

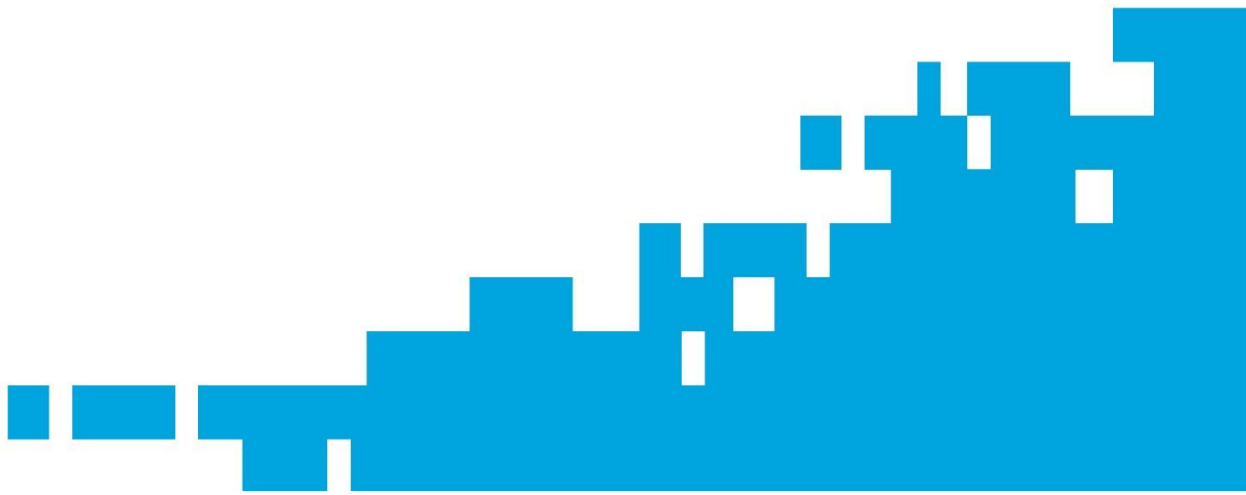
SOCIETY FOR THE AGED SICK

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

(Unique Entity No.: S68SS0022J)

Statement by the Executive Committee and Financial Statements

Year Ended 31 March 2024



SOCIETY FOR THE AGED SICK

Statement by the Executive Committee and Financial Statements

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SOCIETY FOR THE AGED SICK

Statement by Executive Committee

In the opinion of the Executive Committee,

- (a) the accompanying financial statements of Society for The Aged Sick (the "Society") are drawn up in accordance with the Societies Act 1966 (the "Societies Act"), the Charities Act 1994 and other relevant regulations (the Charities Act and Regulations), and Financial Reporting Standards (FRS), so as to present fairly, in all material respects, the state of affairs of the Society as at 31 March 2024 and the results, changes in funds and cash flows of the Society for the reporting year ended.
- (b) 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.

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

On behalf of the Executive Committee

Signed by:

.....693A4703E369400.....
Dr Timothy Teoh Chi-Chan
President

Signed by:

.....E97F9E6F828A4C7.....
Dr Noel Yeo Sheng Ming
Hon. Treasurer

27 August 2024

**RSM SG Assurance LLP**

8 Wilkie Road, #03-08, Wilkie Edge
Singapore 228095

T +65 6533 7600

Assurance@RSMSingapore.sg
www.RSMSingapore.sg

**Independent Auditor's Report to the Members of
SOCIETY FOR THE AGED SICK**

Report on the audit of financial statements

Opinion

We have audited the accompanying financial statements of Society for The Aged Sick (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 reporting year then ended, and notes to the financial statement, including material accounting policy information.

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

Basis for opinion

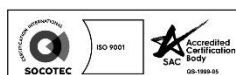
We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Society in accordance with the 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.

Other information

Management is responsible for the other information. The other information comprises the information included in the statement by the Executive Committee and the annual report but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. 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 Auditor's Report to the Members of SOCIETY FOR THE AGED SICK

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

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

In preparing the financial statements, management is responsible for assessing the 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 management 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.

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

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

Independent Auditor's Report to the Members of SOCIETY FOR THE AGED SICK

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

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

- e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on other legal and regulatory requirements


In our opinion:

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

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.

The engagement partner on the audit resulting in this independent auditor's report is Tay Hui Jun, Sabrina.

DocuSigned by:

CAA8B4D01EF74BF...
RSM SG Assurance LLP
Public Accountants and
Chartered Accountants
Singapore

27 August 2024

Engagement partner – effective from year ended 31 March 2020

SOCIETY FOR THE AGED SICK**Statement of Financial Activities
Year Ended 31 March 2024**

	<u>Notes</u>	<u>2024</u>			<u>2023</u>		
		<u>Unrestricted general funds</u>	<u>Restricted funds</u>	<u>Total</u>	<u>Unrestricted general funds</u>	<u>Restricted funds</u>	<u>Total</u>
		\$	\$	\$	\$	\$	\$
<u>Income</u>							
Voluntary income		2,409,131	21,103	2,430,234	2,125,849	–	2,125,849
Income from charitable activities		17,459,869	(51,674)	17,408,195	15,026,716	(35,057)	14,991,659
Investment and interest income		480,484	38,669	519,153	235,767	2,984	238,751
Other		–	–	–	(10,123)	–	(10,123)
Total income	4	<u>20,349,484</u>	<u>8,098</u>	<u>20,357,582</u>	<u>17,378,209</u>	<u>(32,073)</u>	<u>17,346,136</u>
<u>Expenditures</u>							
Charitable activities		4,526,542	–	4,526,542	3,787,468	–	3,787,468
Other expenditures		13,717,137	(2,436)	13,714,701	12,534,288	–	12,534,288
Total expenditures	4	<u>18,243,679</u>	<u>(2,436)</u>	<u>18,241,243</u>	<u>16,321,756</u>	<u>–</u>	<u>16,321,756</u>
Surplus for the reporting year		<u>2,105,805</u>	<u>10,534</u>	<u>2,116,339</u>	<u>1,056,453</u>	<u>(32,073)</u>	<u>1,024,380</u>
<u>Reconciliation of funds</u>							
Total at beginning of year		<u>21,567,717</u>	<u>2,673,309</u>	<u>24,241,026</u>	<u>20,511,264</u>	<u>2,705,382</u>	<u>23,216,646</u>
Total funds at end of year		<u>23,673,522</u>	<u>2,683,843</u>	<u>26,357,365</u>	<u>21,567,717</u>	<u>2,673,309</u>	<u>24,241,026</u>

