
SOCIETY OF SHENG HONG WELFARE SERVICES

Unique Entity No. T00SS0066C

(Incorporated in Singapore)

**FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

General Information

Management Committee

Name	Date of appointment	Position
Long Say Keng Adrian	22 August 2023	President
Tan Eng Wat	22 August 2023	First Vice President
Ong Kuan BBM	22 August 2023	Vice President
Siew Kian Nam	22 August 2023	Vice President
Tan Thiam Lye BBM (L)	22 August 2023	Secretary
Tan Ee Ting BBM	22 August 2023	Assistant Secretary
Ang Meng Joo	22 August 2023	Treasurer
Tan Ching Ching	22 August 2023	Assistant Treasurer
Soong Kok Chee	22 August 2023	Committee member
Tan Kim Wee	22 August 2023	Committee member
Tan Bok Soon	22 August 2023	Committee member
Ong Aii Ley	22 August 2023	Committee member
Goh Geok Choo	22 August 2023	Committee member
Amanda Tan Sian Lin	22 August 2023	Committee member
Hay Choon Leong	22 August 2023	Honorary Auditor
Lim Geok Kian	22 August 2023	Honorary Auditor

Finance and Audit Committee

Name	Date of appointment	Position
Gan Leong Hin	1 November 2022	Chairman
Tan Tin Wee	1 November 2022	Member
Tony Hong Kian Chua	1 November 2022	Member
Long Say Keng Adrian	1 November 2022	Member
Ang Meng Joo	1 November 2022	Member
Toh Ling Fui	25 October 2023	Member

Trustees

Name	Date of appointment
Ling Kin Huat, BBM	16 August 2005
Tan Thiam Lye BBM (L)	16 August 2005
Soon Cheok Kah	29 October 2020

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

Registered Office

15 Arumugam Road
Singapore 409960

Bankers

DBS Bank Ltd
Oversea-Chinese Banking Corporation Limited
Maybank Singapore Limited
Hong Leong Finance Limited

**SOCIETY OF SHENG HONG WELFARE SERVICES
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024
STATEMENT BY THE MANAGEMENT COMMITTEE**

We are pleased to present this annual report to the members of Society Of Sheng Hong Welfare Services (the “Society”) together with the financial statements of the Society for the financial year ended 31 March 2024.

CONFLICT OF INTEREST

Statement of purpose and authority

Pursuant to “Code of Governance for Charities and Institutions of a Public Character” issued by the Charity Council, the Management Committee has established a policy on the avoidance of conflict of interest for the Society.

The Society’s basic policy on avoidance of conflict of interest rests on three premises:

- a. Definition of “Conflict of Interest”;
- b. Declaration of “Conflict of Interest”; and
- c. Abstention from decision making where “Conflict of Interest” has been declared or exists.

a. Definition of “Conflict of Interest”

An operational definition of conflict of interest is when an individual is aware of “any interest in a transaction or arrangement that will affect his/her professional judgement to obtain the best value for the Society or to protect the interests of the Society”.

Some of the more obvious conflict of interests relates to:

- i) Procurement of goods or services (Contract with vendors);
- ii) Vested interest in other organisations that have dealings or relationship with the Society;
- iii) Interest in joint ventures;
- iv) Hiring and personnel management pertaining to close relationship with current Management Committee or decision makers;
- v) Remuneration of Management Committee members, volunteer physicians and staff members; and
- vi) Roles and responsibilities of staff members holding positions in the Management Committee.

b. Declaration of “Conflict of Interest”

Management Committee members, staff members or volunteers must acknowledge that they understand the definition of “Conflict of Interest” as mentioned above and are required to sign the “Conflict of Interest Policy and Declaration Form” to declare any disclosure with related parties.

c. Abstention from decision making

Whenever an individual is aware of the existence of a conflict of interest, he/she must abstain from the decision making process pertaining to the possible conflict of interest. This means the individual should not influence the decision process. This does not necessarily prevent the individual from providing relevant and expert knowledge on the issue or participate in the discussion but he/she should only do so with wisdom so as not to influence the decision.

