

**BISHAN HOME FOR THE INTELLECTUALLY DISABLED
(UEN: T07SS0102D)**

**AUDITED FINANCIAL STATEMENTS AND
OTHER INFORMATION
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

KK/CYS/KOH

BISHAN HOME FOR THE INTELLECTUALLY DISABLED
(UEN: T07SS0102D)

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BISHAN HOME FOR THE INTELLECTUALLY DISABLED
(UEN: T07SS0102D)

GENERAL INFORMATION

BOARD OF DIRECTORS

Name	Position on Board
Lau Wah Ming	Honorary Chairman
Chua Siang Kee Angelina	Honorary Vice-Chairman
Loh Mun Fei	Honorary Secretary
Poh Lye Heng	Honorary Treasurer
Sunil Gladson Peter	Honorary Assistant Treasurer
Foo Say Chiang	Honorary Director
Dr Yang Sik Horng	Honorary Director
Dr Kok Moo Ling	Honorary Director
Yip Kong Fai	Honorary Director

REGISTERED OFFICE

6 Bishan Street 13
Singapore 579798

AUDITOR

Kreston David Yeung PAC

BANKERS

DBS Bank Ltd
Hong Leong Finance Limited
Oversea-Chinese Banking Corporation Limited
United Overseas Bank Limited

**BISHAN HOME FOR THE INTELLECTUALLY DISABLED
(UEN: T07SS0102D)**

STATEMENT BY THE BOARD OF DIRECTORS

In the opinion of the Board of Directors of Bishan Home for The Intellectually Disabled (the “Home”),

- (a) the accompanying financial statement of the Home are drawn up in accordance with the provisions of the Societies Act 1966 (the “Societies Act”), the Charities Act 1994 and other relevant regulations (the “Charities Act and Regulations”) and Financial Reporting Standards (the “FRSs”) in Singapore so as to present fairly, in all material respects, the state of affairs of the Home as at 31 March 2024 and the results, change in funds and cash flows of the Home for the financial year ended on that date; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Home will be able to pay its debts as and when they fall due.

On behalf of the Board of Directors,



LAU WAH MING
Honorary Chairman



POH LYE HENG
Honorary Treasurer

Singapore, **16 SEP 2024**



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
BISHAN HOME FOR THE INTELLECTUALLY DISABLED (UEN: T07SS0102D)**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Bishan Home for the Intellectually Disabled (the "Home"), which comprise the statement of financial position of the Home as at 31 March 2024, the statement of profit or loss and other comprehensive income, statement of changes in funds and statement of cash flows of the Home for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Societies Act 1966 (the "Societies Act"), the Charities Act 1994 and other relevant regulations (the "Charities Act and Regulations") and Financial Reporting Standards in Singapore ("FRSs") so as to present fairly, in all material respects, the state of affairs of the Home as at 31 March 2024 and the results, changes in funds and cash flows of the Home for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Home in accordance with the Accounting and Corporate Regulatory Authority (ACRA) *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises Statement by the Board of Directors set out on page 1 and general information, but does not include the financial statements and our auditor's report thereon. The Annual Report of the Home is expected to be made available to us after the date of this independent auditor's report.

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 identified above when it becomes available 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 Home's Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions in accordance with SSAs.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
BISHAN HOME FOR THE INTELLECTUALLY DISABLED (UEN: T07SS0102D)**
(Continued)

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

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

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

Those charged with governance are responsible for overseeing the Home's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
BISHAN HOME FOR THE INTELLECTUALLY DISABLED (UEN: T07SS0102D)**
(Continued)

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

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


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

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required to be kept by the Home have been properly kept in accordance with the provisions of the Societies Regulations enacted under the Societies Act, the Charities Act and Regulations.

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

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


KRESTON DAVID YEUNG PAC
Public Accountants and
Chartered Accountants

Singapore, 16 September 2024

KRESTON DAVID YEUNG PAC (UEN: 200717891W)

A public accounting corporation incorporated with limited liability and an independent member of the **Kreston Global** network
128A Tanjong Pagar Road, Singapore 088535
Tel: 6223 7979 Fax: 6222 7979

BISHAN HOME FOR THE INTELLECTUALLY DISABLED
(UEN: T07SS0102D)

