

**SOCIETY OF SHENG HONG
WELFARE SERVICES**

UEN No. T00SS0066C
(Registered in the Republic of Singapore)

For The Year Ended 31 March 2023

Index to the Financial Statements

	Page
General Information	1
Statement by the Management Committee	3
Honorary Auditors' Report to the Management Committee	4
Independent Auditors' Report to the Members	5
Statement of Financial Position	8
Statement of Financial Activities	9
Statement of Cash Flows	10
Notes to the Financial Statements	11

SOCIETY OF SHENG HONG WELFARE SERVICES

(UEN No: T00SS0066C)

(Registered in the Republic of Singapore)

General Information

Management Committee

<i>Name</i>	<i>Date of appointment</i>	<i>Position Held</i>
Long Say Keng Adrian	11.09.2021	President
Soon Cheok Kah	28.06.2022	1 st Vice President
Goh Geok Choo	28.06.2022	Vice President
Ong Aii Ley	28.06.2022	Vice President
Tan Thiam Lye, BBM (L)	11.09.2021	Honorary Secretary
Tan Ee Tiong, BBM	11.09.2021	Assistant Secretary
Tan Eng Wat	11.09.2021	Treasurer
Davy Teng Swee Lim	11.09.2021	Assistant Treasurer
Ong Kuan, BBM	11.09.2021	Ordinary Member
Lim Tiam Teng Raymond, PBM	11.09.2021	Ordinary Member
Soong Kok Chee	11.09.2021	Ordinary Member
Ang Meng Joo	11.09.2021	Ordinary Member
Benjamin Tan Xianda	11.09.2021	Ordinary Member
Siew Kian Nam	11.09.2021	Ordinary Member
Tan Chee Wee Aaron	31.08.2021	Honorary Auditor
Ang Kok Seng	31.08.2021	Honorary Auditor

Finance And Audit Committee

<i>Name</i>	<i>Date of appointment</i>	<i>Position Held</i>
Gan Leong Hin	01.11.2022	Chairman
Tan Tin Wee	01.11.2022	Member
Tony Hong Kian Chua	01.11.2022	Member
Long Say Keng Adrian	01.11.2022	Member
Davy Teng Swee Lim	01.11.2022	Member
Ang Meng Joo	01.11.2022	Member

Trustees

<i>Name</i>	<i>Date of appointment</i>
Ling Kin Huat, BBM	18.08.2011
Tan Thiam Lye, BBM (L)	18.08.2011
Soon Cheok Kah	14.02.2021

Charity Status

Charity Registration No. : 1437
Charity Registration Date : 9 May 2000

IPC Status

UEN No. : T00SS0066C
IPC Period : 1 January 2022 to 31 December 2023
Central Fund : A member of NCSS

SOCIETY OF SHENG HONG WELFARE SERVICES

(UEN No: T00SS0066C)

(Registered in the Republic of Singapore)

General Information (continued)

Registered Office

15 Arumugam Road

Singapore 409960

Bankers

DBS Bank Ltd

Oversea-Chinese Banking Corporation Limited

Maybank Singapore Limited

Hong Leong Finance Limited

Bank of China Limited

Auditors

TGS C&T Partners PAC

Public Accountants and Chartered Accountants

Statement by the Management Committee

We, Long Say Keng Adrian, Tan Thiam Lye and Tan Eng Wat, being the President, Honorary Secretary and Treasurer of Society Of Sheng Hong Welfare Services (the Society), respectively, do hereby state that, in the opinion of the Management Committee, the accompanying statement of financial position, statement of financial activities and statement of cash flows together with the notes thereto are properly drawn up in accordance with the Singapore Societies Act 1966, the Charities Act 1994 and other relevant regulations (the Charities Act and Regulations), and Charities Accounting Standards in Singapore (CASs) so as to present fairly, in all material respects, the financial position of the Society as at 31 March 2023, and of the results, changes in accumulated funds and cash flows of the Society for the reporting year ended on that date.

The Management Committee on the date of this statement authorised these financial statements for issue.

On Behalf of the Management Committee



Long Say Keng Adrian
President



Tan Thiam Lye, BBM(L)
Honorary Secretary



Tan Eng Wat
Treasurer

20 July 2023

SOCIETY OF SHENG HONG WELFARE SERVICES

(UEN No: T00SS0066C)

(Registered in the Republic of Singapore)

Honorary Auditors' Report to the Management Committee

We, being the honorary auditors elected at the Annual General Meeting of Society Of Sheng Hong Welfare Services, do hereby state that in our opinion, the accompanying statement of financial position, statement of financial activities and statement of cash flows together with the notes thereto are properly drawn up in accordance with the Singapore Societies Act 1966, the Charities Act 1994, and other relevant regulations (the Charities Act and Regulations), and Charities Accounting Standards in Singapore (CASs) so as to present fairly, in all material respects, the financial position of the Society as at 31 March 2023, and of the results, changes in accumulated funds and cash flows of the Society for the reporting year ended on that date.