**SOCIETY OF SHENG HONG WELFARE SERVICES
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024
STATEMENT BY THE MANAGEMENT COMMITTEE**

Opinion of the Management Committee

In the opinion of the Management Committee:

- (i) the accompanying financial statements are drawn up so as to give a true and fair view of the financial position of the Society as at 31 March 2024 and of the financial activities and cash flows of the Society for the year ended on that date in accordance with the provisions of the Societies Act, the Charities Act and other relevant regulations (the "Acts") and Charities Accounting Standards in Singapore ("CASs"); and
- (ii) at the date of this statement, there are reasonable grounds to believe that the Society will be able to pay its debts as and when they fall due.
- (iii) the fund-raising appeal held during the financial year has been carried out in accordance with Regulation 6 of the Societies Regulations issued under the Societies Act and proper accounts and other records have been kept of the fund-raising appeal;
- (iv) the Society has used the donation moneys in accordance with its objectives as required under Regulation 11 of the Charities (Institutions of a Public Character) Regulations; and
- (v) the Society has complied with the requirements of Regulation 15 of the Charities (Institutions of a Public Character) Regulations.

On behalf of the Management Committee,



**President
Long Say Keng Adrian**



**Treasurer
Ang Meng Joo**



**Secretary
Tan Thiam Lye BBM (L)**

Singapore

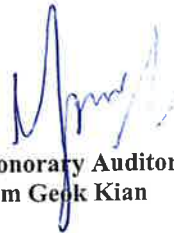
25 June 2024

**SOCIETY OF SHENG HONG WELFARE SERVICES
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024
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, the Charities Act and other relevant regulations (the "Acts"), and Charities Accounting Standards in Singapore ("CASs") so as to present fairly, in all material respects, the financial positions of the Society as at 31 March 2024, and of the results, changes in accumulated funds and cash flows of the Society for the financial year ended on that date.



**Honorary Auditor
Hay Choon Leong**



**Honorary Auditor
Lim Geok Kian**

Singapore
25 June 2024



Your trusted business advisor

YWL & CO

Chartered Accountants

(Registration number: T12PF0017L)

531 Upper Cross Street, #03-50 Hong Lim Complex, Singapore 050531

Website: www.ywl.com.sg

Telephone: (65) 6913 9756

INDEPENDENT AUDITORS' REPORT TO THE MANAGEMENT COMMITTEE OF SOCIETY OF SHENG HONG WELFARE SERVICES

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 as at 31 March 2024, and the statement of financial activities and statement of cash flows for the year ended on that date, and notes to the financial statements, including material accounting policies information.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Societies Act, the Charities Act and other relevant regulations (the "Acts") and Charities Accounting Standards in Singapore ("CASs") so as to present fairly, in all material respects, the state of affairs of the Society as at 31 March 2024 and of the results, changes in 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.

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 Acts and CASs, 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, 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.

Those charged with governance are responsible for 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.



Your trusted business advisor

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 Management Committee.
- 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:

- a. the accounting and other records required to be kept by the Society have been properly kept in accordance with the provisions of the Acts; and
- b. the fund-raising appeal held during the financial year has been carried out in accordance with Regulation 6 of the Societies Regulations issued under the Societies Act and proper accounts and other records have been kept of the fund-raising appeal.

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 (Institutions of a Public Character) Regulations; and
- b. the Society has not complied with the requirements of Regulation 15 of the Charities (Institutions of a Public Character) Regulations.


YWL & CO
PUBLIC ACCOUNTANTS AND
CHARTERED ACCOUNTANTS

Singapore
25 June 2024

SOCIETY OF SHENG HONG WELFARE SERVICES
STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2024

	Note	2024 \$	2023 \$
Funds			
Unrestricted funds		992,028	2,371,856
Restricted funds		<u>8,242,828</u>	<u>6,633,230</u>
		<u>9,234,856</u>	<u>9,005,086</u>
Represented by:			
Assets less liabilities			
Non-current assets			
Property, plant and equipment	3	2,213,465	2,573,394
Right-of-use asset	4	<u>2,545,500</u>	-
		<u>4,758,965</u>	<u>2,573,394</u>
Current assets			
Other receivables	5	379,816	241,360
Cash and cash equivalents	6	<u>7,141,529</u>	<u>6,829,331</u>
		<u>7,521,345</u>	<u>7,070,691</u>
Total assets		<u>12,280,310</u>	<u>9,644,085</u>
Non-current liability			
Lease liability	4	<u>2,166,395</u>	-
Current liabilities			
Lease liability	4	394,251	-
Other payables	8	447,863	601,196
Special funds	9	<u>36,945</u>	<u>37,803</u>
		<u>879,059</u>	<u>638,999</u>
Total liabilities		<u>3,045,454</u>	<u>638,999</u>
Net assets		<u>9,234,856</u>	<u>9,005,086</u>