STATEMENT OF FINANCIAL POSITION
As at 31 March 2024

	Note	2024 S\$	2023 S\$
ASSETS			
Non-current assets			
Property, plant and equipment	3	1,957,604	2,469,890
Right-of-use assets	4	98,301	56,060
Total non-current assets		2,055,905	2,525,950
Current assets			
Programme fees in arrears	5	4,174	5,468
Interest and other receivables		190,962	116
Deposits		64,801	19,620
Prepayments		21,631	18,953
Government grant receivables	6	65,238	237,582
Cash and cash equivalents	7	16,730,071	14,542,345
Total current assets		17,076,877	14,824,084
Total assets		19,132,782	17,350,034
FUNDS AND LIABILITIES			
Funds			
<u>Unrestricted Fund</u>			
Accumulated general fund	8	237,174	237,174
<u>Restricted Funds</u>			
Accumulated general fund		15,397,328	13,335,720
Designated fund - Sinking fund	8	400,000	400,000
Deferred capital donations/grants	8	1,725,511	2,174,455
Deferred capital grant - CST	8	143,646	162,300
Friends of Dixie Tan fund	8	299,446	299,446
Community silver trust fund	8	172,099	178,940
Total restricted funds		18,138,030	16,550,861
Total funds		18,375,204	16,788,035
Non-current liability			
Lease liabilities	9	45,630	17,747
Current liabilities			
Lease liabilities	9	72,756	42,171
Other payables	10	315,196	246,484
Government grant payables	6	49,759	-
Accrued operating expenses		179,618	165,832
Programme fees received in advance		12,445	8,595
Deposits received	11	82,174	81,170
Total current liabilities		711,948	544,252
Total liabilities		757,578	561,999
Total funds and liabilities		19,132,782	17,350,034

The notes set out on pages 12 to 34 form an integral part of and should be read in conjunction with this set of financial statements.

BISHAN HOME FOR THE INTELLECTUALLY DISABLED
(UEN: T07SS0102D)

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the financial year ended 31 March 2024

	Note	Unrestricted Fund		Restricted Funds				2023					
		S\$	S\$	Residential Home	Day Activity Centre	S\$	S\$	Residential Home	Day Activity Centre	S\$	S\$		
												Total	Total
Incoming resources													
Voluntary income :													
Deferred capital donations/grants	8	-		467,039	-			467,039		468,008	-		468,008
Deferred capital grant - CST	8	-		77,754	-			77,754		76,133	-		76,133
Community silver trust	8	-		66,938	-			66,938		190,806	-		190,806
Donations received	12	-		166,041	-			166,041		119,197	-		119,197
Interest income	13	-		422,198	-			422,198		38,213	-		38,213
Incoming resources from charitable activities:													
Programme fees		-		320,733	-			320,733		318,328	-		318,328
Daycare collection		-		-	37,875			37,875		-	38,104		38,104
Government subvention grants		-		4,817,121	343,016			5,160,137		4,249,827	336,622		4,586,449
VWO transport subsidy		-		-	25,706			25,706		-	28,895		28,895
Transport income		-		-	17,137			17,137		-	18,040		18,040
Other government grants	14	-		46,579	-			46,579		89,911	2,170		92,081
Sundry income	15	-		37,275	5,118			42,393		32,883	5,476		38,359
Total incoming resources													
		-		6,421,678	428,852			6,850,530		5,583,306	429,307		6,012,613
Less: Total expenditure (Page 9)													
		-		(4,510,632)	(278,290)			(4,788,922)		(4,301,125)	(275,566)		(4,576,691)
Net surplus													
		-		1,911,046	150,562			2,061,608		1,282,181	153,741		1,435,922
(Deficit)/Surplus in other restricted funds													
Deferred capital donations/grants	8	-		-	-			(448,944)		-	-		(468,008)
Deferred capital grant - CST	8	-		-	-			(18,654)		-	-		142,100
Friends of Dixie Tan fund	8	-		-	-			-		-	-		622
Community silver trust	8	-		-	-			(6,841)		-	-		(244,875)
Net deficit in other restricted funds													
		-		-	-			(474,439)		-	-		(570,161)
Net surplus for the year													
		-		1,911,046	150,562			1,587,169		1,282,181	153,741		865,761

The notes set out on pages 12 to 34 form an integral part of and should be read in conjunction with this set of financial statements.

BISHAN HOME FOR THE INTELLECTUALLY DISABLED
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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the financial year ended 31 March 2024

	Note	Unrestricted Funds		Restricted Funds			
				2024		2023	
		S\$	S\$	Residential Home	Day Activity Centre	Total	S\$
Charitable activities expenses							
Activities and outings	-	-	66,044	190	-	66,234	11,160
Food and marketing	-	-	254,288	8,284	8,995	262,572	247,962
Information technology	-	-	4,342	42	42	4,384	6,079
Miscellaneous expenses	-	-	1,006	355	281	1,361	1,459
Nursing supplies and medical services	-	-	58,910	1,753	2,209	60,663	72,846
Staff costs	17	-	2,272,437	154,840	153,666	2,427,277	2,398,041
Transportation	-	-	9,174	16,025	17,464	25,199	29,722
Total charitable activities expenses		-	2,666,201	181,489	182,657	2,847,690	2,767,269
Governance costs							
Auditors' remuneration	-	-	11,264	1,875	1,858	13,139	10,887
Depreciation of property, plant and equipment	-	-	615,229	-	-	615,229	613,370
General maintenance	-	-	88,487	9,832	10,081	98,319	100,805
Herbs & spice garden expenses	-	-	116	-	-	116	315
Insurance	-	-	46,722	2,336	2,765	49,058	40,544
Other professional fees	-	-	75,816	-	-	75,816	71,460
Property maintenance	-	-	5,328	592	741	5,920	7,406
Staff costs	17	-	625,005	69,445	59,148	694,450	638,915
Telecommunication	-	-	7,668	849	616	8,517	8,265
Utilities	-	-	247,730	-	-	247,730	174,640
Total governance costs		-	1,723,365	84,929	75,209	1,808,294	1,666,607
Balance carried forward		-	4,389,566	266,418	257,866	4,655,984	4,433,876

