

**JIA YING COMMUNITY SERVICES
SOCIETY**

[UEN. T01SS0100D]

[Registered under the Societies Act 1966
in the Republic of Singapore]

**AUDITED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
31 DECEMBER 2022**

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Fiducia LLP

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STATEMENT BY THE MANAGEMENT COMMITTEE

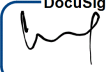
In the opinion of the Management Committee, the financial statements of **Jia Ying Community Services Society** (the "Society") are drawn up so as to present fairly, in all material respects, the state of affairs of the Society as at 31 December 2022, and the results, changes in funds and cash flows of the Society for the financial year then ended.

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 Management Committee, comprising the following, authorised the issue of these financial statements on 21 April 2023.

President	Quan Chin Pung
Secretary	Jasmine Kwek Lee Cheng
Treasurer	Tang Kah Heong
Committee Member	Wang Liwen Joelle
Committee Member	Chia Chee Boon
Committee Member	Charles Jenu
Committee Member	Serene Chan Poh Choo

For and on behalf of the Management Committee,

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Quan Chin Pung
President

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Tang Kah Heong
Treasurer

Singapore, 21 April 2023.

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Independent auditor's report to the members of:

JIA YING COMMUNITY SERVICES SOCIETY

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Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Jia Ying Community Services Society** (the "Society"), which comprise the statement of financial position as at 31 December 2022, and the statement of comprehensive income, statement of changes in funds and statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Societies Act 1966 (the "Societies Act"), the Charities Act 1994 and other relevant regulations (the "Charities Act and Regulations") and Financial Reporting Standards in Singapore ("FRSs") so as to present fairly, in all material respects, the state of affairs of the Society as at 31 December 2022, and the results, changes in funds and cash flows of the Society for the financial 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 ("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 audit opinion.

Other information

Management is responsible for the other information. The other information comprises the Statement by the Management Committee (set out on page 2).

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.

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(CONT'D)

Independent auditor's report to the members of:

JIA YING COMMUNITY SERVICES SOCIETY

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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 FRSS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

- 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.

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Independent auditor's report to the members of:

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Auditor's Responsibilities for the Audit of the Financial Statements (Cont'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.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

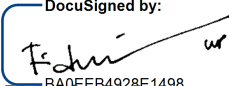
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

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

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

- (a) the Society has not used the donation moneys in accordance with the 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.

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Fiducia LLP
Public Accountants and
Chartered Accountants

Singapore, 21 April 2023.

Partner in charge: Soo Hon Weng
PAB No.: 01089

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**

		Unrestricted fund	Restricted funds		
		Accumulated fund S\$	Jia Ying SAC fund S\$	Community Silver Trust fund S\$	Total S\$
	Note				
2022					
INCOME					
Activities income		0	13,359	0	13,359
Donations	4	250	41,154	0	41,404
MOH/MSF funding	5	0	276,117	0	276,117
NCSS funding		0	61,833	0	61,833
Singapore Tote Board funding		0	9,033	0	9,033
Other income	6	769	5,346	0	6,115
Total income		1,019	406,842	0	407,861
LESS: EXPENDITURE					
Activities expenses		0	4,836	0	4,836
Auditor's remuneration		0	4,600	0	4,600
Bank charges		0	96	0	96
Charity support fund expense		0	18,003	0	18,003
CPF contributions	7	0	27,730	0	27,730
Depreciation of plant and equipment	11	0	20,159	0	20,159
General expenses		0	1,115	0	1,115
GST expenses		0	3,985	0	3,985
Insurance		0	7,362	0	7,362
Interest expense on lease liabilities	14	0	183	0	183
Operating lease expenses - rentals	14	0	8,664	0	8,664
Medical expenses		0	770	0	770
Printing, stationeries and postages		0	700	0	700
Professional fees		0	9,200	0	9,200
Salaries, bonuses and related costs	7	0	186,188	0	186,188
Service and conservancy expense		0	1,095	0	1,095
Supermind club expenses		0	351	0	351
Support services expenses		0	280	0	280
Talk for seniors – CST fund expenses		0	0	5,300	5,300
Telephone		0	3,360	0	3,360
Training expenses		0	667	0	667
Upkeep of equipment		0	3,441	0	3,441
Upkeep of premises		0	19,660	0	19,660
Utilities		0	5,951	0	5,951
Volunteer support appreciation		0	43	0	43
Total expenditures		0	328,439	5,300	333,739
NET SURPLUS/(DEFICIT) FOR THE FINANCIAL YEAR		1,019	78,403	(5,300)	74,122