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

**SOCIETY OF SHENG HONG WELFARE SERVICES
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

	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 \$	
Income							
Voluntary income	143,576	-	-	850	-	-	839,255
Donation received – tax deductible	68,805	-	181,000	7,664	34	1,800	22,433
Donation received – non-tax deductible	-	265	402	278	15,542	273	181,593
Government grants	212,381	265	181,402	8,792	15,576	2,073	1,043,281
Fund generating activities							
Funding from MSF	-	-	-	-	1,608,522	-	1,514,961
Funding from TBSSF	-	-	-	-	428,899	-	508,886
Funding from ComChest	-	-	-	-	1,160	-	80,799
Government grant – CST	-	-	-	182,495	-	-	47,883
Government grant – TSS Manpower	-	-	-	-	-	-	55,997
Government grant – ACP	-	-	-	126,827	-	-	95,739
Government grant – ADAP	-	-	-	-	-	-	96,150
Government grant – PDPA Fund	-	-	-	-	-	-	-
Government grant – Maintenance Day Care	-	-	-	-	-	308,729	240,726
Government grant – Dementia Day Care	-	-	-	-	-	363,626	230,000
Government grant – Maintenance Exercise	-	-	-	-	-	14,080	4,914
Government grant – Active Rehab	-	-	-	-	-	52,190	61,157
Government grant – Eldercare Transition Baseline	-	-	-	-	-	103,153	69,073
Government grant – AIC CCSE	-	-	-	-	15,795	164,405	108,880
Government grant – AIC CHA and others	-	-	-	-	-	-	51,137
Government grant – Tote Board	-	-	-	-	-	-	281,787
Government grant – Others	-	86,468	-	-	-	131,154	239,469
Fund generating activities income carried forward	-	86,468	-	309,322	2,054,376	1,137,337	3,687,558

**SOCIETY OF SHENG HONG WELFARE SERVICES
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

	----- 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 \$	
Income (continued)							
Fund generating activities income brought forward	-	-	-	309,322	2,054,376	1,137,337	3,687,558
C3A	-	86,468	-	33,800	-	-	16,160
President's Challenge	-	-	-	120,000	-	-	-
Holiday fee	-	8,295	-	-	-	-	10,456
Infant care fee	-	-	63,782	-	-	-	26,000
Insurance	-	-	839	-	-	-	1,180
Membership	-	-	-	1,689	-	-	4,939
Programme fee	-	64,642	44,696	40,193	100	-	167,021
Registration fee	-	1,331	2,700	-	-	-	4,430
Service fee	-	-	-	-	-	194,178	158,397
School fee	-	208,595	621,912	-	-	-	875,747
	-	369,331	733,929	505,004	2,054,476	1,331,515	4,951,888
Investment income	-	-	-	-	-	-	-
Fixed deposit interest	-	-	-	-	141,264	-	141,264
Other income	-	-	-	-	-	-	-
Sundry income	-	4,274	21,513	13,478	2,156	22,440	51,917
Other subsidies	-	-	-	1,382	-	7,679	69,046
	-	4,274	21,513	14,860	2,156	30,119	120,963
Total income	212,381	373,870	936,844	528,656	2,213,472	1,363,707	6,127,304

**SOCIETY OF SHENG HONG WELFARE SERVICES
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

	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 \$	
Expenditure							
Cost of charitable activities							
Salary and bonuses	-	190,252	594,840	356,381	1,338,518	353,557	3,583,373
Staff incentive	-	24,917	55,137	47,398	196,093	44,423	443,834
CPF	-	447	1,405	789	2,533	869	6,796
SDL	-	524	19,773	-	-	29,441	56,595
FWL	-	1,685	6,459	3,030	7,618	3,564	17,273
Insurance – employee	-	2,046	5,838	3,507	6,034	3,946	25,408
Medical fee	-	-	420	300	700	-	1,940
Staff award	-	108	1,797	4,371	22,143	467	27,432
Staff training	-	1,071	2,538	3,575	6,212	3,350	8,317
Staff welfare	-	-	4,645	-	19,307	1,029	4,015
Unutilised leave	-	221,050	692,852	419,351	1,599,158	440,646	4,174,983
Total staff costs	-	-	-	-	-	-	9,045
Admin expense	-	-	85,242	-	-	25,431	110,673
Amortisation of right-of-use asset	-	-	415	154	427	270	1,704
Bank charges	248	190	-	-	-	31,200	53,212
Cleaning fee	-	17,386	-	-	-	282,173	317,574
Contract services	-	-	35,401	-	-	-	263,924
Condolence	-	-	-	-	117	-	77
Depreciation of property, plant and equipment	-	1,372	93,944	2,596	47,810	310,307	527,756
Email and internet charges	-	1,440	1,440	189	1,648	1,440	6,758
Facility charges	-	-	-	22,440	-	-	22,440
Food and marketing	-	3,565	25,983	-	-	-	18,451
GST absorbed/unclaimed	35	439	-	1,924	12,904	32,453	57,154
Insurance – others	436	895	3,504	972	974	4,427	36,208
Insurance – students	-	226	329	-	-	-	14,267
Interest expense on lease liability	-	-	24,857	-	-	7,416	740
Leasing of office equipment	-	-	4,260	(169)	5,090	4,176	-
Loss/(gain) on disposal of plant and equipment	-	-	-	657	1,374	(657)	15,542
Expenditure carried forward	719	246,563	968,227	448,114	1,669,502	1,175,961	5,179,567