Tan Chee Wee Aaron
Honorary Auditor



Ang Kok Seng
Honorary Auditor

20 July 2023

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
SOCIETY OF SHENG HONG WELFARE SERVICES**
(Registered in the Republic of Singapore)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Society Of Sheng Hong Welfare Services (the Society), which comprise the statement of financial position of the Society as at 31 March 2023, and the statement of financial activities and statement of cash flows of the Society for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Singapore Societies Act 1966 (the Societies Act), the Charities Act 1994 and other relevant regulations (the Charities Act and Regulations) and Charities Accounting Standards in Singapore (CASSs) so as to present fairly, in all material respects, the financial position of the Society as at 31 March 2023 and of the results, changes in accumulated funds and cash flows of the Society 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 Society 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

The Management Committee is responsible for the other information. The other information comprises the General Information and the Statement by Management Committee set out on pages 1 to 3.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
SOCIETY OF SHENG HONG WELFARE SERVICES**
(Registered in the Republic of Singapore)

Responsibilities of Management Committee for the Financial Statements

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

In preparing the financial statements, the Management Committee is responsible for assessing the Society'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 the Management Committee either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

The Management Committee's responsibilities include overseeing the Society'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 Society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management Committee.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
SOCIETY OF SHENG HONG WELFARE SERVICES**
(Registered in the Republic of Singapore)

- Conclude on the appropriateness of the Management Committee'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 Society'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 Society 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 the Management Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required to be kept by the Society 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 year:

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

A handwritten signature in black ink that reads 'TGS C&T Partners' followed by a stylized signature.

TGS C&T PARTNERS PAC
Public Accountants and Chartered Accountants

Singapore, 20 July 2023

SOCIETY OF SHENG HONG WELFARE SERVICES

(Registered in the Republic of Singapore)

Statement of Financial Position for the financial year ended 31 March 2023

	Notes	2023 \$	2022 \$
ASSETS			
Non-Current Asset			
Property, plant and equipment	3	2,573,394	2,973,254
Current Assets			
Other receivables	4	241,360	357,170
Cash and cash equivalents	5	6,829,331	6,376,231
		7,070,691	6,733,401
Total assets		<u>9,644,085</u>	<u>9,706,655</u>
FUND AND LIABILITIES			
Funds			
Restricted fund	6	6,633,230	6,674,952
Unrestricted fund	6	2,371,856	2,351,674
		9,005,086	9,026,626
Current Liabilities			
Other payables	7	601,196	637,053
Special funds	8	37,803	42,976
		638,999	680,029
Total funds and liabilities		<u>9,644,085</u>	<u>9,706,655</u>

The annexed notes to the financial statements form an integral part of these financial statements.

SOCIETY OF SHENG HONG WELFARE SERVICES

(Registered in the Republic of Singapore)

Statement of Financial Activities for the financial year ended 31 March 2023

	Notes	Unrestricted Funds			Restricted Funds			Total	
		Society Of Sheng Hong Welfare Services \$	Hougang Sheng Hong Student Care Centre \$	Macpherson Sheng Hong Childcare Centre \$	Lifepoint \$	Hougang Sheng Hong Family Service Centre \$	Sheng Hong Active Ageing Hub @ Sennett \$	2023 \$	2022 \$
Income									
Voluntary income	10	825,545	17,412	66,453	43,028	52,136	38,707	1,043,281	853,030
Funds generating activities	11	-	408,840	736,929	588,400	2,199,052	1,018,667	4,951,888	5,731,030
Investment income		-	-	-	-	11,172	-	11,172	12,612
Other income	12	-	11,372	12,163	10,015	63,171	24,242	120,963	44,205
		825,545	437,624	815,545	641,443	2,325,531	1,081,616	6,127,304	6,640,877
Expenditure									
Cost of charitable activities		1,434	356,227	1,488,725	795,477	1,926,681	1,479,794	6,048,338	6,033,794
Governance costs		3,130	5,099	10,916	28,967	28,961	23,433	100,506	54,747
		4,564	361,326	1,499,641	824,444	1,955,642	1,503,227	6,148,844	6,088,541
Surplus/(Deficit) for the year		820,981	76,298	(684,096)	(183,001)	369,889	(421,611)	(21,540)	552,336
Gross Transfer between Funds									
Transfer to/(from) fund		(763,001)	-	570,000	183,001	-	10,000	-	-
Net movement in funds		57,980	76,298	(114,096)	-	369,889	(411,611)	(21,540)	552,336
Total funds brought forward		2,452,272	(39,666)	(60,932)	-	4,527,994	2,146,958	9,026,626	8,474,290
Total funds carried forward		2,510,252	36,632	(175,028)	-	4,897,883	1,735,347	9,005,086	9,026,626

The annexed notes to the financial statements form an integral part of these financial statements.