The notes set out on pages 12 to 34 form an integral part of and should be read in conjunction with this set of financial statements.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the financial year ended 31 March 2024

Finance expenses
Interest expense on lease liabilities

Total expenditure (Page 7)

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BISHAN HOME FOR THE INTELLECTUALLY DISABLED
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STATEMENT OF CHANGES IN FUNDS

For the year ended 31 March 2024

	Unrestricted Funds	<-----Restricted Funds----->				
		<-----General Funds----->				
	Accumulated General Fund S\$	Residential Home S\$	Day Activity Centre S\$	Total General Fund S\$	Others Restricted funds S\$	Total Restricted Funds S\$
Balance as at 01.04.2022	237,174	11,193,970	705,828	11,899,798	3,785,302	15,685,100
Net surplus/(deficit) for the year	-	1,282,181	153,741	1,435,922	(570,161)	865,761
Balance as at 31.03.2023/01.04.2023	237,174	12,476,151	859,569	13,335,720	3,215,141	16,550,861
Net surplus/(deficit) for the year	-	1,911,046	150,562	2,061,608	(474,439)	1,587,169
Balance as at 31.03.2024	237,174	14,387,197	1,010,131	15,397,328	2,740,702	18,138,030
					(Note 8)	(Note 8)
						18,375,204

The notes set out on pages 12 to 34 form an integral part of and should be read in conjunction with this set of financial statements.

BISHAN HOME FOR THE INTELLECTUALLY DISABLED
(UEN: T07SS0102D)

STATEMENT OF CASH FLOWS
For the year ended 31 March 2024

	Note	2024 S\$	2023 S\$
Cash flows from operating activities			
Surplus for the year		1,587,169	865,761
Adjustments for:-			
Allowance for expected credit losses		10,000	15,396
Allowance for expected credit losses written back		-	(6,913)
Depreciation of property, plant and equipment		615,229	613,370
Depreciation of right-of-use assets		53,680	74,502
Loss on modification of lease		4,458	802
Property, plant and equipment written-off		-	400
Interest expenses		6,889	4,923
Interest income		(422,198)	(38,213)
Operating surplus before working fund changes		1,855,227	1,530,028
Changes in working fund:-			
Other receivables		115,850	154,115
Other payables		137,111	(186,741)
Net cash generated from operating activities		2,108,188	1,497,402
Cash flows from investing activities			
Purchase of property, plant and equipment		(102,943)	(117,287)
Increase in pledged deposits		(30)	(10,000)
Increase in long-term fixed deposits		(2,231,127)	(1,535,596)
Interest received		231,281	38,213
Net cash used in investing activities		(2,102,819)	(1,624,670)
Cash flows from financing activity			
Payment of lease liabilities and lease interest		(48,800)	(77,400)
Net cash used in financing activity		(48,800)	(77,400)
Net decrease in cash and cash equivalents		(43,431)	(204,668)
Cash and cash equivalents at beginning of year		1,775,337	1,980,005
Cash and cash equivalents at end of year	7	1,731,906	1,775,337

The notes set out on pages 12 to 34 form an integral part of and should be read in conjunction with this set of financial statements.

**BISHAN HOME FOR THE INTELLECTUALLY DISABLED
(UEN: T07SS0102D)**

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2024

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 under the Societies Act 1966 and Charities Act 1994. The Home has been registered as a charity under the Charities Act 1994, with effect since 1 August 2007. The Home has been granted the Institution of a Public Character (IPC) status until 28 February 2027.

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 operations 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\$), which is the Home’s functional currency.

2. MATERIAL ACCOUNTING POLICY INFORMATION

a) Basis of Preparation

The financial statements 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 Singapore Financial Reporting Standards (“FRS”). They are in compliance with the provision of the Societies Act 1966 and the Charities Act 1994.

In the current financial year, the Home has adopted all the new and amended 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 2023. The adoptions of these new/amended FRSs and INT FRSs have no material effect on the financial statements.

The financial statements have been prepared on the basis that it will continued to operate a going concern basis.

b) Significant Accounting Estimates and Judgements

Estimates and 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 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (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 and right-of-use assets

As described in Note 2(d), the Home reviews the estimated useful lives of property, plant and equipment and right-of-use assets 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 and right-of-use asset. 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 amounts of property, plant and equipment and right-of-use assets at the end of the reporting period are disclosed in Note 3 and Note 4 respectively to the financial statements.

Impairment of property, plant and equipment and right-of-use assets

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

Allowance for expected credit losses on financial assets at amortised costs

The Home assesses the expected credit losses associated with its financial assets carried at amortised cost on a forward looking basis. The methodology applied depends on whether there had been a significant increase in credit risk. The Home considers significant increase in credit risk as a material deterioration on the counterparty's rating and the counterparty is unlikely to pay its obligations to the Home in full.