**SOCIETY OF SHENG HONG WELFARE SERVICES
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

	Unrestricted funds				Restricted funds			Total
	Society Of Sheng Hong Welfare Services \$	Honggang Sheng Hong Student Care Centre \$	Macpherson Sheng Hong Childcare Centre \$	Lifepoint \$	Honggang Sheng Hong Family Service Centre \$	Sheng Hong Active Ageing Hub @ Sennett \$	2024 \$	
Expenditure (continued)								
Cost of charitable activities (continued)								
Expenditure brought forward	719	246,563	968,227	448,114	1,669,502	1,175,961	4,509,086	5,179,567
Penalty and fines	-	-	-	171	-	184	184	459
Postage charges	-	-	47	6,800	82	47	347	1,418
Printing and stationery	105	615	3,162	20,411	3,813	3,086	17,581	11,903
Programme expense – Others	828	49,980	46,477	-	1,854	77,679	197,229	147,944
Refreshment	-	-	-	-	185	-	185	269
Rental of premises	-	3,956	252,000	-	6,757	91,800	354,513	499,935
Rent – service & conservancy charges	-	523	-	167	1,059	-	1,582	2,279
Small value assets	-	46	4,149	-	13,074	3,741	21,177	15,075
Staff recruitment	-	-	4,058	-	-	4,787	8,845	3,043
Sundry expense – uniform/mattress	-	1,468	4,755	2,968	3,036	3,051	10,467	13,198
Telephone charges	-	573	839	430	1,973	310	3,021	2,429
Transportation	-	21	287	-	-	-	-	3,473
Uncollectible fees	-	-	-	3,697	28,811	2,805	42,665	38,620
Upkeep of computers	-	1,549	5,803	(171)	126	5,115	16,062	14,299
Upkeep of office equipment	-	1,319	9,673	-	-	2,493	2,493	2,690
Upkeep of motor vehicle	-	-	-	-	-	7,417	16,206	13,249
Upkeep of premises	-	1,163	5,668	-	1,958	30,962	98,705	91,489
Utilities	-	10,619	30,175	-	26,949	-	-	-
	1,652	318,395	1,335,320	482,587	1,759,179	1,409,438	5,306,571	6,048,338
Other expenditure								
Audit fee	2,230	2,630	5,224	8,200	6,080	5,800	30,164	30,289
Books and resources	-	-	-	2,239	-	-	-	114
License fee	-	1,720	1,968	4,200	5,602	11,453	22,982	30,108
Professional fee	-	4,200	6,507	5,548	10,200	4,535	29,642	22,188
Publicity and promotion	-	-	1,309	-	56	-	6,913	15,637
Subscription	-	-	-	-	2,262	626	2,888	2,170
	2,230	8,550	15,008	20,187	24,200	22,414	92,589	100,506
Total expenditure	3,882	326,945	1,350,328	502,774	1,783,379	1,431,852	5,399,160	6,148,844

**SOCIETY OF SHENG HONG WELFARE SERVICES
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

	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 \$	
Surplus/(deficit) for the year	208,499	46,925	(413,484)	25,882	430,093	(68,145)	229,770
Transfer of funds							
Transfer to/(from) fund	(2,082,472)	266,241	594,463	282,697	64,478	874,593	-
Net movement in funds	(1,873,973)	313,166	180,979	308,579	494,571	806,448	229,770
Total funds brought forward	2,510,252	36,632	(175,028)	-	4,897,883	1,735,347	9,005,086
Total funds carried forward	636,279	349,798	5,951	308,579	5,392,454	2,541,795	9,234,856

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

SOCIETY OF SHENG HONG WELFARE SERVICES
STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

