operating expenses	2,148	1,879
	<u>51,154</u>	<u>32,220</u>

16. TAXATION

The Home has been registered as a charity under the Singapore Charities Act and is exempted from income tax under the provisions of the Singapore Income Tax Act, Cap. 134. Accordingly, no provision for taxation has been made in the Home's financial statements.

17. ANNUAL REMUNERATION OF KEY MANAGEMENT PERSONNEL

	2013 S\$	2012 S\$
Key management personnel compensation:-		
- Salaries and bonus	219,514	220,065
- CPF contribution	21,362	20,082
	<u>240,876</u>	<u>240,147</u>

Key management compensation for the year are included in staff costs (Note 13) and governance costs (Note 14).

Number of key management personnel in remuneration bands: -

	<u>Total number of management staff</u>	
	2013	2012
- Below S\$50,000	1	1
- Above S\$50,000 to S\$100,000	1	1
- Above S\$100,000 to S\$150,000	1	1

Key management personnel comprise the chief executive officer, the matron and accountant.

Notes to the Financial Statements

31 March 2013

18. FINANCIAL RISK MANAGEMENT AND OBJECTIVES

The Home does not have written risk management policies and guidelines which set out its tolerance for risk and its general risk management philosophy. To mitigate any financial risk exposures or losses, the Home may adopt the appropriate measures including the use of other financial instruments as and when considered necessary.

Credit Risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Home. The Home has adopted the policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Home does not expect to incur material credit losses on its financial assets.

The Home has no significant concentrations of credit risk.

Financial assets that are neither past due nor impaired

Trade receivables that are neither past due nor impaired are creditworthy debtors. Cash and cash equivalents that are neither past due nor impaired are placed with reputable financial institutions licenced by the Monetary Authority of Singapore.

Financial assets that are either past due and/or impaired

Information regarding financial assets that are either past due and/or impaired is disclosed in Note 4 to the financial statements.

Foreign Currency Risk

The Home is not exposed to foreign currency risk as all of its transactions are denominated in Singapore dollar.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of the Home's financial instruments will fluctuate because of changes in market interest rates. The Home's interest rate exposure relates primarily to its investment portfolio in fixed deposits which carry at fixed interest rate. As at the end of the reporting period, the Home is not significantly exposed to interest rate risk.

Sensitivity analysis is not performed as the impact to the financial statements is insignificant.

Liquidity Risk

The Home monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Home's operations and mitigate the effect of any unexpected fluctuations in cash flows. The maturity profile of the Home's financial liabilities is within the next 12 months after the end of the reporting period.

Notes to the Financial Statements

31 March 2013

19. RESERVE POLICY

The following table sets out the Home's reserve position as at the end of the reporting period:-

	2013 S\$	2012 S\$
Unrestricted funds (*Reserves)	<u>3,709,024</u>	<u>3,029,532</u>
Ratio of *Reserves to total operating expenditure	<u>1.43: 1</u>	<u>1.24: 1</u>

The Home's policy is aim to build its reserves to at least three times of its total annual operating expenditure. This conservative policy is necessitated by the need to provide a buffer in the face of anticipated fall in revenue against likely cost increases due to inflationary and/or market pressures. Revenue is expected to decline within the next few years as the Home is currently operating at virtually full resident capacity and increasing inability/difficulty in collecting programme fees from ageing parents, 77.3% (2012: 77.5%) of the Home's residents are aged 40 years and above. The Board annually reviews the amount of reserves that are required to ensure that they are adequate to fulfill the Home's continuing obligations.

20. CATEGORIES OF FINANCIAL INSTRUMENTS

The following table sets out the Home's financial assets and financial liabilities as at the end of the reporting period:-

	2013 S\$	2012 S\$
<u>Financial Assets</u>		
Loans and receivables: -		
Programme fees in arrears	13,604	6,265
NCSS grant receivables	-	69,682
Other receivables and deposits	23,475	18,138
Cash and bank balances	<u>3,887,912</u>	<u>3,046,889</u>
Total financial assets	<u>3,924,991</u>	<u>3,140,974</u>
<u>Financial Liabilities</u>		
At amortised cost: -		
Programme fees received in advance	9,020	2,330
Amount due to NCSS	56,125	-
Deposits received	76,920	74,340
Accruals and other payables	<u>237,857</u>	<u>182,251</u>
Total financial liabilities	<u>379,922</u>	<u>258,921</u>

Notes to the Financial Statements

31 March 2013

21. FAIR VALUE

The carrying amounts of financial assets and financial liabilities are recorded in the financial statements at their approximate fair values, determined in accordance with the accounting policies disclosed in Note 2 to the financial statements.

22. NEW OR REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS

Certain new accounting standards, amendments and interpretations to existing standards have been published that are mandatory for accounting periods beginning on or after 1 April 2013. The Home does not expect that adoption of these accounting standards or interpretations will have a material impact on the Home's financial statements.

23. AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements of the Home for the financial year ended 31 March 2013 are authorised for issue in accordance with a resolution of the Board of Directors dated 29 August 2013.