The assessment of the correlation between historical observed default rates, forecast economic conditions and expected credit losses (ECLs) is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Home's historical credit loss experience and forecast of economic conditions may also not be representative of actual default in the future.

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

c) 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
Computers	3 years
Equipment	5 years
Furniture and fittings	5 – 10 years
Renovation	10 years
Herbs and spice garden	5 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 profit or loss in the year the asset is derecognised.

d) Cash and Cash Equivalents

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

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.

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

e) Impairment of Non-Financial Assets (Continued)

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal 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.

Impairment losses are recognised in profit or loss.

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 profit or loss.

f) Financial Instruments

i) 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.

At initial recognition, the Home measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Programme fee and other receivables are measured at the amount of consideration to which the Home expects to be entitled in exchange for transferring promised goods and services to a customer, excluding amount collected on behalf of third party, if the receivables do not contain a significant financing component at initial recognition.

Subsequent measurement

Subsequent measurement of debt instrument depends on the financial asset's contractual cash flow characteristics and the Home's operation model for managing them. The Home only has debt instruments at amortised cost.

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

f) Financial Instruments (Continued)

i) Financial Assets (Continued)

Subsequent measurement (Continued)

Amortised cost

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains or losses are recognised in profit or loss when the assets are derecognised or impaired, and through the amortisation process.

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 profit or loss.

ii) Financial Liabilities

Initial recognition and measurement

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 in the case of financial liabilities not at FVPL, 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 profit or loss when the liabilities are derecognised, and through the amortisation process.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

g) Impairment of Financial Assets

The Home recognises an allowance for expected credit losses (ECL) for all debt instruments and financial guarantee contracts not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Home expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held of other credit enhancement that are integral to the contractual term.

Financial assets carried at amortised cost

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-months ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For programme fee and other receivables, the Home applies a simplified approach in calculating ECLs. Therefore, the Home does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at the end of each reporting period. The Home has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Home considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Home may also consider a financial asset to be in default when internal or external information indicates that the Home is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Home. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

h) Funds

The Home maintains both unrestricted and restricted funds.

Unrestricted funds are expendable at the discretion of the directors in furtherance of the Home's objects. If part of an unrestricted fund is earmarked for a particular object it may be designated as a separate fund. While the designation has an administrative purpose, it does not legally restrict the directors's discretion to apply the funds.

Restricted funds are subject to specific trust, which may be declared by the donor(s) or with their authority (e.g. in a public appeal) or created through legal process, but still maintain the wider objects of the Home.

BISHAN HOME FOR THE INTELLECTUALLY DISABLED
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NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

i) Revenue Recognition

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

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

Revenue is recognised on the following basis:-

- (i) Income from programme fee which include the programme provided to residents, net of government subsidy, is recognised over time upon rendering of services.
- (ii) Donations are recognised when monies are received, except for committed donations that are recorded when there is certainty over the amount committed by the donors and over the timing of the receipt of the donations.
- (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 income is recognised using the effective interest method.

j) Government Grant

Grants for the purchase of depreciable assets are taken to the deferred capital grant account at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. The deferred capital grant is recognised in profit or loss over the period necessary to match the depreciation of the assets purchased with the related grant. Grants for operating expenses are recognised in profit or loss over the period necessary to match them on a systematic basis to the costs that it was intended to compensate.

k) 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 members of the Board of Directors, Head of Home/Chief Executive Officer, matron and accountant are considered as key management personnel.

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

l) 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.

m) 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.

n) 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.

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

o) Leases- As Lessee

The Home assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

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

Right-of-use assets

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

If ownership of the leased asset transfers to the Home at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in Note 2(d).

Lease liabilities

At the commencement date of the lease, the Home recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Home and payments of penalties for terminating the lease, if the lease term reflects the Home exercising the option for terminating the lease, if the lease term reflects the Home exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

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NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2024

3. PROPERTY, PLANT AND EQUIPMENT

	<u>Leasehold property</u> S\$	<u>Motor vehicles</u> S\$	<u>Computers</u> S\$	<u>Equipment</u> S\$	<u>Furniture and fittings</u> S\$	<u>Renovation</u> S\$	<u>Herbs and spice garden</u> S\$	<u>Total</u> S\$
<u>Cost</u>								
At 01.04.2022	8,220,293	201,622	176,873	950,155	410,965	2,948,784	44,783	12,953,475
Additions	-	-	201,433	45,394	5,476	4,920	-	257,223
Disposal	-	-	-	(3,209)	-	-	-	(3,209)
At 31.03.2023/01.04.2023	8,220,293	201,622	378,306	992,340	416,441	2,953,704	44,783	13,207,489
Additions	-	-	4,158	98,785	-	-	-	102,943
At 31.03.2024	8,220,293	201,622	382,464	1,091,125	416,441	2,953,704	44,783	13,310,432
<u>Accumulated Depreciation</u>								
At 01.04.2022	6,687,010	114,817	159,817	732,284	395,891	1,992,436	44,783	10,127,038
Charge for the year	274,010	15,927	74,767	66,489	5,774	176,403	-	613,370
Disposal	-	-	-	(2,809)	-	-	-	(2,809)
At 31.03.2023/01.04.2023	6,961,020	130,744	234,584	795,964	401,665	2,168,839	44,783	10,737,599
Charge for the year	274,010	15,080	75,392	75,479	4,779	170,489	-	615,229
At 31.03.2024	7,235,030	145,824	309,976	871,443	406,444	2,339,328	44,783	11,352,828
<u>Net Carrying Value</u>								
At 31.03.2024	985,263	55,798	72,488	219,682	9,997	614,376	-	1,957,604
At 31.03.2023	1,259,273	70,878	143,722	196,376	14,776	784,865	-	2,469,890