SOCIETY OF SHENG HONG WELFARE SERVICES

(Registered in the Republic of Singapore)

Statement of Cash Flows for the financial year ended 31 March 2023

	Notes	2023 \$	2022 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Surplus for the year		(21,540)	552,336
Adjustments for:			
Depreciation of property, plant and equipment	3	527,756	511,600
Uncollectible fees		3,473	264
Loss on property, plant and equipment written off		-	44,666
Fixed deposit interest income		(11,172)	(12,612)
Operating surplus before working capital changes		498,517	1,096,254
Changes in:			
- other receivables		112,337	11,874
- other payables		(35,857)	185,032
- Special funds		(5,173)	(12,244)
Cash generated from operations		569,824	1,280,916
Net cash generated from operating activities		569,824	1,280,916
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(127,896)	(409,929)
Fixed deposit interest received		11,172	12,612
Net cash used in investing activities		(116,724)	(397,317)
Net increase in cash and cash equivalents		453,100	883,599
Cash and cash equivalents at beginning of year		6,376,231	5,492,632
Cash and cash equivalents at end of year	5	6,829,331	6,376,231

The annexed notes to the financial statements form an integral part of these financial statements.

SOCIETY OF SHENG HONG WELFARE SERVICES

(Registered in the Republic of Singapore)

Notes to the Financial Statements for the financial year ended 31 March 2023

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

1. General Information

The financial statements of the Society for the year ended 31 March 2023 were authorised for issue by the Management Committee on 20 July 2023.

The Society was registered in the Republic of Singapore as a society under the Societies Act 1966 on 26 April 2000 and an approved institution of Public Character ("IPC") until 31 December 2023, subject to renewal.

The registered office is located at 15 Arumugam Road, Singapore 409960.

The principal places of activities of the Society are located at:

- (i) Block 237 Hougang Street 21 #01-406 Singapore 530237;
- (ii) Block 238 Hougang Avenue 1 #01-292 Singapore 530238; and
- (iii) 175 Macpherson Road Singapore 348537.

The objectives of the Society are those of provision of assistance welfare and relief, financial or otherwise to all people without discrimination as to race, language, creed or religion and the promotion of education and fostering of friendship and cohesion in the community, and provide day care and day rehabilitation services for senior citizens.

2. Significant Accounting Policies

2.1 Basis of preparation

These financial statements have been prepared in accordance with the Singapore Societies Act 1966, the Charities Act 1994 and Singapore Charities Accounting Standards (CASs) under the historical cost convention, except as disclosed in the accounting policies below.

2.2 Functional currency

These financial statements are presented in Singapore dollars, which is the Society's functional currency.

2.3 Significant accounting judgements and estimates

The preparation of the Society's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

SOCIETY OF SHENG HONG WELFARE SERVICES

(Registered in the Republic of Singapore)

Notes to the Financial Statements for the financial year ended 31 March 2023

2. Significant Accounting Policies (continued)

2.3 Significant accounting judgements and estimates (continued)

Judgements made in applying accounting policies

The Management Committee is of the opinion that there are no significant judgements made in applying accounting estimates and policies that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Key sources of estimation uncertainty

The Management Committee is of the opinion that there are no significant assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

2.4 Income

Income is included in the statement of financial activities when the following three factors are met:

- the Society becomes entitled to the income;
- the Management Committee is virtually certain that they will receive the income; and
- the monetary value can be measured with sufficient reliability.

Donation income

Donations are recognised as income in the accounting period in which they are received or receivable.

Members' fees

Members' fees are recognised as income in the period to which the fees relates. Unearned income relating to future period is included in deferred income.

Programme fees

Programme fees represent income from rendering of services to individuals and families. Such fees are recognised as income once the services are rendered.

Interest income

Interest income is recognised on an accrual basis.

SOCIETY OF SHENG HONG WELFARE SERVICES

(Registered in the Republic of Singapore)

Notes to the Financial Statements for the financial year ended 31 March 2023

2. Significant Accounting Policies (continued)

2.4 Income (continued)

Government grants

The Society's income comprises grants from the government to meet the Society's operating expenses and to fund the Society's capital expenditure.

Grants from the government are recognised as income in the statement of financial activities where there is reasonable assurance that they will be received and the conditions attached to them will be complied with. Where uncertainty exists as to whether the Company can meet the conditions, the grants that are received are deferred as a liability until there is sufficient evidence that the conditions attached can be met.

2.5 Leases

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

2.6 Employee benefits

Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in the statement of financial activities as incurred.

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus if the Society has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

2.7 Expenditure

All expenditure is accounted for on an accrual basis and has been classified under headings that aggregate all cost related to that activity. Cost comprises direct expenditure including direct staff costs attributable to the activity.

SOCIETY OF SHENG HONG WELFARE SERVICES

(Registered in the Republic of Singapore)

Notes to the Financial Statements for the financial year ended 31 March 2023

2. Significant Accounting Policies (continued)

2.7 Expenditure (continued)

Charitable activities

Costs of charitable activities comprise all costs incurred in the pursuit of the charitable objective of the Society.

Governance costs

Governance costs comprise all costs attributable to the general running of the Society, in providing the governance infrastructure and in ensuring public accountability. These costs include costs related to constitutional and statutory requirements.

2.8 Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency of the Society at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the end of the reporting period are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on retranslation are recognised in profit or loss.