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

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (CONT'D)**

	Note	Unrestricted	Restricted funds		Total S\$
		fund	Jia Ying	Community	
		Accumulated	SAC fund	Silver Trust	
		fund	SAC fund	fund	
		S\$	S\$	S\$	
2021					
INCOME					
Activities income		0	2,063	0	2,063
Donations	4	0	10,300	0	10,300
MOH/MSF funding	5	0	173,609	0	173,609
NCSS funding		0	11,052	0	11,052
Singapore Tote Board funding		0	36,056	0	36,056
Special sponsored events		0	893	0	893
Other income	6	791	17,538	0	18,329
Total income		791	251,511	0	252,302
LESS: EXPENDITURE					
Activities expenses		0	837	0	837
Auditor's remuneration		0	4,300	0	4,300
Bank charges		0	64	0	64
Charity support fund expense		0	7,114	0	7,114
CPF contributions	7	0	22,800	0	22,800
Depreciation of plant and equipment	11	0	9,117	0	9,117
General expenses		0	1,473	0	1,473
GST expenses		0	3,099	0	3,099
Insurance		0	1,818	0	1,818
Interest expense on lease liabilities	14	0	67	0	67
Operating lease expenses - rentals	14	0	6,498	0	6,498
Medical expenses		0	410	0	410
Printing, stationeries and postages		0	372	0	372
Professional fees		0	9,200	0	9,200
Salaries, bonuses and related costs	7	0	166,162	0	166,162
Service and conservancy expense		0	1,095	0	1,095
Supermind club expenses		0	935	0	935
Support services expenses		0	520	0	520
Talk for seniors – CST fund expenses		0	0	2,250	2,250
Telephone		0	3,069	0	3,069
Training expenses		0	324	0	324
Transportation		0	13	0	13
Upkeep of equipment		0	2,875	0	2,875
Upkeep of premises		0	19,640	0	19,640
Utilities		0	4,785	0	4,785
Total expenditures		0	266,587	2,250	268,837
NET SURPLUS/(DEFICIT) FOR THE FINANCIAL YEAR		791	(15,076)	(2,250)	(16,535)

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

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

	Note	2022 S\$	2021 S\$
ASSETS			
Current assets			
Cash and cash equivalents	9	446,231	517,114
Other receivables	10	59,255	4,811
		<u>505,486</u>	<u>521,925</u>
Non-current assets			
Plant and equipment	11	39,590	4,530
Total assets		<u>545,076</u>	<u>526,455</u>
LIABILITIES			
Current liabilities			
Other payables	12	18,945	78,607
Lease liabilities	13	1,198	1,007
		<u>20,143</u>	<u>79,614</u>
Non-current liabilities			
Lease liabilities	13	3,970	0
Total liabilities		<u>24,113</u>	<u>79,614</u>
NET ASSETS		<u>520,963</u>	<u>446,841</u>
FUNDS			
Unrestricted fund			
Accumulated fund		234,925	233,906
Restricted funds			
Jia Ying SAC fund	15	279,590	201,187
Community Silver Trust fund	16	6,448	11,748
TOTAL FUNDS		<u>520,963</u>	<u>446,841</u>

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

**STATEMENT OF CHANGES IN FUNDS
 FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**

	UNRESTRICTED FUND	RESTRICTED FUNDS		TOTAL FUNDS S\$
	Accumulated fund S\$	Jia Ying SAC fund S\$	Community Silver Trust fund S\$	
2022				
Balance at beginning of financial year	233,906	201,187	11,748	446,841
Net surplus/(deficit) for the financial year	1,019	78,403	(5,300)	74,122
Balance at end of financial year	234,925	279,590	6,448	520,963
	UNRESTRICTED FUND	RESTRICTED FUNDS		TOTAL FUNDS S\$
	Accumulated fund S\$	Jia Ying SAC fund S\$	Community Silver Trust fund S\$	
2021				
Balance at beginning of financial year	233,115	216,263	13,998	463,376
Net surplus/(deficit) for the financial year	791	(15,076)	(2,250)	(16,535)
Balance at end of financial year	233,906	201,187	11,748	446,841