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NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2024

4. RIGHT-OF-USE ASSETS

	Blk 177 - Apartment flat S\$	Blk 168 - Apartment flat S\$	Total S\$
Cost			
At 01.04.2022	93,970	100,680	194,650
Lease modification	9,000	-	9,000
At 31.03.2023/01.04.2023	102,970	100,680	203,650
Lease modification	-	95,921	95,921
Expiry of lease	(102,970)	-	(102,970)
At 31.03.2024	-	196,601	196,601
Accumulated Depreciation			
At 01.04.2022	57,426	15,662	73,088
Depreciation charge for the year	39,824	34,678	74,502
At 31.03.2023/01.04.2023	97,250	50,340	147,590
Depreciation charge for the year	5,720	47,960	53,680
Expiry of lease	(102,970)	-	(102,970)
At 31.03.2024	-	98,300	98,300
Net Carrying Value			
At 31.03.2024	-	98,301	98,301
At 31.03.2023	5,720	50,340	56,060

The lease of apartments is for the staff accommodation.

During the year, the Home has modified its existing leasehold apartment contract with an increase in the monthly lease payment.

5. PROGRAMME FEES IN ARREARS

	2024 S\$	2023 S\$
Programme fees in arrears	96,193	87,487
Less: Allowance for expected credit losses	(92,019)	(82,019)
	<u>4,174</u>	<u>5,468</u>

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NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2024

5. PROGRAMME FEES IN ARREARS (Continued)

	2024 S\$	2023 S\$
<u>Movements of allowance for expected credit losses</u>		
Balance at beginning of year	82,019	80,204
Additional allowance	10,000	15,396
Write-back during the year	-	(6,913)
Written off during the year	-	(6,668)
Balance at end of year	<u>92,019</u>	<u>82,019</u>

Programme fees receivables are generally on a 30 (2023: 30) days credit term. They are billed on a monthly basis and recognised at their original invoiced amounts which represent their fair value on initial recognition.

The Home does not charge any interest, unless otherwise stated. Programme fees in arrears include an amount of S\$1,989 (2023: S\$3,453) 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:-

	Gross 2024 S\$	Allowance for credit losses 2024 S\$	Gross 2023 S\$	Allowance for credit losses 2023 S\$
Not past due	6,380	(4,195)	6,210	(4,195)
Past due: -				
- 1 to 30 days	4,320	(3,811)	4,085	(3,811)
- 31 to 60 days	3,005	(2,970)	3,290	(2,970)
- Over 60 days	82,488	(81,043)	73,902	(71,043)
	<u>89,813</u>	<u>(87,824)</u>	<u>81,277</u>	<u>(77,824)</u>
	<u>96,193</u>	<u>(92,019)</u>	<u>87,487</u>	<u>(82,019)</u>

6. GOVERNMENT GRANT RECEIVABLES / PAYABLES

	2024 S\$	2023 S\$
Government grant receivables:-		
- Community Silver Trust Matching grant	-	166,382
- Ministry of Social and Family Development	<u>65,238</u>	<u>71,200</u>
	<u>65,238</u>	<u>237,582</u>
Government grant payable:-		
- Ministry of Social and Family Development	<u>49,759</u>	<u>-</u>

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NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2024

7. CASH AND CASH EQUIVALENTS

	2024 S\$	2023 S\$
Cash in hand	4,500	4,500
Cash at bank	1,727,406	1,770,837
Fixed deposits	<u>14,998,165</u>	<u>12,767,008</u>
Cash and bank balances	16,730,071	14,542,345
Less: Fixed deposits pledged	(10,030)	(10,000)
Less: Fixed deposits with maturity more than 3 months, at the end of the reporting period	<u>(14,988,135)</u>	<u>(12,757,008)</u>
Cash and cash equivalents as disclosed in the statement of cash flows	<u>1,731,906</u>	<u>1,775,337</u>

The fixed deposits are placed with reputable financial institutions for 12 months (2023: 12 months) depending on the immediate cash requirement of the Home and earn interest at rates ranging from 0.30% to 3.35% (2023: 0.30% to 2.74%) per annum.