2.9 Other receivables

Other receivables excluding prepayments are initially recognised at their transaction price, excluding transaction costs, if any. Transaction costs are recognised as expenditure in the Statement of Financial Activities as incurred. Prepayments are initially recognised at the amount paid in advance for the economic resources expected to be received in the future.

After initial recognition, other receivable excluding prepayments are measured at cost less any accumulated impairment losses. Prepayments are measured at the amount paid less the economic resources received or consumed during the financial period.

2.10 Cash and cash equivalents

Cash and cash equivalents comprise cash balances and short-term deposits that are readily convertible to known amount of cash and that are subject to an insignificant risk of changes in their fair value, and are used by the Society in the management of its short-term commitments. For the purpose of the statement of cash flows, pledged deposits are excluded whilst bank overdrafts that are repayable on demand and that form an integral part of the Society's cash management are included in cash and cash equivalents.

SOCIETY OF SHENG HONG WELFARE SERVICES

(Registered in the Republic of Singapore)

Notes to the Financial Statements for the financial year ended 31 March 2023

2. Significant Accounting Policies (continued)

2.11 Other payables

Other payables excluding accruals are recognised at their transaction price, excluding transaction costs, if any, both at initial recognition and at subsequent measurement. Transaction costs are recognised as expenditure in the Statement of Financial Activities as incurred. Accruals are recognised at the best estimate of the amount payable.

2.12 Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation. The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by Management Committee. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the property, plant and equipment.

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Society, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in the statement of financial activities as incurred.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

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

Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Depreciation is recognised as an expense in the statement of financial activities on straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Society will obtain ownership by the end of the lease term.

Depreciation is recognised from the date that the property, plant and equipment are installed and are ready for use, or in respect of internally constructed assets, from the date that the asset is completed and ready for use.

SOCIETY OF SHENG HONG WELFARE SERVICES

(Registered in the Republic of Singapore)

Notes to the Financial Statements for the financial year ended 31 March 2023

2. Significant Accounting Policies (continued)

2.12 Property, plant and equipment (continued)

Depreciation (continued)

The estimated useful lives for the current and comparative years are as follows:

Computer	3 years
Office equipment	3 years
Furniture and fittings	5 years
Renovation	5 years
School equipment	3 years
Health equipment	3 years
Motor vehicle	10 years
Leasehold building	12 years

Depreciation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted prospectively, if appropriate.

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

2.13 Funds

Unrestricted fund

Unrestricted funds are available for use at the discretion of the Management Committee in furtherance of the general objectives of the Society.

Restricted funds

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

2.14 Provisions for liabilities and charges

A provision is recognised only when a present obligation (legal or constructive) exists as a result of a past event, it is probable that a transfer of economic benefits in settlement will be required, and the amount of the obligation can be estimated reliably. The amount of provision recognised is the best estimate of the expenditure required to settle the obligation at the reporting date.

The best estimate of the expenditure required to settle the obligation is the amount that the Society would rationally pay to settle the obligation at the reporting date or to transfer it to a third party.

2.15 Contingencies

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

Contingent liabilities and assets are not recognised on the financial statements of the Society.

SOCIETY OF SHENG HONG WELFARE SERVICES

(Registered in the Republic of Singapore)

Notes to the Financial Statements for the financial year ended 31 March 2023

3. Property, Plant And Equipment

	Computer \$	Office Equipment \$	Furniture And Fittings \$	Renovation \$	School Equipment \$	Health Equipment \$	Motor Vehicle \$	Leasehold Building \$	Total \$
Cost									
As at 1 April 2021	199,743	106,109	242,913	708,847	5,585	246,161	112,407	2,999,412	4,621,177
Additions	6,262	4,158	4,577	353,427	21,505	-	-	-	409,929
Written off	(26,240)	(36,127)	(88,835)	-	(639)	(23,505)	-	-	(175,346)
As at 31 March 2022	179,765	94,140	158,655	1,062,274	26,451	222,656	112,407	2,999,412	4,855,760
Additions	113,780	3,266	7,050	3,800	-	-	-	-	127,896
Written off	(2,192)	-	(3,638)	(54,765)	-	-	-	-	(60,595)
As at 31 March 2023	291,353	97,406	162,067	1,011,309	26,451	222,656	112,407	2,999,412	4,923,061
Accumulated depreciation									
As at 1 April 2021	126,151	95,101	117,673	612,776	5,585	127,434	21,335	395,531	1,501,586
Depreciation	38,737	11,490	35,265	80,557	3,584	80,748	11,267	249,952	511,600
Written off	(25,087)	(32,602)	(54,355)	-	(639)	(17,997)	-	-	(130,680)
As at 31 March 2022	139,801	73,989	98,583	693,333	8,530	190,185	32,602	645,483	1,882,506
Depreciation	56,862	11,432	29,944	115,000	7,168	32,471	11,446	263,433	527,756
Written off	(2,192)	-	(3,638)	(54,765)	-	-	-	-	(60,595)
As at 31 March 2023	194,471	85,421	124,889	753,568	15,698	222,656	44,048	908,916	2,349,667
Carrying amount									
At 31 March 2022	39,964	20,151	60,072	368,941	17,921	32,471	79,805	2,353,929	2,973,254
At 31 March 2023	96,882	11,985	37,178	257,741	10,753	-	68,359	2,090,496	2,573,394