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

SOCIETY FOR THE AGED SICK**Statement of Financial Position
As at 31 March 2024**

	<u>Notes</u>	<u>2024</u> \$	<u>2023</u> \$
ASSETS			
<u>Non-current assets</u>			
Property, plant and equipment	5	8,650,970	8,427,734
Other financial assets	6	5,651,481	2,507,595
Right-of-use-asset	7	5,111,255	5,320,595
Total non-current assets		19,413,706	16,255,924
<u>Current assets</u>			
Trade and other receivables	8	1,524,224	1,143,825
Other non-financial assets	9	135,906	177,448
Cash and cash equivalents	10	17,500,208	18,041,035
Total current assets		19,160,338	19,362,308
Total assets		38,574,044	35,618,232
FUNDS AND LIABILITIES			
<u>Unrestricted funds</u>			
Accumulated fund	12	23,673,522	21,567,717
Total unrestricted funds	12	23,673,522	21,567,717
<u>Restricted funds</u>			
Building reserve	11	2,544,760	2,486,579
Computerisation fund	11	39,871	91,386
Bob and Hazel Booker Memorial Fund	11	99,212	95,344
Total restricted funds		2,683,843	2,673,309
Total funds		26,357,365	24,241,026
<u>Current liabilities</u>			
Trade and other payables	13	3,344,523	3,780,129
Other liabilities	14	8,872,156	7,597,077
Total current liabilities		12,216,679	11,377,206
Total funds and liabilities		38,574,044	35,618,232

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

SOCIETY FOR THE AGED SICK**Statement of Cash Flows
For the Reporting Year Ended 31 March 2024**

	<u>2024</u>	<u>2023</u>
	\$	\$
<u>Cash flows from operating activities</u>		
Surplus for the reporting year	2,116,339	1,024,380
Adjustments for:		
Interest income	(375,267)	(236,156)
Amortisation of deferred building grant	149,769	149,769
Amortisation of deferred capital grants	185,364	70,532
Amortisation of right-of-use-assets	209,340	209,340
Depreciation of property, plant and equipment	558,580	452,243
Gain on disposal of plant and equipment	–	10,123
Fair value gain on investment	(143,886)	(7,595)
Loss on bond redemption	–	5,000
Operating surplus before changes in working capital	<u>2,700,239</u>	<u>1,677,636</u>
Trade and other receivables	(379,954)	(613,143)
Other non-financial assets	41,542	(85,453)
Trade and other payables	(435,606)	1,493,326
Other liabilities	939,946	(1,728,827)
Net cash flows from operating activities	<u>2,866,167</u>	<u>743,539</u>
<u>Cash flows used in investing activities</u>		
Purchase of property, plant and equipment	(781,816)	(1,652,647)
Proceed from disposal of property, plant and equipment	–	9,533
Redemption of bond	–	500,000
Purchase of money market fund	(3,000,000)	(2,500,000)
Interest received	374,822	177,073
Net cash flows used in investing activities	<u>(3,406,994)</u>	<u>(3,466,041)</u>
Net decrease in cash and cash equivalents	(540,827)	(2,722,502)
Cash and cash equivalents, beginning balance	18,041,035	20,763,537
Cash and cash equivalents, ending balance (Note 10)	<u>17,500,208</u>	<u>18,041,035</u>

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

SOCIETY FOR THE AGED SICK

Notes to the Financial Statements 31 March 2024

1. General information

Society for the Aged Sick (the "Society") was registered in Singapore on 14 February 1968 under the Societies Act 1966. The Society is also a charity registered under the Charities Act 1994 and an approved Institution of a Public Character under the Income Tax Act 1947. The financial statements are presented in Singapore dollars.

The financial statements of the Society for the reporting year ended 31 March 2024 are authorised for issuance by the Executive Committee on the date of the statement by the Executive Committee.

The principal activities of the Society consist of the provision of residential, medical and nursing care services for the aged sick particularly the less privileged.

The registered office is located at 130 Hougang Avenue 1, Singapore 538900. The Society is situated in Singapore.

Statement of compliance with financial reporting standards

These financial statements have been prepared in accordance with the Financial Reporting Standards ("FRSs") and the related interpretations to FRS ("INT FRS") as issued by the Accounting Standards Committee under ACRA ("ASC"). They are also in compliance with the provisions of the Societies Act 1966 (the Societies Act), the Charities Act 1994 and other relevant regulation (the Charities Act and Regulations).

Basis of preparation of the financial statements

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

SOCIETY FOR THE AGED SICK

2A. Material accounting policy information and other explanatory information

Income and revenue recognition

General - Revenue / income is recognised when the reporting entity has entitlement to the income, it is probable that the economic benefits associated with the transaction or gift will flow to the reporting entity and the amount can be measured reliably and the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Donations, corporate cash sponsorship and grants - Income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably. Recognition of donations and grant income subject to conditions is deferred until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the reporting entity and there is unconditional entitlement to the receipts.