8. TOTAL FUNDS

	As at 1 April 2023 S\$	Reclassification S\$	Receipts/ Income S\$	(Expenses)/ (Utilisation)/ (Refund) S\$	Net movements S\$	As at 31 March 2024 S\$
<u>Unrestricted funds</u>						
Accumulated general fund	<u>237,174</u>	-	-	-	-	<u>237,174</u>
<u>Restricted funds</u>						
Accumulated general fund	13,335,720	-	6,850,530	(4,788,922)	2,061,608	15,397,328
Sinking fund	400,000	-	-	-	-	400,000
Deferred capital donation	2,174,455	-	18,095	(467,039)	(448,944)	1,725,511
Deferred capital grant- CST	162,300	59,100	-	(77,754)	(18,654)	143,646
Friends of Dixie Tan fund	299,446	-	-	-	-	299,446
Community Silver Trust	<u>178,940</u>	<u>(59,100)</u>	<u>119,197</u>	<u>(66,938)</u>	<u>(6,841)</u>	<u>172,099</u>
	<u>16,550,861</u>	-	<u>6,987,821</u>	<u>(5,400,653)</u>	<u>1,587,169</u>	<u>18,138,030</u>
Total funds	<u>16,788,035</u>	-	<u>6,987,821</u>	<u>(5,400,653)</u>	<u>1,587,169</u>	<u>18,375,204</u>

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NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2024

8. TOTAL FUNDS (Continued)

	As at 1 April 2022 S\$	Reclassification S\$	Receipts/ Income S\$	(Expenses)/ (Utilisation)/ (Refund) S\$	Net movements S\$	As at 31 March 2023 S\$
<u>Unrestricted funds</u>						
Accumulated general fund	237,174	-	-	-	-	237,174
<u>Restricted funds</u>						
Accumulated general fund	11,899,798	-	6,012,613	(4,576,691)	1,435,922	13,335,720
Sinking fund	400,000	-	-	-	-	400,000
Deferred capital donation	2,642,463	-	-	(468,008)	(468,008)	2,174,455
Deferred capital grant- CST	20,200	218,233	-	(76,133)	142,100	162,300
Friends of Dixie Tan fund	298,824	-	622	-	622	299,446
Community Silver Trust	423,815	(218,233)	166,383	(193,025)	(244,875)	178,940
	15,685,100	-	6,179,618	(5,313,857)	865,761	16,550,861
Total funds	15,922,274	-	6,179,618	(5,313,857)	865,761	16,788,035

Restricted Funds

a) Sinking Fund

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

b) Deferred Capital Donation

Deferred capital donation was set up for the purpose of funding the Home's leasehold property and equipment through donations received from donors who have specified the purposes of donations. The amount utilised for the financing of leasehold property and equipment are transferred to deferred capital donation and amortised over the useful lives of the related assets to match the relevant depreciation of these assets.

Depreciation of leasehold property and equipment is accounted for when the assets are available for use. Total depreciation of S\$467,039 (2023: S\$468,008) has been charged to profit or loss to match the relevant amount of amortisation released from the deferred capital donation account during the year.

c) Friends of Dixie Tan Fund

The Friends of Dixie Tan Fund was set up by a group of donors in memory of Dr Dixie Tan (resident's late parent and former member of parliament) to help pay the bills for the needy beneficiaries of the Home. It was intended to generate returns from the principal donated amount so as to increase the sustainability of the fund. The fund amount has been transferred to fixed deposit with a licensed bank in the previous financial year.

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NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2024

8. TOTAL FUNDS (Continued)

d) Community Silver Trust Fund

The Community Silver Trust Fund was set up by the government to enhance and expand the services of Social Service Organisations (“SSO’s”) in the intermediate and long-term care sectors. This fund is a dollar-for-dollar donation matching grant from the government to increase the capacity and capabilities of the Home by adding approved equipment, innovative projects and programmes. With effect since financial year 2014, eligible SSO’s are allowed to utilise the CST matching grants for recurrent operating expenses, subject to a threshold that to be determined based on a maximum 40% of eligible donations received in the preceding financial year. The amount received will be amortised to profit or loss in the year as the related expenditure is incurred.

	2024 S\$	2023 S\$
Balance at beginning of year	178,940	423,815
Add: Matching grant receivable	119,197	166,383
	<u>298,137</u>	<u>590,198</u>
Less: Utilised during the year		
Operating expenditure	(66,938)	(124,253)
Utilisation of CST Funds for fixed assets	(59,100)	(218,233)
Matching donations	-	(66,553)
Refund of expired project	-	(2,219)
	<u>(126,038)</u>	<u>(411,258)</u>
Balance at end of year	<u>172,099</u>	<u>178,940</u>

9. LEASE LIABILITIES

The Home as a lessee

The Home has several lease contracts for the rental of apartment flats. The Home’s obligations under these leases are secured by the lessor’s title to the leased assets. The Home is restricted from assigning and subleasing its leased assets. The lease contracts contain options of extension of the lease term.

The Home also has leases of office premises and other events venue with lease terms of 12 months or less and, leases with low value assets. The Home applies the “short-term lease” and “lease of low-value assets” recognition exemptions of these leases.