SOCIETY OF SHENG HONG WELFARE SERVICES

(Registered in the Republic of Singapore)

Notes to the Financial Statements for the financial year ended 31 March 2023

4 Other Receivables

	2023	2022
	\$	\$
Other receivables	205,397	221,221
Deposits	14,576	26,814
Prepayments	21,387	109,135
	<u>241,360</u>	<u>357,170</u>

5. Cash And Cash Equivalents

	2023	2022
	\$	\$
Bank balances	3,284,696	4,343,960
Fixed deposits	3,541,085	2,029,913
Cash on hand	3,550	2,358
	<u>6,829,331</u>	<u>6,376,231</u>

Included in bank balances is an amount of \$11,602 (2022 - \$11,602) set aside for children and youth assistance funds.

6. Funds of Charities**(i) Funds held***Restricted fund*

Restricted funds are funds subject to specific restrictions which may be declared by the donor(s) with their authority or created through legal process, but still within the wider objects of the Society. Currently, it refers to income and expenditure of Hougang Sheng Hong Family Service Centre, Life Point and Sheng Hong Active Ageing Hub @ Sennett.

Unrestricted fund

This fund is expendable at the discretion of the Society's Management Committee in furtherance of the Society's objects.

(ii) Movement of major funds

Fund Name	Accumulated fund brought forward \$	Surplus for the year \$	Transfer \$	Accumulated fund carried forward \$
2022				
Restricted funds	6,815,163	(161,802)	21,591	6,674,952
Unrestricted funds	<u>1,659,127</u>	<u>714,138</u>	<u>(21,591)</u>	<u>2,351,674</u>
	<u>8,474,290</u>	<u>552,336</u>	<u>-</u>	<u>9,026,626</u>

SOCIETY OF SHENG HONG WELFARE SERVICES

(Registered in the Republic of Singapore)

Notes to the Financial Statements for the financial year ended 31 March 2023

6. Funds of Charities (continued)

(ii) Movement of major funds (continued)

Fund Name	Accumulated fund brought forward \$	(Deficit)/ Surplus for the year \$	Transfer \$	Accumulated fund carried forward \$
2023				
Restricted funds	6,674,952	(234,723)	193,001	6,633,230
Unrestricted funds	2,351,674	213,183	(193,001)	2,371,856
	<u>9,026,626</u>	<u>(21,540)</u>	<u>-</u>	<u>9,005,086</u>

During the year, surplus from unrestricted funds of \$193,001 (2022 - \$21,591) was transferred to restricted funds to cover the deficits and to fund the operating activities in certain restricted funds.

7. Other Payables

	2023 \$	2022 \$
Other payables	58,700	60,050
Accrued operating expenses	454,634	322,515
Deposit received	69,148	70,194
School fees received in advance	2,300	16,241
GST payables	16,414	168,053
	<u>601,196</u>	<u>637,053</u>

8. Special Funds

	2023 \$	2022 \$
SPMF	3,120	7,190
Lee Foundation	1,650	800
SRJC Fund	24,443	27,011
FSC ComCare	8,090	7,975
SSO	500	-
	<u>37,803</u>	<u>42,976</u>

Special fund name Purpose and restrictions

SPMF	The Straits Times School Pocket Money Fund (SPMF) is a community project initiated by The Straits Times to provide pocket money to children from low-income families to help them through school. As a member of NCSS, the Family Service Centre helps to administer and disburse SPMF to eligible beneficiaries.
Lee Foundation	This fund refers to the financial assistance that the Family Service Centre helps its clients to acquire from Lee Foundation. After approval, the Family Service Centre will disburse the amount to the clients according to the instructions from the Foundation.

SOCIETY OF SHENG HONG WELFARE SERVICES

(Registered in the Republic of Singapore)

Notes to the Financial Statements for the financial year ended 31 March 2023

8. Special Funds (continued)

Special fund name	Purpose and restrictions
SRJC Fund	The fund is raised and donated by Serangoon Junior College. It is meant to use for any activities or projects that will bring improvement to livelihood of low income families.
FSC ComCare	ComCare Fund is set aside by MSF and disbursed via the Family Service Centre, for the purpose of meeting the urgent and immediate needs of clients so as to bring temporary relief.
SSO	This fund refers to the Short-to-Medium Term Assistance and disbursed via the Family Service Centre, for the purpose of monthly cash assistance for living expenses.

9. Fees for Audit Examination of the Financial Statements

	2023	2022
	\$	\$
Fees paid to auditors for reporting on the financial statements	16,500	16,500
Fees paid to auditors for other services	13,789	5,020
	<u>30,289</u>	<u>21,520</u>

No other financial services were provided by the auditors during the year.