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

**STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**

	Note	2022 S\$	2021 S\$
Cash flows from operating activities			
Net surplus/(deficit) for the financial year		74,122	(16,535)
Adjustments for:			
- Depreciation of plant and equipment	11	20,159	9,117
- Gain on early termination of lease	6	(44)	0
- Interest expense on lease liabilities	13	183	67
- Interest income		(2,669)	(3,335)
Operating cash flow before changes in working capital		91,751	(10,686)
Changes in working capital:			
- Other receivables		(54,821)	5,531
- Other payables		(59,662)	(16,574)
Net cash (used in)/generated from operating activities		<u>(22,732)</u>	<u>(21,729)</u>
Cash flows from investing activities			
Interest received		3,046	2,584
Purchases of plant and equipment	11	(49,785)	(3,937)
Net cash used in by investing activities		<u>(46,739)</u>	<u>(1,353)</u>
Cash flows from financing activities			
Principal payment of lease liabilities		(1,229)	(1,961)
Interest paid		(183)	(67)
Net cash used in financing activities		<u>(1,412)</u>	<u>(2,028)</u>
Net decrease in cash and cash equivalents		(70,883)	(25,110)
Cash and cash equivalents at beginning of financial year		517,114	542,224
Cash and cash equivalents at end of financial year	9	<u>446,231</u>	<u>517,114</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**

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

1. General information

Jia Ying Community Services Society (the "Society") is registered with the Registry of Societies under Societies Act 1966 in Singapore on 29 June 2001. The Society's registered address and principal place of activities is at 1 & 3 Valley Road, Singapore 534449.

The principal activity of the Society is to provide community services.

The Society is a charity registered under the Charities Act since 25 July 2003. It has been granted an Institution of a Public Character ("IPC") status for the period from 1 April 2021 to 31 December 2023.

At the reporting date, the Society operate two Senior Activity Centre and as follows:

- a. JYSAC @ 19 located at Blk 19, Hougang Ave 3
- b. JYSAC @ 25 (Branch) located at Blk.25, Hougang Avenue 3

2. Significant accounting policies**2.1 Basis of preparation**

The financial statements have been prepared in accordance with Financial Reporting Standards in Singapore ("FRSs") and disclosure requirements of the Societies Act 1966 and Charities Act 1994 and other relevant regulations. The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollar ("S\$"), which is the Society's functional currency. Functional currency is the currency of the primary economic environment in which the Society operates. All financial information presented are denominated in Singapore Dollar unless otherwise stated.

The preparation of these financial statements in conformity with FRSs requires management to exercise its judgement in the process of applying the Society's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

Interpretations and amendments to published standards effective in 2022

In the current financial year, the Society has adopted the new or revised FRSs and Interpretations of FRSs ("INT FRSs") that are relevant and mandatory to its operations and effective on 1 January 2022. Changes to the Society's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRSs and INT FRSs.

The adoption of these new or revised FRSs and INT FRSs did not result in substantial changes to the Society's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

2. Significant accounting policies (Cont'd)

2.1 Basis of preparation (Cont'd)

Standards issued but not yet effective

The Society has not adopted the following relevant new/revised FRSs, INT FRSs and amendments to FRSs that were issued but not yet effective:

Descriptions	Effective for annual periods beginning on or after
FRS 117 : Insurance Contracts Amendments to: - FRS 1 and FRS Practice Statement 2: Disclosure of Accounting Policies - FRS 8 : Definition of Accounting Estimates - FRS 12, FRS 101 : Deferred Tax related to Assets and Liabilities arising from a Single Transaction - FRS 117 : Insurance Contracts	1 January 2023
Amendments to: - FRS 1 : Classification of Liabilities as Current or Non-current - FRS 116 : Lease Liability in a Sale and leaseback - FRS 1 : Non-current Liabilities with Covenants	1 January 2024
Amendments to FRS 110 and FRS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Date to be determined

The Management Committee expects that the adoption of the revised standards and interpretations will have no material impact on the financial statements in the period of initial application.

2.2 Income recognition

Income is measured based on the consideration to which the Society expects to be entitled in exchange for transferring promised 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 service to the customer, which is when the customer obtains control of the service. A performance obligation may be satisfied at a point in time. The amount of income recognised is the amount allocated to the satisfied performance obligation.

2.2.1 Donations

Donations are taken up and accrued as and when they are committed. Uncommitted donations, income from charity events and all income except as listed below, are recognised on receipt basis.

Donations-in-kind are recognised when the fair value of the assets received can be reasonably ascertained.

2.2.2 Activities income

Revenue from activities is recognised at a point in time of the activities conducted.

2.2.3 Interest income

Interest income is recognised on a time-proportion basis using the effective interest method.

2. Significant accounting policies (Cont'd)**2.2 Income recognition (Cont'd)**

2.2.4 Other income

Other income is recognised when received.

2.3 Government grants

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Society will comply with all the attached conditions.

Government grants are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis.

Government grants related to assets after recognition will then be reduced over the useful life of the asset in line with its depreciation.

2.4 Expenditure recognition

All expenditures are accounted for on accrual basis, aggregated under the respective areas. Direct costs are attributed to the activity where possible. Where costs are not wholly attributable to an activity, they are apportioned on a basis consistent with the use of resources.