Governance Evaluation Checklist

31 March 2013

Application Case ID : 0000028779
UEN : T07SS0102D
IPC No. : IPC000210
Application Status : LIVE
Name of Organisation : Bishan Home for the Intellectually Disabled









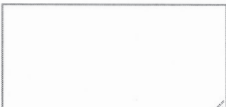

Note :
This submission is for Evaluation Period from Apr 2012 to Mar 2013 (from MMM-YYYY to MMM-YYYY)
Please note that the Evaluation Period should be the same as your charity's financial period. Examples: Jan 2010 to Dec 2010, Jul 2010 to Jun 2011

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S/No.	Code Description	Code ID	Compliance	Explanation (if the Code guideline is not complied to or not applicable)
BOARD GOVERNANCE				
A	Are there Board members holding staff appointments? (Skip items 1 and 2 if "No")		No	
1	If the governing instrument permits staff to become Board members, they should comprise not more than one-third of the Board.	1.1.2	-- Select --	<div>Example</div>
2	Staff does not chair the Board.	1.1.2	-- Select --	
3	There is a maximum limit of four consecutive years for the Treasurer position (or equivalent, e.g. Finance Committee Chairman).	1.1.6	Complied	<div>Example</div>
4	The Board has an audit committee (or designated Board members) with documented terms of reference.	1.2.1	Complied	<div>Example</div>
5	The Board meets regularly with a quorum of at least one-third or at least three members, whichever is greater (or as required by the governing instrument).	1.3.1	Complied	
CONFLICT OF INTEREST				
6	There are documented procedures for Board members and staff to declare actual or potential conflicts of interest to the Board.	2.1	Complied	<div>Example</div>
7	Board members do not vote or participate in decision-making on matters where they have a conflict of interest.	2.4	Complied	

Governance Evaluation Checklist

31 March 2013

	STRATEGIC PLANNING			
8	The Board reviews and approves the vision and mission of the charity. They are documented and communicated to its members and the public.	<u>3.1.1</u>	Complied ▼	
9	The Board approves and reviews a strategic plan for the charity to ensure that the activities are in line with its objectives.	<u>3.2.2</u>	Complied ▼	
	HUMAN RESOURCE MANAGEMENT			
10	The Board approves documented human resource policies for staff.	<u>5.1</u>	Complied ▼	
11	There are systems for regular supervision, appraisal and professional development of staff.	<u>5.6</u>	Complied ▼	
	FINANCIAL MANAGEMENT AND CONTROLS			
12	The Board ensures internal control systems for financial matters are in place with documented procedures.	<u>6.1.2</u>	Complied ▼	
13	The Board ensures reviews on the charity's controls, processes, key programmes and events.	<u>6.1.3</u>	Complied ▼	
14	The Board approves an annual budget for the charity's plans and regularly monitors its expenditure.	<u>6.2.1</u>	Complied ▼	
15	The charity discloses its reserves policy in the annual report.	<u>6.4.1</u>	Complied ▼	
B	Does the charity invest its reserves? (Skip item 16 if "No")		No ▼	
16	The charity invests its reserves in accordance with an investment policy approved by the Board. It obtains advice from qualified professional advisors, if deemed necessary by the Board.	<u>6.4.3</u>	-- Select -- ▼	
	FUNDRAISING PRACTICES			
17	Donations collected are properly recorded and	<u>7.2.2</u>	Complied ▼	

Governance Evaluation Checklist

31 March 2013

	promptly deposited by the charity.			
	DISCLOSURE AND TRANSPARENCY			
18	The charity makes available to its stakeholders an annual report that includes information on its programmes, activities, audited financial statements, Board members and executive management.	8.1	Complied	
C	Are Board members remunerated for their Board services? (Skip items 19 and 20 if "No")		No	
19	No Board member is involved in setting his or her own remuneration.	2.2	-- Select --	
20	The charity discloses the exact remuneration and benefits received by each Board member in the annual report.	8.2	-- Select --	
D	Does the charity employ paid staff? (Skip items 21 and 22 if "No")		Yes	
21	No staff is involved in setting his or her own remuneration.	2.2	Complied	
22	The charity discloses in its annual report the annual remuneration of its three highest paid staff who each receives remuneration exceeding \$100,000, in bands of \$100,000. If none of its top three highest paid staff receives more than \$100,000 in annual remuneration each, the charity discloses this fact.	8.3	Complied	
	PUBLIC IMAGE			
23	The charity accurately portrays its image to its members, donors and the public.	9.1	Not Applicable	

Declaration

Name *:

LIM TIONG TECK

Email *:

Dennis_lim@bishanh

Contact No *:

Office 635333515

Mobile

Designation *:

Chief Executive Officer

☐

I declare that my charity's / IPC's governing Board has approved this Governance Evaluation Checklist and authorised me to submit on its behalf.

All information given by me in this checklist submission is true to the best of my knowledge and I have not wilfully

Governance Evaluation Checklist

31 March 2013

suppressed any material fact.
The full responsibility for providing accurate and updated checklist information will rest with my charity's / IPC's governing Board.



My governing Board agrees to make this Governance Evaluation Checklist available for members / donors through avenues such as the annual general meeting or bulletins.



My governing Board agrees to make this Governance Evaluation Checklist available for public viewing at the e-Service page on Charity Portal.

(No. of charities/IPC's which have publicly published their Governance Evaluation Checklists: 1355)

Note : This submission is for IPC with gross annual receipts of more than \$200,000 and less than \$10 million, for the past two immediate preceding financial years.

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