10. Voluntary Income

	2023	2022
	\$	\$
Donation received - Tax deductible		
- Related parties	800,000	505,000
- Others	39,255	53,283
Donation received - Non tax deductible		
- Others	22,433	34,616
Government grants	181,593	260,131
	<u>1,043,281</u>	<u>853,030</u>

11. Income from Charitable Activities

	2023	2022
	\$	\$
Government grants	3,703,718	3,819,273
Building/renovation grants	-	254,402
President's Challenge	-	50,000
Bicentennial Community Fund	-	400,000
Holiday fees	10,456	7,127
Infant care fee	26,000	-
Insurance	1,180	267
Membership fees	4,939	3,255
Programme fees	167,021	82,538
Registration fees	4,430	3,401
Services fee	158,397	100,963
School fees	875,747	1,001,115
Sundry income	-	8,689
	<u>4,951,888</u>	<u>5,731,030</u>

SOCIETY OF SHENG HONG WELFARE SERVICES

(Registered in the Republic of Singapore)

Notes to the Financial Statements for the financial year ended 31 March 2023

12. Other Income

	2023	2022
	\$	\$
Sundry income	51,917	25,438
Other subsidies	69,046	18,767
	<u>120,963</u>	<u>44,205</u>

13. Employee Benefits

	2023	2022
	\$	\$
Staff costs		
- Salaries, wages and bonus	3,007,332	2,865,412
- Other short-term benefits (i.e. medical, insurance premiums and long service awards)	82,461	146,954
- Employer's CPF contributions	367,235	377,406
	<u>3,457,028</u>	<u>3,389,772</u>
Key management personnel		
- Salaries, bonus and other related costs	576,041	597,307
- Other short-term benefits (i.e. medical, insurance premiums and long service awards)	1,924	4,074
- Employer's CPF contributions	76,599	81,153
	<u>654,564</u>	<u>682,534</u>

During the year, there were three (2022 - three) paid employees who each received annual remuneration exceeding \$100,000 as follows:

	Number of employees	
	2023	2022
Salary band		
\$100,000 to \$200,000	<u>3</u>	<u>3</u>

14. Income Taxes

The Society is an approved charity organisation under the Charities Act 1994 and an institution of a public character under the Income Tax Act 1947. No provision for taxation has been made in the financial statements as the Society is a registered charity with income tax exemption.

15. Tax-Deductible Receipts

During the financial year, the Society issued tax-deductible receipts for donations collected amounting to \$839,255 (2022 - \$558,283).

SOCIETY OF SHENG HONG WELFARE SERVICES

(Registered in the Republic of Singapore)

Notes to the Financial Statements for the financial year ended 31 March 2023

16. Loans

During the year, there was no loan made to any employees, member of the Management Committee, related parties or third parties.

17. Related Party Transactions

For the purposes of these financial statements, parties are considered to be related to the Society if the Society has the direct and indirect ability to control the party, jointly control or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Society and the party are subject to common control or significant influence. Related parties may be individuals or other entities.

The Society considers the Management Committee and the executive management team to be key management personnel of the Society.

The members of the Management Committee did not receive any remuneration during the year. The remuneration of key management personnel are disclosed in Note 13.

Other than the related party information disclosed elsewhere in the financial statements, the following are significant related party transactions entered into by the Society with related parties on terms agreed between the parties:

	2023	2022
	\$	\$
With related parties		
Donation received - tax deductible	800,000	505,000
Transportation fee paid/payable	19,015	18,907

18. Leases

Operating lease commitments

Commitments in relation to non-cancellable operating leases contracted at the reporting date but not recognised as liabilities, are payable as follows:

	2023	2022
	\$	\$
Not later than one year	358,176	506,485
Later than one year but not later than five years	30,576	376,762
	388,752	883,247

The Society leases premises and copier machines under operating leases. The lease for one of the premises is entered into by the trustees on behalf of the Society. The leases typically run for a period of three to five years, with an option to renew the leases after that date. Lease payments are usually increased to reflect market rentals. None of the leases includes contingent rentals.

SOCIETY OF SHENG HONG WELFARE SERVICES

(Registered in the Republic of Singapore)

Notes to the Financial Statements for the financial year ended 31 March 2023

19. Reserve Policy

The Management Committee has established a reserve policy in accordance with the Code of Governance for Charities and IPCs Guideline. The reserve ratio calculated as follows:

	2023	2022
	\$	\$
Unrestricted funds	2,371,856	2,351,674
Current assets available to meet expenditure obligations	7,070,691	6,733,401
Total operating expenditure	6,148,844	6,088,541
Ratio of net liquid assets to total operating expenditure	1.15	1.11

The Society does not have external imposed fund requirements for the financial years ended 31 March 2023 and 31 March 2022. There were no changes in the Society's reserve policy during the financial year.

20. Contingent Liability

The Society and the Trustees have jointly and severally issued a guarantee of \$114,600 to an insurer for a rental bond, which is given to the Singapore Government (as landlord of the Society) as security deposit for the Society's lease of its premise.