	2024	2023
	\$	\$
Operating activities		
Surplus/(deficit) for the year	229,770	(21,540)
Adjustments for:		
Depreciation of property, plant and equipment	456,029	527,756
Amortisation of right-of-use asset	110,673	-
Interest income	(141,264)	(11,172)
Interest expense on lease liability	32,273	-
Loss on disposal of plant and equipment	1,374	-
Uncollectible fee	-	3,473
Operating surplus before working capital changes	<u>688,855</u>	<u>498,517</u>
Changes in working capital:		
Other receivables	(138,456)	112,337
Other payables	(153,333)	(35,857)
Special funds	(858)	(5,173)
Net cash generated from operating activities	<u>396,208</u>	<u>569,824</u>
Investing activities		
Acquisition of property, plant and equipment	(97,474)	(127,896)
Interest received	141,264	11,172
Net cash generated from/(used in) from investing activities	<u>43,790</u>	<u>(116,724)</u>
Financing activity		
Payment of lease liability	(127,800)	-
Net cash used in financing activity	<u>(127,800)</u>	<u>-</u>
Net increase in cash and cash equivalents	312,198	453,100
Cash and cash equivalents at beginning of year	<u>6,829,331</u>	<u>6,376,231</u>
Cash and cash equivalents at end of year	<u>7,141,529</u>	<u>6,829,331</u>

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

**SOCIETY OF SHENG HONG WELFARE SERVICES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

These notes form an integral part of and should be read in conjunction with the accompanying financial statements. These financial statements have been authorised for issue by the Management Committee.

1. General information

The Society Of Sheng Hong Welfare Services (the “Society”) was registered under Singapore Societies Act and domiciled in the Republic of Singapore. The registered address of the Society is at 15 Arumugan Road, Singapore 409960.

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

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

The Society was registered in the Republic of Singapore as a society under the Societies Act on 26 April 2000 and is an approved Institution of Public Character (“IPC”).

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. Material accounting policies information

2.1 Basis of preparation

These financial statements have been prepared in accordance with Charities Accounting Standards in Singapore (“CASs”).

The financial statements have been prepared on a historical cost basis except as disclosed in the significant accounting policies set out below. The financial statements are presented in Singapore dollar (S\$) except as indicated otherwise.

2.2 Amendments to published standards effective in financial year 2024

On 1 April 2023, the Society adopted the new CAS which are effective for the financial year ended 31 March 2024. The adoption of the new CAS did not have a significant impact to the financial statements of the Society.

The Society has not adopted the standards that have been issued but not yet effective. The initial application of those standards are not expected to have any material impact on the financial statements. The Society has not considered the impact of accounting standards issued after the reporting date.

SOCIETY OF SHENG HONG WELFARE SERVICES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

2.3 Property, plant and equipment

All items of property, plant and equipment are initially stated at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. All repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation is computed on a straight-line basis over the estimated useful life of the asset as follows:

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

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

The useful life 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 on derecognition of the asset is included in profit or loss in the year the asset is derecognised.

2.4 Impairment of non-financial assets

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

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs 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. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

SOCIETY OF SHENG HONG WELFARE SERVICES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

Impairment losses are recognised in profit or loss.

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

2.5 Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when the entity becomes party to the contractual provisions of the instruments.

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

Trade receivables are measured at the amount of consideration to which the Society expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Investments in debt instruments

Subsequent measurement of debt instruments depends on the Society's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are amortised cost, fair value through other comprehensive income ("FVOCI") and fair value through profit or loss ("FVPL"). The Society only has debt instruments at 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 and losses are recognised in profit or loss when the assets are derecognised or impaired, and through amortisation process.

**SOCIETY OF SHENG HONG WELFARE SERVICES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

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 and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

2.6 Impairment of financial assets

The Society recognises an allowance for expected credit losses (“ECLs”) for all debt instruments not held at fair value through profit or loss and financial guarantee contracts. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Society 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 or other credit enhancements that are integral to the contractual terms.

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-month 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 trade receivables, the Society applies a simplified approach in calculating ECLs. Therefore, the Society does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Society 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 Society considers a financial asset in default when contractual payments are 180 days past due. However, in certain cases, the Society may also consider a financial asset to be in default when internal or external information indicates that the Society is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Society. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.7 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, cash at bank and fixed deposits.

**SOCIETY OF SHENG HONG WELFARE SERVICES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

2.8 Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with.

Government grants related to income

Government grant shall be recognised in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate. Grants related to income may be presented as a credit in profit or loss, either separately or under a general heading such as “other income”. Alternatively, they are deducted in reporting the related expenses.