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NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2024

9. LEASE LIABILITIES (Continued)

The Home as a lessee (Continued)

a) Lease liabilities

The carrying amount of lease liabilities and the movements for both of the reporting periods are as below:-

	1 April 2023	Modification of lease	<--- Non-cash changes --->			31 March 2024
	S\$	S\$	Cash flows S\$	Accretion of interest S\$	Reclassification S\$	S\$
Lease liabilities:-						
- Current	42,171	2,139	(48,800)	6,889	45,631	48,030
- Non-current	17,747	98,240	-	-	(45,631)	70,356
	<u>59,918</u>	<u>100,379</u>	<u>(48,800)</u>	<u>6,889</u>	<u>-</u>	<u>118,386</u>

	1 April 2022	Modification of lease	<--- Non-cash changes --->			31 March 2023
	S\$	S\$	Cash flows S\$	Accretion of interest S\$	Reclassification S\$	S\$
Lease liabilities:-						
- Current	65,056	9,802	(77,400)	4,923	39,790	42,171
- Non-current	57,537	-	-	-	(39,790)	17,747
	<u>122,593</u>	<u>9,802</u>	<u>(77,400)</u>	<u>4,923</u>	<u>-</u>	<u>59,918</u>

(b) Lease expenses recognised in profit or loss

	2024 S\$	2023 S\$
Depreciation of right-of-use asset	53,680	74,502
Interest expense on lease liabilities	<u>6,889</u>	<u>4,923</u>
	60,569	79,425
<u>Add: Lease expenses not capitalised in lease liabilities</u>		
Expenses relating to short-term leases	-	9,271
Expenses relating to low-value assets	<u>6,696</u>	<u>-</u>
	6,696	9,271
Total lease expenses recognised in profit or loss	<u>67,265</u>	<u>88,696</u>

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NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2024

9. LEASE LIABILITIES (Continued)

The Home as a lessee (Continued)

(c) Total cash outflows

The Home had total cash outflows for leases of S\$57,896 (2023: S\$86,671) for the reporting period.

(d) During the year, there is a lease modification as a result of an increase in monthly lease payment.

(e) The Home has included the extension option in the lease term as it is reasonably certain that the lease shall be extended continuously to support the Home's operations.

10. OTHER PAYABLES

	2024 S\$	2023 S\$
Cash held for residents	82,484	82,025
Medical expenses		
- Advances from residents	111,178	88,240
- Donation received from Life Bible - Presbyterian Church	28,001	28,021
Donation received from Singapore Polytechnic for the purchase of materials to be used by volunteers	6,559	6,559
Sundry creditors	84,974	41,639
	<u>313,196</u>	<u>246,484</u>

11. DEPOSITS RECEIVED

Residents' programme fee	68,914	66,450
Day activity centre - Clients' programme fee	13,260	14,720
	<u>82,174</u>	<u>81,170</u>

12. DONATIONS RECEIVED

Tax exempt donations	131,254	91,161
Non-tax exempt donations	34,787	28,036
	<u>166,041</u>	<u>119,197</u>

All donations have been collected at the reporting date.

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NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2024

13. INTEREST INCOME

	2024	2023
	S\$	S\$
Bank interest	124	124
Fixed deposits	422,074	38,089
	<u>422,198</u>	<u>38,213</u>

Included in the fixed deposit income was the accrued interest receivable amounting to S\$190,917 recognised during the year.

14. OTHER GOVERNMENT GRANTS

	2024	2023
	S\$	S\$
CPF transition offset (CTO)	2,255	2,319
Enabling employment credit	3,882	3,891
Jobs growth incentives	-	12,310
Progressive wage scheme payout (PWCS)	34,286	30,507
Senior employment credit (SEC)	6,156	6,674
SG Enable CTC award bonus	-	36,380
	<u>46,579</u>	<u>92,081</u>

15. SUNDRY INCOME

Bad debt recovery	5,118	-
Nurse escort fee	6,234	5,035
Other service fee	25,440	26,165
Other income	5,601	7,159
	<u>42,393</u>	<u>38,359</u>

16. TAXATION

The Home is registered as a charity under the Singapore Charities Act and is exempted from income tax under the provisions of the Singapore Income Tax Act 1947. No provision for taxation has been made in the Home's financial statements.

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NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2024

17. STAFF COSTS

	2024	2023
	S\$	S\$
<u>Charitable expenses</u>		
Salaries and wages	1,617,370	1,536,889
Bonuses	158,896	240,194
CPF contribution	123,177	115,156
Foreign worker levy	441,937	430,509
Recruitment fee	12,762	12,814
Training fee	7,409	6,877
Staff welfare	55,321	33,685
Uniform	373	6,303
Accommodation	10,032	15,614
	<u>2,427,277</u>	<u>2,398,041</u>
<u>Governance cost</u>		
Salaries and wages	536,001	463,114
Bonuses	71,725	98,573
CPF contribution	86,724	77,228
	<u>694,450</u>	<u>638,915</u>
Total staff costs	<u>3,121,727</u>	<u>3,036,956</u>

18. ANNUAL REMUNERATION OF KEY MANAGEMENT PERSONNEL

	2024	2023
	S\$	S\$
Key management personnel compensation:-		
- Salaries and bonuses	404,880	363,606
- CPF contribution	42,313	32,699
	<u>447,193</u>	<u>396,305</u>

Key management personnel (comprises Head of Home/Chief Executive Officer, matron and accountant) compensation for the year are included in staff costs (Note 17).