Government grants - Government grants are recognised at fair value when there is reasonable assurance that the conditions attaching to them will be complied with and that the grants will be received. Grants in recognition of specific expenses are recognised in profit or loss on a systematic basis over the periods necessary to match them with the related costs that they are intended to compensate. The grant related to assets is presented in the statement of financial position by recognising the grant as deferred income that is recognised in profit or loss on a systematic basis over the useful life of the asset and in the proportions in which depreciation expense on those assets is recognised.

Income from fund-raising projects - Revenue from special fund-raising events is recognised when the event takes place.

Interest income - Interest income is recognised on a time-proportion basis using the effective interest rate that takes into account the effective yield on the asset.

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

Expenditures

Expenditure is recognised when it is incurred and is reported gross of related income. Charitable expenditure comprises direct expenditure, including direct staff costs attributable to its activities. Where costs cannot be directly attributed, they have been allocated to activities on a basis consistent with the use of resources.

Employee benefits

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

SOCIETY FOR THE AGED SICK

2A. Material accounting policy information and other explanatory information (cont'd)

Income tax

As a charity, the Society is exempt from tax on income and gains falling within section 13(1)(zm) of the Income Tax Act 1947 to the extent that these are applied to its charitable objects. No tax charges have arisen for the Society during the reporting year.

Foreign currency transactions

The functional currency is the Singapore dollar as it reflects the primary economic environment in which the entity operates. Transactions in foreign currencies are recorded in the functional currency at the rates ruling at the dates of the transactions. At the end of each reporting year, recorded monetary balances and balances measured at fair value that are denominated in non-functional currencies are reported at the rates ruling at the end of the reporting year and fair value measurement dates respectively. All realised and unrealised exchange adjustment gains and losses are dealt with in profit or loss except when a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. The presentation is in the functional currency.

Property, plant and equipment

Property, plant and equipment are carried at cost on initial recognition and after initial recognition at cost less any accumulated depreciation and any accumulated impairment losses. Depreciation is provided on a straight-line method to allocate the gross carrying amounts of the assets less their residual values over their estimated useful lives of each part of an item of these assets (or, for certain leased assets, the shorter lease term). An asset is depreciated when it is available for use until it is derecognised even if during that period the item is idle.

The useful lives are as follows:

Leasehold building	–	30 years
Furniture and equipment	–	5 to 10 years
Motor vehicles	–	5 years
Construction in progress	–	Not depreciated

Right-of-use assets

The right-of-use assets are accounted and presented as if they were owned such as property plant and equipment.

Carrying amounts of non-financial assets

The carrying amount of non-financial assets is reviewed at each end of the reporting year for indications of impairment and where an asset is impaired, it is written down through profit or loss to its estimated recoverable amount. The impairment loss is the excess of the carrying amount over the recoverable amount and is expensed.

SOCIETY FOR THE AGED SICK

2A. Material accounting policy information and other explanatory information (cont'd)

Financial instruments

Recognition and derecognition of financial instruments:

A financial asset or a financial liability is recognised when, and only when, the entity becomes party to the contractual provisions of the instrument. All other financial instruments (including regular-way purchases and sales of financial assets) are recognised and derecognised, as applicable, using trade date accounting or settlement date accounting. A financial asset is derecognised when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the entity neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. A financial liability is removed from the statement of financial position when, and only when, it is extinguished, that is, when the obligation specified in the contract is discharged or cancelled or expires.

At initial recognition the financial asset or financial liability is measured at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Categories of financial assets and financial liabilities:

The financial reporting standard on financial instruments four categories of financial assets and two categories for liabilities. At the end of the reporting year, the reporting entity had the following categories financial assets and financial liabilities:

- Financial asset classified as measured at amortised cost: A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss (FVTPL), that is (a) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Typically trade and other receivables, bank and cash balances are classified in this category.
- Financial asset classified as measured at fair value through profit or loss (FVTPL): All other financial assets are classified as measured at FVTPL. In addition, on initial recognition, management may irrevocably designate a financial asset as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.
- Financial liabilities are categorised as at fair value through profit or loss (FVTPL) in either of the following circumstances: (1) the liabilities are managed, evaluated and reported internally on a fair value basis; or (2) the designation eliminates or significantly reduces an accounting mismatch that would otherwise arise. All other financial liabilities are carried at amortised cost using the effective interest method. Reclassification of any financial liability is not permitted.

SOCIETY FOR THE AGED SICK

2A. Material accounting policy information and other explanatory information (cont'd)

Cash and cash equivalents

For the statement of cash flows, cash and cash equivalents includes cash and cash equivalents less cash subject to restriction and bank overdrafts payable on demand that form an integral part of cash management. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Cash flows are reported using the indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, and items of income or expense associated with investing or financing cash flows.

Fair value measurement

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

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

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

2B. Critical judgements, assumptions and estimation uncertainties

There were no critical judgements made in the process of applying the accounting policies that have the most significant effect on the amounts recognised in the financial statements. There were no key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting year, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting year.

SOCIETY FOR THE AGED SICK

3. Related party relationships and transactions

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

3A. Members of a group

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

All Executive Committee members, members of sub-committees and procurement staff members of the Society are required to read and understand the conflict of interest policy in place and make full disclosure of interests, relationships and holdings that could potentially result in a conflict of interests. When a conflict of interest situation arises, the members or staff shall abstain from participating in the discussion, decision making and voting on the matter.