2.9 Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Society becomes a party to the contractual provisions of the financial instrument. The Society 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 fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

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

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.

2.10 Employee benefits

Defined contribution plans

The Society makes contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

2.11 Leases

The Society assesses at contract inception, all arrangements to determine whether they are, or contain, 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 Society is not a lessor in any transactions, it is only a lessee.

SOCIETY OF SHENG HONG WELFARE SERVICES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

As a lessee

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

(i) Right-of-use assets

The Society recognises right-of-use assets at the commencement date of the lease (i.e., the date when the underlying asset is available for use). Right-of-use assets 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, as follows:

Centre premise	6 years
----------------	---------

If ownership of the leased asset transfers to the Society 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.

(ii) Lease liabilities

At the commencement date of the lease, the Society recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (and, in some instances, 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 Society and payments of penalties for terminating the lease, if the lease term reflects the Society 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.

In calculating the present value of lease payments, the Society uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is generally not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

**SOCIETY OF SHENG HONG WELFARE SERVICES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

(iii) Short-term leases and leases of low-value assets

The Society applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

2.12 Income recognition

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

Income is recognised when the Society 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 income recognised is the amount allocated to the satisfied performance obligation.

Donations

Donations represents both tax and non-tax deductible donations received from general public or members. Donations are recognised on receipt basis.

Charitable activities

Revenue from charitable activities is recognised when services are rendered.

Programme fee

Programme fee is recognised when services are rendered.

Interest income

Interest income is recognised using the effective interest method.

2.13 Income tax

The Society is registered as a charity organisation under Charities Act. As an approved charity, it is exempted from income tax under Section 13(1) of the Singapore Income Tax Act.

**SOCIETY OF SHENG HONG WELFARE SERVICES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

2.14 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 reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future. There are no accounts that involve significant assumptions and estimates.

Useful lives of property, plant and equipment

Property, plant and equipment are depreciated on a straight line basis over their estimated useful lives. Management estimates the useful lives of these property, plant and equipment to be within 3 to 12 years. Changes in the expected level of usage and technological developments could impact the economic useful lives of these assets, therefore future depreciation charges could be revised. The carrying amount of the Society's property, plant and equipment at the end of each reporting date is disclosed in Note 3 to the financial statements.

**SOCIETY OF SHENG HONG WELFARE SERVICES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

3. PROPERTY, PLANT AND EQUIPMENT

Cost	Leasehold building	Computers	Furniture and fittings	Health equipment	Motor vehicle	Office equipment	Renovation	School equipment	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$
At 1 April 2022	2,999,412	179,765	158,655	222,656	112,407	94,140	1,062,274	26,451	4,855,760
Additions	-	113,780	7,050	-	-	3,266	3,800	-	127,896
Disposals	-	(2,192)	(3,638)	-	-	-	(54,765)	-	(60,595)
At 31 March 2023	2,999,412	291,353	162,067	222,656	112,407	97,406	1,011,309	26,451	4,923,061
Additions	-	46,694	4,140	-	-	46,640	-	-	97,474
Disposals	-	(12,626)	(8,650)	-	-	-	-	-	(21,276)
At 31 March 2024	2,999,412	325,421	157,557	222,656	112,407	144,046	1,011,309	26,451	4,999,259
Accumulated depreciation									
At 1 April 2022	645,483	139,801	98,583	190,185	32,602	73,989	693,333	8,530	1,882,506
Depreciation charge for the year	263,433	56,862	29,944	32,471	11,446	11,432	115,000	7,168	527,756
Disposals	-	(2,192)	(3,638)	-	-	-	(54,765)	-	(60,595)
At 31 March 2023	908,916	194,471	124,889	222,656	44,048	85,421	753,568	15,698	2,349,667
Depreciation charge for the year	264,596	58,014	27,203	-	11,447	12,167	75,434	7,168	456,029
Disposals	-	(12,625)	(7,277)	-	-	-	-	-	(19,902)
At 31 March 2024	1,173,512	239,860	144,815	222,656	55,495	97,588	829,002	22,866	2,785,794
Net book value									
At 31 March 2024	1,825,900	85,561	12,742	-	56,912	46,458	182,307	3,585	2,213,465
At 31 March 2023	2,090,496	96,882	37,178	-	68,359	11,985	257,741	10,753	2,573,394

**SOCIETY OF SHENG HONG WELFARE SERVICES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

4. RIGHT-OF-USE ASSET/ LEASE LIABILITY

The Society leases centre premise for a period of 6 years.