2.5 Leases

At the inception of the contract, the Society assess if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

When the Society is the 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 representing the obligations to make lease payments and right-of-use assets representing the right to use the underlying leased assets.

2.5.1 Right-of-use assets

The Society recognised a right-of-use asset and lease liabilities at the date which the underlying asset is available for use. Right-of-use assets are measured at cost which comprises the initial measurement of lease liabilities adjusted of any lease payments made at or before the commencement date and lease incentive received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

These right-of-use assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The accounting policy for impairment is disclosed in Note 2.10.

The Society's right-of-use assets are presented within "Plant and equipment" as disclosed in Note 11.

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.

2. Significant accounting policies (Cont'd)**2.5 Leases (Cont'd)**When the Society is the lessee (Cont'd)**2.5.2 Lease liabilities**

The initial measurement of lease liability is measured at the present value of the lease payments discounted using the implicit rate in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Society shall use its incremental borrowing rate.

Lease payments include the following:

- Fixed payment (including in-substance fixed payments), less any lease incentives receivables;
- Variable lease payment that are based on an index or rate, initially measured using the index or rate as at the commencement date;
- Amount expected to be payable under residual value guarantees;
- The exercise price of a purchase option if it is reasonably certain to exercise the option; and
- Payment of penalties for terminating the lease, if the lease term reflects the Society exercising the option.

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 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.

For contract that contain both lease and non-lease components, the Society allocates the consideration to each lease component on the basis of the relative stand-alone price of the lease and non-lease component. The Society has elected to not separate lease and non-lease component for property lease and account these as one single lease component.

Lease liability is measured at amortised cost using the effective interest method. Lease liability shall be remeasured when:

- There is a change in future lease payments arising from changes in an index or rate;
- There is a change in the Society's assessment of whether it will exercise an extension option; or
- There is modification in the scope or the consideration of the lease that was not part of the original term.

Lease liability is remeasured with a corresponding adjustment to the right-of-use asset, or is recorded in the statement of comprehensive income if the carrying amount of the right-of-use asset has been reduced to zero.

The Society's lease liabilities are disclosed in Note 13.

2.5.3 Short-term leases and leases of low-value assets

The Society has elected to not recognised right-of-use assets and lease liabilities for short-term leases that have lease term of 12 months or less from the commencement date and do not contain a purchase option and leases of low value leases, except for sublease arrangements. Lease payments relating to short term leases and leases of low-value assets are expensed to the statement of comprehensive income on straight-line basis over the lease term.

2. Significant accounting policies (Cont'd)**2.5 Leases (Cont'd)**When the Society is the lessee (Cont'd)

2.5.4 Variable lease payments

Variable lease payments that are not based on an index or a rate are not included as part of the measurement and initial recognition of the lease liability. The Society shall recognise those lease payments in profit or loss in the periods that triggered those lease payments.

2.6 Employee benefits

2.6.1 Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Society pays fixed contributions into separate entities such as the Central Provident Fund ("CPF"), on a mandatory, contractual or voluntary basis. The Society has no further payment obligations once the contribution has been paid.

2.6.2 Employee leave entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the reporting date.

2.7 Financial assets

2.7.1 Classification and measurement

The Society classifies its financial assets into the amortised cost measurement category.

The classification of debt instruments depends on the Society's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial assets.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

The Society reclassifies debt instruments when and only when its business model for managing those assets changes.

(i) 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 assets.

(ii) At subsequent measurement

Debt instruments

Debt instruments of the Society mainly comprise of "Cash and cash equivalents" and "Other receivables".

Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost.

2. Significant accounting policies (Cont'd)**2.7 Financial assets (Cont'd)**

2.7.1 Classification and measurement (Cont'd)

(ii) At subsequent measurement (Cont'd)

Debt instruments (Cont'd)

A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.

2.7.2 Impairment

The Society assesses on forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost.

For cash and cash equivalents and other receivables, the general 3 stage approach is applied. Credit loss allowance is based on 12-month ECL if there is no significant increase in credit risk since initial recognition of the assets. If there is a significant increase in credit risk since initial recognition, life time ECL will be calculated and recognised.

2.7.3 Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Society commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Society has transferred substantially all risks and rewards of ownership.

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in statement of comprehensive income. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to statement of comprehensive income.

2.8 Cash and cash equivalents

Cash and cash equivalents include cash on hand and deposits with financial institutions and highly liquid investments that are readily convertible to a known amount of cash, which are subject to an insignificant risk of change in value.