The members of the Executive Committee are volunteers and receive no monetary remuneration for their contribution, except for reimbursement of out-of-pocket expenses, if any claimed.

3B. Key management compensation

	<u>2024</u>	<u>2023</u>
	\$	\$
Salaries and other short-term employee benefits	<u>876,522</u>	<u>919,405</u>

The above amounts are included under employee benefits expense.

Disclosure of remuneration of three highest paid staff:

	<u>2024</u>	<u>2023</u>
Number of key management in compensation bands:		
Between \$100,000 to \$200,000	2	2
Between \$201,000 to \$300,000	<u>1</u>	<u>1</u>

Key management personnel are the chief operating officer and the direct reporting senior officers who have authority and responsibility for planning, directing and controlling the activities of the Society, directly or indirectly. There were no transactions with a company in which the above key management personnel have an interest in.

There are no paid staff who are close members of the family of the Society, and whose remuneration each exceeds \$50,000 during the year.

SOCIETY FOR THE AGED SICK

4. Analysis of income and expenditures

	<u>Notes</u>	<u>Unrestricted</u>	<u>Restricted</u>			<u>Sub-total</u>	<u>Total</u>
		<u>Accumulated Fund</u>	<u>Building Reserve Fund</u>	<u>Computerisation Fund</u>	<u>Bob and Hazel Booker Memorial Fund</u>		
2024:		\$	\$	\$	\$	\$	\$
Income:							
<u>Voluntary income</u>							
Tax-exempt receipts issued for donations collected	4A	1,569,655	20,783	–	–	20,783	1,590,438
Donations in cash		675,396	320	–	–	320	675,716
Donations in kind		163,970	–	–	–	–	163,970
Other		110	–	–	–	–	110
Sub-total		2,409,131	21,103	–	–	21,103	2,430,234
<u>Income from charitable activities</u>							
Income from residents		3,829,112	–	–	–	–	3,829,112
Government subvention grants		10,134,377	–	–	–	–	10,134,377
Other government funding and grants	4B	3,109,573	–	–	–	–	3,109,573
Amortisation of computerisation fund		51,674	–	(51,674)	–	(51,674)	–
Amortisation deferred building grant	14B	149,769	–	–	–	–	149,769
Amortisation of deferred government grant	14C	185,364	–	–	–	–	185,364
Sub-total		17,459,869	–	(51,674)	–	(51,674)	17,408,195
Interest income		336,598	37,078	159	1,432	38,669	375,267
Fair value gain on investments	6A	143,886	–	–	–	–	143,886
Sub-total		480,484	37,078	159	1,432	38,669	519,153
Total income		20,349,484	58,181	(51,515)	1,432	8,098	20,357,582

SOCIETY FOR THE AGED SICK

4. Analysis of income and expenditures (cont'd)

	<u>Notes</u>	<u>Unrestricted</u>	<u>Restricted</u>			<u>Sub-total</u>	<u>Total</u>
		<u>Accumulated Fund</u>	<u>Building Reserve Fund</u>	<u>Computeri-sation Fund</u>	<u>Bob and Hazel Booker Memorial Fund</u>		
<u>2024 (cont'd):</u>		\$	\$	\$	\$	\$	\$
Expenditures:							
<u>Charitable activities</u>							
<u>Resident nursing care costs</u>							
Resident nursing care costs		1,403,855	—	—	—	—	1,403,855
Resident rehabilitation costs		9,630	—	—	—	—	9,630
Resident activities, volunteer and donor expenses		127,423	—	—	—	—	127,423
<u>Facilities management, maintenance and other ancillary costs</u>							
Maintenance and upkeep of premises		526,944	—	—	—	—	526,944
Utilities		704,923	—	—	—	—	704,923
Professional fees		147,647	—	—	—	—	147,647
Food and other kitchen supplies		1,500,937	—	—	—	—	1,500,937
Others		105,183	—	—	—	—	105,183
Sub-total		4,526,542	—	—	—	—	4,526,542
Administrative expenses	4C	2,087,254	—	—	—	—	2,087,254
<u>Employee benefits expense</u>							
Short term employee benefits expense		8,548,824	—	—	(2,436)	(2,436)	8,546,388
Contributions to defined contribution plans		538,759	—	—	—	—	538,759
Other benefits		2,542,300	—	—	—	—	2,542,300
Sub-total		13,717,137	—	—	(2,436)	(2,436)	13,714,701
Total expenditure		18,243,679	—	—	(2,436)	(2,436)	18,241,243

SOCIETY FOR THE AGED SICK

4. Analysis of income and expenditures (cont'd)

	<u>Notes</u>	<u>Unrestricted</u>	<u>Restricted</u>			<u>Sub-total</u>	<u>Total</u>
		<u>Accumulated Fund</u> \$	<u>Building Reserve Fund</u> \$	<u>Computerisation Fund</u> \$	<u>Bob and Hazel Booker Memorial Fund</u> \$		
2023:							
Income:							
<u>Voluntary income</u>							
Tax-exempt receipts issued for donations collected	4A	1,215,364	–	–	–	–	1,215,364
Donations in cash		657,615	–	–	–	–	657,615
Donations in kind		252,665	–	–	–	–	252,665
Other		205	–	–	–	–	205
Sub-total		2,125,849	–	–	–	–	2,125,849
<u>Income from charitable activities / programs</u>							
Income from residents		3,255,913	–	–	–	–	3,255,913
Government subvention grants		9,152,949	–	–	–	–	9,152,949
Other government funding and grants	4B	2,340,572	–	–	21,924	21,924	2,362,496
Amortisation of computerisation fund		56,981	–	(56,981)	–	(56,981)	–
Amortisation deferred building grant	14B	149,769	–	–	–	–	149,769
Amortisation of deferred government grant	14C	70,532	–	–	–	–	70,532
Sub-total		15,026,716	–	(56,981)	21,924	(35,057)	14,991,659
<u>Investment and interest income</u>							
Interest income from:							
– Other financial assets		1,152	–	17	145	162	1,314
– Financial institutions		232,020	–	286	2,536	2,822	234,842
Fair value gain on investment	6A	7,595	–	–	–	–	7,595
Loss on bond redemption		(5,000)	–	–	–	–	(5,000)
Sub-total		235,767	–	303	2,681	2,984	238,751
Other income							
Loss on disposal of property, plant and equipment		(10,123)	–	–	–	–	(10,123)
Total income		17,378,209	–	(56,678)	24,605	(32,073)	17,346,136