Set out below are the carrying amounts of right-of-use-asset and lease liability and the movements during the financial year:

	2024	2023
	\$	\$
Right-of-use asset		
Cost		
At beginning of financial year	-	-
Additions	2,656,173	-
At end of financial year	<u>2,656,173</u>	<u>-</u>
Accumulated amortisation		
At beginning of financial year	-	-
Amortisation charge for the year	110,673	-
At end of financial year	<u>110,673</u>	<u>-</u>
Carrying amount	<u>2,545,500</u>	<u>-</u>

Set out below are the carrying amounts of lease liability and the movements during the year:

	2024	2023
	\$	\$
Lease liability		
At beginning of financial year	-	-
Additions	2,656,173	-
Accretion of interest	32,273	-
Payments	(127,800)	-
At end of financial year	<u>2,560,646</u>	<u>-</u>
Non-current	2,166,395	-
Current	394,251	-
	<u>2,560,646</u>	<u>-</u>

Amount recognised in profit or loss:

	2024	2023
	\$	\$
Amortisation of right-of-use asset	110,673	-
Interest expense on lease liability	32,273	-
Total amount recognised in profit or loss	<u>142,946</u>	<u>-</u>

SOCIETY OF SHENG HONG WELFARE SERVICES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

5. OTHER RECEIVABLES

	2024	2023
	\$	\$
Deposits	14,585	14,576
Prepayments	28,218	21,387
Grant receivables	310,574	190,132
Other receivables	26,439	15,265
	<u>379,816</u>	<u>241,360</u>

6. CASH AND CASH EQUIVALENTS

	2024	2023
	\$	\$
Cash at bank	3,269,107	3,284,696
Cash on hand	2,645	3,550
Fixed deposits	3,869,777	3,541,085
	<u>7,141,529</u>	<u>6,829,331</u>

Fixed deposits are placed for 3 to 12 (2023: 6 to 12) months and carry effective interest rates at 2.4% to 3.55% (2023: 3.7% to 4.2%) per annum.

7. 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.

SOCIETY OF SHENG HONG WELFARE SERVICES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

(ii) **Movement of funds**

Fund	Accumulated fund brought forward	(Deficit)/ surplus for the year	Transfer	Accumulated fund carried forward
	\$	\$	\$	\$
2024				
Restricted funds	6,633,230	387,830	1,221,768	8,242,828
Unrestricted funds	2,371,856	(158,060)	(1,221,768)	992,028
	<u>9,005,086</u>	<u>229,770</u>	<u>-</u>	<u>9,234,856</u>
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 \$1,221,768 (2023: \$193,001) was transferred to restricted funds to cover the deficits and to fund the operating activities in certain restricted funds.

8. OTHER PAYABLES

	2024	2023
	\$	\$
Accrued operating expenses	262,244	454,634
Refundable deposits	83,280	69,148
School fee received in advance	27,862	2,300
Other payables	74,477	75,114
	<u>447,863</u>	<u>601,196</u>

9. SPECIAL FUNDS

	2024	2023
	\$	\$
SPMF	6,085	3,120
Lee Foundation	3,900	1,650
SRJC Fund	23,698	24,443
FSC Comcare	3,262	8,090
SSO	-	500
	<u>36,945</u>	<u>37,803</u>

SOCIETY OF SHENG HONG WELFARE SERVICES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

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 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.
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.

10. AUDIT FEE

	2024	2023
	\$	\$
Fees paid to auditors for auditing financial statements	16,000	16,500
Fees paid to auditors for other services	14,164	13,789
	<u>30,164</u>	<u>30,289</u>

11. VOLUNTARY INCOME

	2024	2023
	\$	\$
Donation received – tax deductible		
- Related parties	-	800,000
- Others	144,426	39,255
Donation received – non tax deductible		
- Related parties	237,570	-
- Others	21,733	22,433
Government grants	16,760	181,593
	<u>420,489</u>	<u>1,043,281</u>

**SOCIETY OF SHENG HONG WELFARE SERVICES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

12. INCOME FROM CHARITABLE ACTIVITIES

	2024	2023
	\$	\$
Government grants	3,587,503	3,687,558
C3A	33,800	16,160
President's Challenge	13 120,000	-
Holiday fee	8,295	10,456
Infant care fee	63,782	26,000
Insurance	839	1,180
Membership fee	1,689	4,939
Programme fee	149,631	167,021
Registration fee	4,031	4,430
Services fee	194,178	158,397
School fee	830,507	875,747
	<u>4,994,255</u>	<u>4,951,888</u>

13. PRESIDENT'S CHALLENGE

The Society received capital funding under President's Challenge 2020 amounting to \$50,000 on June 2021 for the purpose of replacement of old furniture and equipment during renovation of Family Service Center.