Number of key management personnel in remuneration bands: -

	<u>Total number of management staff</u>	
	2024	2023
- Above S\$150,000 to S\$200,000	-	1
- Above S\$100,000 to S\$150,000	2	2
- Above S\$50,000 to S\$100,000	2	-
- Below S\$50K	1	-

No compensation was made to any member of the Board of Directors of the Home for both the reporting periods, as their appointments are honorary.

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2024

19. 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 necessary.

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 fixed interest rates. 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.

Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Home. These arise principally from cash balances with banks, receivables and other financial assets. The maximum exposure to credit risk is the total of the fair value of the financial assets carried in the statement of financial position at the end of the reporting period.

Credit risk on cash balances with banks is limited as they are placed with reputable financial institutions licensed by the Monetary Authority of Singapore.

Financial assets measured at amortised cost are subject to the expected credit loss model under FRS109. Other than the impaired credit losses, the default risks are considered low and the expected credit losses, if any, are 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.

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NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2024

20. FINANCIAL RISK MANAGEMENT AND OBJECTIVES (Continued)

Liquidity Risk (Continued)

The table below summarises the maturity profile of the Home's financial liabilities at the end of the reporting period based on contractual undiscounted payments, including interest payments and excluding the impact of netting agreements:-

	Carrying Amount S\$	Total Contractual Undiscounted Cash flow S\$	1 year or less S\$	Above 1 year but not more than 5 years S\$
<u>2024</u>				
Other payables and accruals	494,814	494,814	494,814	-
Deposit received	82,174	82,174	82,174	-
Government grant payables	49,759	49,759	49,759	-
Lease liabilities	118,386	126,000	50,400	75,600
	<u>745,133</u>	<u>752,747</u>	<u>677,147</u>	<u>75,600</u>
<u>2023</u>				
Other payables and accruals	412,316	412,316	412,316	-
Deposit received	81,170	81,170	81,170	-
Lease liabilities	59,918	62,000	44,000	18,000
	<u>553,404</u>	<u>555,486</u>	<u>537,486</u>	<u>18,000</u>

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. CAPITAL MANAGEMENT AND POLICIES

The Home closely monitoring the amount of its reserve to ensure it is sufficient to support programmes and other charitable activities on an on-going basis. The Management constantly assesses its reserve adequately and explores ways to maximise existing resources.

The provision of reserves fund is to ensure the sustainability of the Home's programmes and continuity of services to its beneficiaries in the situation of contingency may it incurs operating deficit in future.

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NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2024

22. CAPITAL MANAGEMENT AND POLICIES (Continued)

The management uses total accumulated general fund to finance its activities, however excluded other restricted and designated funds as they are specifically funded. The Home's reserve ratio, which is calculated using accumulated general funds over the total annual operating expenditure at the end of the reporting period is shown below:-

	2024 S\$	2023 S\$
Accumulated general fund	<u>15,634,502</u>	<u>13,572,894</u>
Annual operating expenditure	<u>4,788,922</u>	<u>4,576,691</u>
Reserve Ratio	<u>3.26 : 1</u>	<u>2.97 : 1</u>

The Home's policy is aim to build its reserves to at least one time 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. Based on the recent trend, the collection of the resident programme fee is expected to increase within the next few years as the Home is currently operating at virtually full resident capacity and shows improvement in collecting programme fees despite of 98% (2023: 98%) of the Home's residents are aged 40 years and above. Nonetheless, the incoming resources increased during the year due to the increase of government subvention grant as the SG Enable had adjusted and enhanced the subvention level based on the implementation of the Tier – Funding model.

The Board reviews the amount of reserves annually that are required to ensure that they are adequately to fulfill the Home's continuing obligations.

Drawdown on reserves is strictly subject to the approval by the Board of Directors.

The Home reduced its reserve target from three times over total annual operating expenditure than one time as the majority of its funds are restricted to specific programs; unrestricted reserves are only derived from donations given for general use.

Conflict of interest policy

All Board members 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 upon appointment or election of the Board members. When a conflict of interest situation arises, the members will need to declare their potential and real conflict of interests.

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NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2024

23. 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:-

	2024 S\$	2023 S\$
<u>Financial Assets</u>		
At amortised cost:-		
Programme fees in arrears	4,174	5,468
Other receivables and deposits	64,846	19,736
Accrued interest receivable	190,917	-
Government grant receivables	65,238	237,582
Cash and bank balances	16,730,071	14,542,345
Total financial assets	17,055,246	14,805,131
<u>Financial Liabilities</u>		
At amortised cost: -		
Accruals and other payables	494,814	412,316
Deposits received	82,174	81,170
Government grant payables	49,759	-
Lease liabilities	118,386	59,918
Total financial liabilities	745,133	553,404

24. NEW OR AMENDED 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 2024. The Home does not expect that adoptions of these accounting standards or interpretations will have a material impact on the Home's financial statements.

25. AUTHORISATION OF FINANCIAL STATEMENTS

The Board of Directors of the Home approved and authorised these financial statements.