SOCIETY FOR THE AGED SICK

4. Analysis of income and expenditures (cont'd)

	<u>Notes</u>	<u>Unrestricted</u>	<u>Restricted</u>			<u>Sub-total</u>	<u>Total</u>
		<u>Accumulated Fund</u> \$	<u>Building Reserve Fund</u> \$	<u>Computeri-sation Fund</u> \$	<u>Bob and Hazel Booker Memorial Fund</u> \$		
2023 (cont'd):							
Expenditures:							
<u>Charitable activities</u>							
<u>Resident nursing care costs</u>							
Resident nursing care costs		1,321,589	—	—	—	—	1,321,589
Resident rehabilitation costs		479	—	—	—	—	479
Resident activities, volunteer and donor expenses		62,899	—	—	—	—	62,899
<u>Facilities management, maintenance and other ancillary costs</u>							
Maintenance and upkeep of premises		471,897	—	—	—	—	471,897
Utilities		389,325	—	—	—	—	389,325
Professional fees		117,813	—	—	—	—	117,813
Food and other kitchen supplies		1,283,377	—	—	—	—	1,283,377
Others		140,089	—	—	—	—	140,089
Sub-total		3,787,468	—	—	—	—	3,787,468
Administrative expenses	4C	1,743,350	—	—	—	—	1,743,350
<u>Employee benefits expense</u>							
Short term employee benefits expense		7,733,034	—	—	—	—	7,733,034
Contributions to defined contribution plans		570,514	—	—	—	—	570,514
Other benefits		2,487,390	—	—	—	—	2,487,390
Administrative expenses							
Sub-total		12,534,288	—	—	—	—	12,534,288
Total expenditure		16,321,756	—	—	—	—	16,321,756

SOCIETY FOR THE AGED SICK

4. Analysis of income and expenditures (cont'd)

4A. Tax-deductible receipts

The Society enjoys a concessionary tax treatment whereby qualifying donors are granted 2.5 times tax deduction for the donations made to the accumulated funds of the Society. The Society's Institutions of a Public Character ("IPC") status for general donations is for the period from 1 September 2021 to 31 August 2024.

4B. Other government funding and grants

	<u>2024</u>	<u>2023</u>
	\$	\$
CCSE salary adjustment funding	2,582,688	1,116,630
Community Silver Trust	358,230	297,682
Salary Adjustment Exercise (SAE) funding for manpower expenses	-	160,096
President's Challenge Fund	20,439	53,960
NH staff accommodation funding	-	190,857
Wellness Support Package (Note 14E)	-	2,400
Others	148,216	518,947
	<u>3,109,573</u>	<u>2,340,572</u>

4C. Administrative expenses

The material component and other selected components includes the following:

	<u>2024</u>	<u>2023</u>
	\$	\$
Audit fees to the independent auditor of the Society	21,000	21,000
Audit-related services (ARS) fees to the independent auditor of the Society	7,500	9,250
Depreciation of property, plant and equipment (Note 5)	558,580	452,243
Allowance on impairment of trade receivables (Note 8)	71,710	51,378
Bad debts written off	10,437	23,083
Amortisation of right-of-use asset (Note 7)	209,340	209,340
Emergency preparedness expenses	4,474	111,317
Outsourced services	348,811	233,111

SOCIETY FOR THE AGED SICK**5. Property, plant and equipment**

	<u>Leasehold building</u> \$	<u>Furniture and equipment</u> \$	<u>Motor vehicles</u> \$	<u>Construction in progress</u> \$	<u>Total</u> \$
<u>Cost:</u>					
At 1 April 2022	23,892,350	2,456,784	48,230	–	26,397,364
Additions	37,091	539,040	–	1,076,516	1,652,647
Disposals	–	(217,300)	–	–	(217,300)
At 31 March 2023	23,929,441	2,778,524	48,230	1,076,516	27,832,711
Additions	–	763,962	–	17,854	781,816
Reclassification	1,094,370	–	–	(1,094,370)	–
Written-off	–	(642,522)	–	–	(642,522)
At 31 March 2024	25,023,811	2,899,964	48,230	–	27,972,005
<u>Accumulated depreciation:</u>					
At 1 April 2022	17,163,908	1,938,240	48,230	–	19,150,378
Depreciation for the year	255,558	196,685	–	–	452,243
Disposals	–	(197,644)	–	–	(197,644)
At 31 March 2023	17,419,466	1,937,281	48,230	–	19,404,977
Depreciation for the year	274,345	284,235	–	–	558,580
Written-off	–	(642,522)	–	–	(642,522)
At 31 March 2024	17,693,811	1,578,994	48,230	–	19,321,035
<u>Carrying value:</u>					
At 1 April 2022	6,728,442	518,544	–	–	7,246,986
At 31 March 2023	6,509,975	841,243	–	1,076,516	8,427,734
At 31 March 2024	7,330,000	1,320,970	–	–	8,650,970

The leasehold building is held in trust by a trustee of the Society.