The following are utilisation of capital fund:

	2024	2023
	\$	\$
Included in property, plant and equipment		
- Computers	16,685	-
- Server, rack, cabling and data migration	11,658	-
Included in cost of charitable activities		
- Shredder machine	870	-
- Office chairs	7,638	-
- Monitor	2,226	-
- CCTV system	9,350	-
- Roller blinds	4,140	-
	<u>52,567</u>	<u>-</u>

The Society received funding under President's Challenge totaling \$120,000 during the financial year to boost support for caregivers. The fund had been fully utilised to support the staff costs of the caregivers amounting to \$148,952 during the financial year.

**SOCIETY OF SHENG HONG WELFARE SERVICES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

14. OTHER INCOME

	2024	2023
	\$	\$
Sundry income	63,861	51,917
Other subsidies	9,061	69,046
	<u>72,922</u>	<u>120,963</u>

15. STAFF COSTS

	2024	2023
	\$	\$
<i>Key management personnel</i>		
Salaries and bonuses	175,403	576,041
CPF contributions	17,104	76,599
Other short-term benefits	-	1,924
Key management personnel remuneration	<u>192,507</u>	<u>654,564</u>
<i>Other employees</i>		
Salaries and bonuses	2,658,145	3,007,332
CPF contributions	350,863	367,235
Other short-term benefits	171,542	145,852
Other employees remuneration	<u>3,180,550</u>	<u>3,520,419</u>
Total staff costs	<u>3,373,057</u>	<u>4,174,983</u>

During the year, there were 2 (2023: 3) employees who each received annual remuneration exceeding \$100,000 as follows:

	Number of employees	
	2024	2023
Salary band		
\$100,000 to \$200,000	<u>2</u>	<u>3</u>

16. TAX DEDUCTIBLE RECEIPTS

During the financial year, the Society issued tax deductible receipts for donations collected amounting to \$144,426 (2023: \$839,255).

**SOCIETY OF SHENG HONG WELFARE SERVICES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

17. RELATED PARTY TRANSACTIONS

In addition to those related party information disclosed elsewhere in the financial statements, the Society had the following significant related party transactions entered into on terms agreed between the parties as follows:

	2024	2023
	\$	\$
Related parties		
Donation received – tax deductible	-	800,000
Donation received – non tax deductible	237,570	-
Transportation charges	<u>18,282</u>	<u>19,015</u>

18. RESERVE POLICY

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

	2024	2023
	\$	\$
Unrestricted funds	<u>992,028</u>	<u>2,371,856</u>
Current assets available to meet expenditure obligations	7,521,345	7,070,691
Total operating expenditure	<u>5,399,160</u>	<u>6,148,844</u>
Ratio of net liquid assets to total operating expenditures	<u>1.39</u>	<u>1.15</u>

19. Financial risks management

Risks management

Exposure to a variety of financial risks arises in the normal course of the Society's operation. The Society's overall management strategies, tolerance of risk and general risk management philosophy are determined by the Management Committee in accordance with prevailing economic and operating conditions.

Credit risk

The credit risk exposure of the Society relates to its cash and cash equivalents and other receivables.

The Society has no significant exposure to credit risk.

Interest rate risk

The Society has no significant exposure to interest rate risk.

**SOCIETY OF SHENG HONG WELFARE SERVICES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

Liquidity risk

The Society finances itself through cash flows generated from its operations. The Society monitors and maintains a level of cash and cash equivalents deemed adequate by the Management Committee to finance the Society's operations and mitigate the effects of fluctuation in cash flow.

Fair value of financial assets and financial liabilities

The carrying amounts of financial assets and financial liabilities reported in the balance sheet approximate the fair values of those assets and liabilities as of balance sheet date and are denominated in Singapore dollar.

20. Fund raising

The Society is required to comply with the requirements of Regulation 15 of the Charities (Institutions of a Public Character) Regulations.

The total fund-raising expense of an institution of a public character for the financial year, and for every subsequent financial year, shall not exceed 30% of the total receipts from fund raising and sponsorships for that financial year.

	2024	2023
	\$	\$
Income from generating funds		
Donations	403,729	861,688
Less: Fund raising expense	<u>-</u>	<u>-</u>
Net income from fundraising	<u>403,729</u>	<u>861,688</u>
Percentage of fund raising expense over income from generating funds	-	-