**THE FOLLOWING STATEMENTS DO NOT FORM PART OF THE AUDITED
FINANCIAL STATEMENTS OF THE SOCIETY**

SOCIETY OF SHENG HONG WELFARE SERVICES

(Registered in the Republic of Singapore)

Appendix - Detailed Statements of Financial Activities for the year ended 31 March 2023

	Unrestricted Funds			Restricted Funds			Total	
	Society Of Sheng Hong Welfare Services \$	Hougang Sheng Hong Student Care Centre \$	Macpherson Sheng Hong Childcare Centre \$	Lifepoint \$	Hougang Sheng Hong Family Service Centre \$	Sheng Hong Active Ageing Hub @ Sennett \$	2023 \$	2022 \$
Income								
Voluntary income	825,235	-	1,000	6,520	-	6,500	839,255	558,283
Donation received - Tax deductible	310	-	-	21,094	1,029	-	22,433	34,616
Donation received - Non-tax deductible	-	17,412	65,453	15,414	51,107	32,207	181,593	260,131
Government grants	825,545	17,412	66,453	43,028	52,136	38,707	1,043,281	853,030
Fund generating activities								
Funding - received from MSF	-	-	-	-	1,514,961	-	1,514,961	1,917,878
Funding - received from Tote Board	-	-	-	-	508,886	-	508,886	420,395
Funding - received from ComChest	-	-	-	-	80,799	-	80,799	102,287
Government grants - C3A	-	-	-	16,160	-	-	16,160	4,544
Government grants - CST	-	-	-	47,883	-	-	47,883	-
Government grants - TSS Manpower	-	-	-	-	55,997	-	55,997	45,489
Government grants - ACP	-	-	-	95,739	-	-	95,739	54,272
Government grants - ADAP	-	-	-	96,150	-	-	96,150	189,410
Government grants - PDPA Fund	-	-	-	-	-	-	-	4,500
Government grants - Maintenance Day Care	-	-	-	-	-	240,726	240,726	191,264
Government grants - Dementia Day Care	-	-	-	-	-	230,000	230,000	178,118
Government grants - Maintenance Exercise	-	-	-	-	-	4,914	4,914	-
Government grants - Active Rehab	-	-	-	-	-	61,157	61,157	73,383
Government grants - Eldercare Transition Baseline	-	-	-	-	-	69,073	69,073	137,233
Government grants - AIC CCSE	-	-	-	-	22,521	86,359	108,880	-
Government grants - AIC CHA & Others	-	-	-	-	15,463	35,674	51,137	-
Government grants - Tote Board	-	-	-	281,787	-	-	281,787	281,294
Government grants - Others	-	107,102	-	-	-	132,367	239,469	219,206
Building/renovation grants	-	-	-	-	-	-	-	254,402
President's Challenge	-	-	-	-	-	-	-	400,000
Bicentennial Community Fund	-	-	-	-	-	-	-	7,127
Holiday fee	-	10,456	-	-	-	-	10,456	-
Infant care fee	-	-	26,000	-	-	-	26,000	-
Insurance	-	-	1,180	-	-	-	1,180	267
Membership	-	-	-	4,939	-	-	4,939	3,255
Programme fee	-	52,337	68,517	45,742	425	-	167,021	82,538
Registration fees	-	1,944	2,486	-	-	-	4,430	3,401
Services fee	-	-	-	-	-	158,397	158,397	100,963
School fees	-	237,001	638,746	-	-	-	875,747	1,001,115
Sundry income	-	-	-	-	-	-	-	8,689
	825,545	408,840	736,929	588,400	2,199,052	1,018,667	4,951,888	5,731,030
		426,252	803,382	631,428	2,251,188	1,057,374	5,995,169	6,584,060
Income carried forward								

Appendix - Detailed Statements of Financial Activities for the year ended 31 March 2023

Total income

SOCIETY OF SHENG HONG WELFARE SERVICES

(Registered in the Republic of Singapore)

Appendix – Detailed Statements of Financial Activities for the year ended 31 March 2023