6. Other financial assets

	<u>2024</u> \$	<u>2023</u> \$
Investments at FVTPL (Note 6A)	5,651,481	2,507,595

6A. Disclosures relating to investments in debt assets instruments at FVTPL

<u>Name</u>	<u>Level</u>	<u>2024</u> \$	<u>2023</u> \$
Unquoted money market fund	2	5,651,481	2,507,595

The unquoted funds are exposed to the market price risk arising from uncertainties about future values of the investment securities (Level 2).

SOCIETY FOR THE AGED SICK**6. Other financial assets (cont'd)****6A. Disclosures relating to investments in debt assets instruments at FVTPL (cont'd)**

Investments at fair value through profit or loss

	<u>2024</u>	<u>2023</u>
	\$	\$
Movements during the year:		
Fair value at beginning of the year	2,507,595	–
Additions	3,000,000	2,500,000
Increase in fair value through profit or loss	143,886	7,595
Fair value at end of the year	<u>5,651,481</u>	<u>2,507,595</u>

Sensitivity analysis for price risk of unquoted funds at FVTPL

	<u>2024</u>	<u>2023</u>
	\$	\$
A hypothetical 10% increase in the market index that relate to funds would have a favourable effect on fair value of	<u>565,148</u>	<u>250,760</u>

For similar price decreases in the fair value of the above financial assets, there would be comparable impact in the opposite direction. The hypothetical changes in basis points are not based on observable market data (unobservable inputs).

7. Right-of-use-asset

	<u>2024</u>	<u>2023</u>
	\$	\$
<u>Land use right at cost:</u>		
At the beginning and end of the year	<u>6,280,070</u>	<u>6,280,070</u>
<u>Accumulated amortisation:</u>		
At the beginning of the year	959,475	750,135
Amortisation for the year (Note 4C)	209,340	209,340
At the end of the year	<u>1,168,815</u>	<u>959,475</u>
<u>Carrying value:</u>		
Balance at the end of the year	<u>5,111,255</u>	<u>5,320,595</u>

An upfront payment was for the right-of-use of a 30-year leasehold property for the period of 30 years effective from 1 September 2018 to 31 August 2048. It is not transferable. During the term of the lease no other payments are required in respect of the leasehold interest. The property at 130 Hougang Avenue 1, Singapore 538900 is owned by the Singapore Land Authority.

SOCIETY FOR THE AGED SICK**8. Trade and other receivables**

	<u>2024</u>	<u>2023</u>
	\$	\$
<u>Trade receivables:</u>		
Outside parties	705,313	691,650
Less allowance for impairment	(216,509)	(144,799)
Government grant and subsidies receivables	923,784	461,010
Net trade receivables – subtotal	<u>1,412,588</u>	<u>1,007,861</u>
<u>Other receivables:</u>		
Outside parties	4,557	29,330
Interest receivable	107,079	106,634
Other receivables – subtotal	<u>111,636</u>	<u>135,964</u>
Total trade and other receivables	<u>1,524,224</u>	<u>1,143,825</u>
Movements in above allowance on trade receivables:		
Balance at the beginning of the year	144,799	93,421
Charged to profit or loss under governance cost (Note 4C)	71,710	51,378
Balance at the end of the year	<u>216,509</u>	<u>144,799</u>

The Society has a large number of debtors. These trade receivables shown above are subject to the expected credit loss model under the financial reporting standard on financial instruments. In consideration the means testing, the government's financial assistance scheme and deposits received from the residents, a loss allowance of \$216,509 (2023: \$144,799) is recognised. There is no collateral held as security.

Ageing analysis of the age of trade receivable amounts:

	<u>2024</u>	<u>2023</u>
	\$	\$
<u>Trade receivables:</u>		
Below 60 days	331,558	193,955
61 to 90 days	63,224	223,621
Over 90 days	310,531	274,074
Total	<u>705,313</u>	<u>691,650</u>

There is no concentration of credit risk with respect to trade receivables, as there are a large number of receivables from residents.

The other receivables at amortised cost shown above are subject to the expected credit loss model under the financial reporting standard on financial instruments. The other receivables at amortised cost and which can be graded as low risk individually are considered to have low credit risk. At the end of the first reporting period, a loss allowance is recognised at an amount equal to 12 months expected credit losses because there has not been a significant increase in credit risk since initial recognition. As at the end of the reporting year, no loss allowance is necessary.

9. Other assets, current

	<u>2024</u>	<u>2023</u>
	\$	\$
Prepayments	21,959	53,269
Deposits to secure services	112,674	113,174
Others	1,273	11,005
	<u>135,906</u>	<u>177,448</u>

SOCIETY FOR THE AGED SICK**10. Cash and cash equivalents**

	<u>2024</u>	<u>2023</u>
	\$	\$
Available for use by the society	<u>17,500,208</u>	<u>18,041,035</u>
Interest earning balances	<u>13,945,060</u>	<u>9,534,067</u>

The rate of interest for the cash on interest-earning balances is between 2.80% and 4.15% (2023: 0.32% and 4.15%) per annum.

11. Funds of the Society

Restricted funds:

- (a) Building reserve is a restricted fund, which purpose is for the renovation, maintenance and payment of repair services of the leasehold building.
- (b) Computerisation fund is used for the Society's IT system upgrades.
- (c) Bob and Hazel Booker Memorial Fund is used for giving out scholarships and training for the Society's staff.