	Unrestricted Funds			Restricted Funds			Total	
	Society Of Sheng Hong Welfare Services \$	Hougang Sheng Hong Student Care Centre \$	Macpherson Sheng Hong Childcare Centre \$	Lifepoint \$	Hougang Sheng Hong Family Service Centre \$	Sheng Hong Active Ageing Hub @ Sennett \$	2023 \$	2022 \$
Expenditure								
Cost of charitable activities	-	1,800	1,800	1,800	1,800	1,845	9,045	23,375
Admin expenses	230	200	268	127	394	231	1,450	1,422
Bank charges	-	16,158	-	11,034	-	26,020	53,212	52,127
Cleaning fee	-	-	27,614	-	-	236,310	263,924	227,182
Contract services	-	-	77	-	-	-	77	-
Condonance	-	29,688	71,511	75,129	226,910	47,392	450,630	465,373
CPF and SDL	-	40,009	92,707	4,104	34,938	355,998	527,756	511,600
Depreciation of property, plant and equipment	-	1,440	1,440	998	1,440	1,440	6,758	7,618
Email and internet charges	-	-	-	18,451	-	-	18,451	17,304
Facility charges	-	4,280	17,368	-	-	35,506	57,154	49,132
Food and marketing	-	746	33,749	-	-	22,100	56,595	37,648
FWL	-	(13,289)	(27,076)	10,915	16,397	49,014	36,208	269,924
GST absorbed/unclaimable	247	1,611	4,390	2,923	5,839	2,510	17,273	20,652
Insurance - employee	523	980	5,207	981	1,059	5,517	14,267	10,080
Insurance - others	-	201	539	-	-	-	740	771
Insurance - students	-	1,869	7,645	4,013	8,343	3,538	25,408	26,309
Medical expenses	-	-	3,905	1,521	5,940	4,176	15,542	16,526
Leasing of office equipment	-	-	-	-	459	-	459	109
Penalty and fines	-	-	-	1,168	166	28	1,418	1,145
Postage charges	-	-	56	1,882	4,532	1,752	11,903	19,812
Printing and stationery	105	630	3,002	17,083	760	46,171	147,944	91,456
Programme expenses - Others	329	32,158	51,443	2,749	1,205	3,560	15,075	10,511
Purchase of new office equipment	-	276	7,285	2	267	-	269	123
Refreshment	-	-	-	31,500	7,790	122,400	502,214	396,312
Rental	-	4,382	336,142	-	-	-	6,999	3,862
Sundry expenses - Uniform/PE Att/Matt	-	779	6,220	590,999	1,525,781	468,775	3,583,373	3,462,719
Salary and bonuses	-	213,472	784,346	540	120	360	1,940	-
Staff award	-	200	720	-	-	1,195	3,043	6,057
Staff recruitment	-	708	1,140	4,740	17,884	1,697	27,432	80,689
Staff training	-	342	2,769	1,001	3,679	2,123	8,317	5,500
Staff welfare	-	387	1,127	783,660	1,865,703	1,439,658	5,864,876	5,815,338
Expenditure carried forward	1,434	339,027	1,435,394					

SOCIETY OF SHENG HONG WELFARE SERVICES

(Registered in the Republic of Singapore)

Appendix – Detailed Statement of Financial Activities for the year ended 31 March 2023

	Unrestricted Funds			Restricted Funds			Total	
	Society Of Sheng Hong Welfare Services \$	Hougang Sheng Hong Student Care Centre \$	Macpherson Sheng Hong Childcare Centre \$	Lifepoint \$	Hougang Sheng Hong Family Service Centre \$	Sheng Hong Active Ageing Hub @ Sennett \$	2023 \$	2022 \$
Expenditure (continued)								
Cost of charitable activities (continued)								
Expenditure brought forward	1,434	339,027	1,435,394	783,660	1,865,703	1,439,658	5,864,876	5,815,338
Telephone charges	-	581	1,126	4,644	4,013	2,834	13,198	12,776
Transportation	-	-	-	631	1,605	193	2,429	2,464
Uncollectible fees	-	-	2,957	-	-	516	3,473	264
Unutilised leave	-	590	-	-	3,425	-	4,015	17,877
Upkeep of computers	-	2,580	7,655	2,282	23,777	2,326	38,620	30,389
Upkeep of office equipments	-	781	8,370	1,796	1,478	1,874	14,299	20,202
Upkeep of motor vehicle	-	-	-	-	-	2,690	2,690	3,173
Upkeep of premises	-	1,046	3,968	360	1,243	6,632	13,249	16,134
Utilities	-	11,622	29,255	2,104	25,437	23,071	91,489	70,511
Written off of property, plant and equipment	-	-	-	-	-	-	-	44,666
	1,434	356,227	1,488,725	795,477	1,926,681	1,479,794	6,048,338	6,033,794
Governance costs								
Audit fee	2,230	2,630	5,425	8,000	6,280	5,724	30,289	21,520
Books and resources	-	-	114	-	-	-	114	700
Licence fee	-	2,469	2,709	2,319	6,908	15,703	30,108	14,501
Professional fee	900	-	1,500	5,878	13,910	-	22,188	7,650
Publicity and promotion	-	-	1,168	12,770	280	1,419	15,637	7,981
Subscription	-	-	-	-	1,583	587	2,170	2,395
	3,130	5,099	10,916	28,967	28,961	23,433	100,506	54,747
Total expenditure	4,564	361,326	1,499,641	824,444	1,955,642	1,503,227	6,148,844	6,088,541
Surplus/(Deficit) for the year	820,981	76,298	(684,096)	(183,001)	369,889	(421,611)	(21,540)	552,336
Gross Transfer between Funds								
Transfer to/(from) fund	(763,001)	-	570,000	183,001	-	10,000	-	-
Net movement in funds	57,980	76,298	(114,096)	-	369,889	(411,611)	(21,540)	552,336
Total funds brought forward	2,452,272	(39,666)	(60,932)	-	4,527,994	2,146,958	9,026,626	8,474,290
Total funds carried forward	2,510,252	36,632	(175,028)	-	4,897,883	1,735,347	9,005,086	9,026,626