Restricted funds are funds subject to specific restrictions imposed by donors or by the purpose of the appeal, but still within the wider objects of the charity.

Transfers between the funds are made when it is considered appropriate and authorised by the Executive Committee members.

The Executive Committee members have a power of discretion to convert endowed capital into expendable income in which case the converted funds may become restricted or unrestricted funds.

12. Reserves policy

	<u>2024</u>	<u>2023</u>
	\$	\$
Unrestricted funds	<u>23,673,522</u>	<u>21,567,717</u>
Annual operating expenditure*	<u>18,243,679</u>	<u>16,321,756</u>
The ratio of reserves to annual operating expenditure (times)	<u>1.30</u>	<u>1.32</u>

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

The Society has a reserve policy (reserve management) for the long-term stability of the operations and it ensures that there are sufficient resources to support the reporting entity in the event of unforeseen circumstances. The reserve level is reviewed yearly by the Executive Committee members to ensure that the reserves are adequate to fulfil the reporting entity's continuing obligations. Reserves are that part of a charity's unrestricted funds that are freely available to spend on any of the charity's purposes.

The Society is not subject to externally imposed fund requirements other than those specified as restricted.

SOCIETY FOR THE AGED SICK**13. Trade and other payables**

	<u>2024</u>	<u>2023</u>
	\$	\$
<u>Trade payables:</u>		
Outside parties	<u>721,809</u>	<u>720,778</u>
<u>Other payables:</u>		
Outside parties and accrued liabilities	1,328,186	2,150,122
Residents' funds held on behalf	127,848	98,154
Residents' maintenance deposits	39,801	24,932
Non-refundable payments received in advance	514,873	482,994
Deferred income	<u>612,006</u>	<u>303,149</u>
Total other payables	<u>2,622,714</u>	<u>3,059,351</u>
Total trade and other payables	<u>3,344,523</u>	<u>3,780,129</u>

The deferred income is expected to be recognised as revenue within a year.

14. Other liabilities

	<u>2024</u>	<u>2023</u>
	\$	\$
Community Silver Trust – deferred income (Note 14A)	1,713,081	953,273
Deferred building grant (Note 14B)	3,656,860	3,806,629
Deferred capital grant (Note 14C)	2,255,204	1,687,845
President's Challenge Fund (Note 14D)	140,631	177,892
Wellness Support Package (Note 14E)	41,143	41,143
NH Staff Accommodation (Note 14F)	550,761	550,761
Monies held on behalf of Medifund Account	487,518	379,534
Monies held on behalf of Financial Assistance Scheme	<u>26,958</u>	<u>–</u>
	<u>8,872,156</u>	<u>7,597,077</u>

14A. Community Silver Trust – deferred income

	<u>2024</u>	<u>2023</u>
	\$	\$
Balance at the beginning of the year	953,273	3,235,405
Received during the year	1,716,460	–
Utilisation	(657,341)	(1,785,271)
Refund of unutilised grant	<u>(299,311)</u>	<u>(496,861)</u>
Balance at the end of the year	<u>1,713,081</u>	<u>953,273</u>

Community Silver Trust (CST) funding is a dollar-to-dollar matching for eligible donations by the Government of Singapore, which shall be used for specified purposes that include enhancement and expansion of services and building capability of the voluntary welfare organisation. The CST funding received by the Society has been earmarked for the facilities improvement work and purchase of electrical hospital beds. The balance as at the end of the reporting year represents CST funding received but not utilised.

SOCIETY FOR THE AGED SICK**14. Other liabilities (cont'd)****14B. Deferred building grant**

	<u>2024</u>	<u>2023</u>
	\$	\$
<u>At cost:</u>		
Balance at the beginning and end of the year	<u>17,755,298</u>	<u>17,755,298</u>
<u>Accumulated amortisation:</u>		
Balance at the beginning of the year	13,948,669	13,798,900
Amortisation for the year (Note 4)	<u>149,769</u>	<u>149,769</u>
Balance at the end of the year	<u>14,098,438</u>	<u>13,948,669</u>
<u>Carrying value:</u>		
Balance at the beginning of the year	<u>3,806,629</u>	<u>3,956,398</u>
Balance at the end of the year	<u>3,656,860</u>	<u>3,806,629</u>

There are capital grants received from a government agency and public for the building and extension building of the Society.

14C. Deferred capital grants

	<u>2024</u>	<u>2023</u>
	\$	\$
<u>At cost:</u>		
Balance at the beginning of the year	2,271,864	703,517
Purchase of plant and equipment - utilisation of deferred income	315,803	1,537,747
Purchase of plant and equipment - grants received	<u>436,920</u>	<u>30,600</u>
Balance at the end of the year	<u>3,024,587</u>	<u>2,271,864</u>
<u>Accumulated amortisation:</u>		
Balance at the beginning of the year	584,019	513,487
Amortisation for the year (Note 4)	<u>185,364</u>	<u>70,532</u>
Balance at the end of the year	<u>769,383</u>	<u>584,019</u>
<u>Carrying value:</u>		
Balance at the beginning of the year	<u>1,687,845</u>	<u>190,030</u>
Balance at the end of the year	<u>2,255,204</u>	<u>1,687,845</u>

Deferred capital grants are for the purchase of plant and equipment.

14D. President's Challenge Fund

	<u>2024</u>	<u>2023</u>
	\$	\$
Balance at the beginning of the year	177,892	282,010
Utilisation	<u>(37,261)</u>	<u>(104,118)</u>
Balance at the end of the year	<u>140,631</u>	<u>177,892</u>

President's Challenge Fund received is for defraying part of the manpower and retrofitting cost to provide dignified care and comforting environment for resident at end of life and to hire Resident Care Assistant to improve the psycho-social well-being of the resident.

SOCIETY FOR THE AGED SICK

14. Other liabilities (cont'd)

14E. Wellness Support Package

	<u>2024</u>	<u>2023</u>
	\$	\$
Balance at the beginning of the year	41,143	43,543
Utilisation	–	(2,400)
Balance at the end of the year	<u>41,143</u>	<u>41,143</u>

Wellness Support Package funding received from the Agency Integrated Care (“AIC”) is for improving activity satisfaction levels in nursing homes and enable homes to embed a structured activity approach so that more activities can take place.

14F. NH Staff accommodation

	<u>2024</u>	<u>2023</u>
	\$	\$
Balance at the beginning of the year	550,761	709,218
Grants received during the year	–	32,400
Utilisation	–	(190,857)
Balance at the end of the year	<u>550,761</u>	<u>550,761</u>

NH Staff accommodation funding received from the Agency Integrated Care (“AIC”) is to support the Society’s effort on transition to the new norm for staff accommodation to strengthen of split zone implementation.

15. Financial instruments: information on financial risks and other explanatory information

15A. Categories of financial assets and financial liabilities

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

	<u>2024</u>	<u>2023</u>
	\$	\$
Financial assets:		
Financial assets at amortised cost	19,024,432	19,184,860
At fair value through profit or loss (“FVTPL”)	5,651,481	2,507,595
At the end of the year	<u>24,675,913</u>	<u>21,692,455</u>
Financial liabilities:		
Financial liabilities at amortised cost	<u>2,217,644</u>	<u>2,993,986</u>

Further quantitative disclosures are included throughout these financial statements.

SOCIETY FOR THE AGED SICK

15. Financial instruments: information on financial risks and other explanatory information (cont'd)

15B. Financial risk management

The main purpose for holding or issuing financial instruments is to raise and manage the finances for the entity's operating, investing and financing activities. There are exposures to the financial risks on the financial instruments such as credit risk, liquidity risk and market risk comprising interest rate, currency risk and price risk exposures. Management has certain practices for the management of financial risks.

There are written policies and procedures for effectively supervising, monitoring and evaluating the investment assets. The Executive Committee members hold all the funds as a fiduciary and have delegated authority over its investment affairs to the investment finance committee (the committee) of the Executive Committee. The committee advises the Executive Committee on the implications of changes to its investment policy, helps it operate within the policies and procedures, and advises on relevant matters. The committee is further authorised to delegate certain responsibilities to professional experts. These include independent investment managers and independent custodian. The independent investment managers have discretion to purchase, sell, or hold the specific financial instruments to meet the policy's investment objectives and to make use of derivatives. The independent custodian is responsible for the custody of the financial instruments, collection of the returns, redeem maturing securities, and effect receipt and delivery following purchases and sales.

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

15C. Fair values of financial instruments

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

15D. Credit risk on financial assets

Financial assets subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner arise principally from cash balances with banks, receivables and other financial assets. The general approach in the financial reporting standard on financial instruments is applied to measure expected credit losses ("ECL") allowance on financial assets the ECL allowance. On initial recognition, a day-1 loss is recorded equal to the 12 month ECL unless the assets are considered credit impaired. The ECL allowance for debt assets is recognised at an amount equal to the lifetime ECL if the credit risk on that financial instrument has increased significantly since initial recognition. However, for trade receivables that do not contain a material financing component or when the reporting entity applies the practical expedient of not adjusting the effect of a material financing component, the simplified approach in calculating ECL is applied. Under the simplified approach, the loss allowance is recognised at an amount equal to lifetime ECL at each reporting date using historical loss rates for the respective risk categories and incorporating forward-looking estimates. Lifetime ECL may be estimated individually or collectively. For the credit risk on the financial assets an ongoing credit evaluation is performed on the financial condition of the debtors and any loss is recognised in profit or loss. Reviews and assessments of credit exposures in excess of designated limits are made. Renewals and reviews of credits limits are subject to the same review process. Note 10 discloses the cash balances. There was no identified impairment loss.

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15. Financial instruments: information on financial risks and other explanatory information (cont'd)

15E. Liquidity risk – financial liabilities maturity analysis

The liquidity risk refers to the difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. It is expected that all the liabilities will be settled at their contractual maturity. There are no liabilities contracted to fall due after twelve months at the end of the reporting year. The average credit period taken to settle trade payables is about 30 days (2023: 30 days). The other payables are with short-term durations. The classification of the financial assets is shown in the statement of financial position as they may be available to meet liquidity needs and no further analysis is deemed necessary.

15F. Interest rate risk

The society is not expose to significant interest rate risk.

15G. Foreign currency risk

The society is not expose to significant foreign currency risk.

16. Columnar presentation of statement of financial position

A majority of the assets and liabilities are attributable to the Accumulated Fund. All the assets of the other funds are represented by cash. Accordingly, the Society did not adopt a columnar presentation of its assets, liabilities and funds in the Statement of Financial Position as it was not meaningful.

17. Changes and adoption of financial reporting standards

For the current reporting year the ASC issued amendment to FRS 1 and Practice Statement 2 on disclosures of material accounting policy information and other explanatory information. Immaterial information need not be disclosed. Disclosures should not obscure material accounting policy information (such as material information being obscured, or information regarding a material item, transaction or other event is scattered throughout the financial statements, etc). In addition, the ASC issued certain new or revised financial reporting standards. None had material impact on the reporting entity.

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

For the future reporting years the ASC issued certain new or revised financial reporting standards. None is expected to have material impact on the reporting entity based on its current operations.