2.9 Plant and equipment

2.9.1 Measurement

All plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of plant and equipment includes its purchase price and any costs that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Dismantlement, removal or restoration costs are included as part of the cost of plant and equipment if the obligation for dismantlement, removal and restoration is included as a consequence of acquiring or using the plant and equipment.

2. Significant accounting policies (Cont'd)

2.9 Plant and equipment (Cont'd)

2.9.2 Depreciation

Depreciation on plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

	Useful lives
Computers	3 years
Furniture and fittings	3 years
Gym equipment	3 years
Air Conditioners	3 years
Office equipment	3 to 5 years
Renovation	3 to 5 years
Right-of-use asset - copier	Over the remaining lease term

The residual values, estimated useful lives and depreciation method of plant and equipment are reviewed, and adjusted as appropriate, at each reporting date. The effects of any revision are recognised in statement of comprehensive income when the changes arise.

Fully depreciated assets are retained in the financial statements until they are no longer in use.

2.9.3 Subsequent expenditure

Subsequent expenditure relating to plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Society and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in the statement of comprehensive income when incurred.

2.9.4 Disposal

On disposal of an item of plant and equipment, the difference between the net disposal proceeds and its carrying amount is recognised in the statement of comprehensive income.

2.10 Impairment of non-financial assets

Non-financial assets are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment, the recoverable amount (i.e. the higher of the fair value less cost to sell and value in use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, recoverable amount is determined for the cash-generating unit ("CGU") to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in statement of comprehensive income, unless the asset is carried at revalued amount, in which case, such impairment loss is treated as a revaluation decrease.

2. Significant accounting policies (Cont'd)**2.10 Impairment of non-financial assets (Cont'd)**

Management assesses at the end of the reporting period whether there is any indication that an impairment recognised in prior periods may no longer exist or may have decreased. If any such indication exists, the recoverable amount of that asset is estimated and may result in a reversal of impairment loss. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset is recognised in the statement of comprehensive income, unless the asset is carried at revalued amount, in which case, such reversal is treated as a revalued increase.

2.11 Financial liabilities

Financial liabilities are recognised when, and only when, the Society becomes a party to the contractual agreements of the financial instrument and are classified according to the substance of the contractual arrangements entered into. All interest related charges are recognised in the statement of comprehensive income. Financial liabilities include "Other payables" and "Lease liabilities" in the statement of financial position.

Financial liabilities which are due to be settled within 12 months after the reporting date are presented as current liabilities in the statement of financial position even though the original term was for a period longer than 12 months and an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the reporting date and before the financial statements are authorised for issue. Other financial liabilities due to be settled more than 12 months after the reporting date are presented as non-current liabilities in the statement of financial position.

Financial liabilities are derecognised when the obligations under the liability is discharged or cancelled or expires. When existing financial liabilities are replaced by another from the same lender on substantially different terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognised in the statement of comprehensive income.

2.12 Other payables

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

2.13 Provisions for other liabilities and charges

Provisions for other liabilities and charges are recognised when the Society has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount of the obligation can be reliably estimated.

2.14 Borrowing costs

Borrowing costs are recognised in the statement of comprehensive income using the effective interest method except for those costs that are directly attributable to the construction or development of properties and assets under construction. Borrowing costs may include interest in respect of lease liability recognised in accordance with FRS 116.

2. Significant accounting policies (Cont'd)**2.15 Borrowings**

Borrowings are initially recognised at their fair values (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and their redemption values is recognised in statement of comprehensive income over the period of borrowings using the effective interest method. Borrowings, which are due to be settled within twelve months after the reporting date, are included in current borrowings in the statement of financial position.

2.16 Contingencies

Contingent liabilities are not recognised in the financial statement. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is not recognised in the financial statements but disclosed when an inflow of economic benefit is probable.

2.17 Funds

Fund balances are restricted by outside sources are so indicated and are distinguished from unrestricted funds allocated to specific purposes, if any, by action of the Management Committee. Externally restricted funds may only be utilised in accordance with the purposes for which they are established. The Management Committee retains full control over the use of unrestricted funds for any of the Society's purposes.

2.18 Events after the reporting period

Events after the reporting period that provide additional information about the Society's position at the reporting date (adjusting events) are reflected in the financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes to the financial statements when material.

3. Critical accounting estimates, assumptions and judgements

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3.1 Critical accounting estimates and assumptions

The Society makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3.2 Critical judgements in applying the entity's accounting policies

The key critical judgement in applying the Society's accounting policies concerning the future at the reporting date, that has a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

3.2.1 Government grants

Government grants to meet operating expenses are recognised as income in the statement of comprehensive income on the accrual basis in the period these operating expenses were incurred and there is reasonable assurance that the Society will comply with the conditions attached to it. For certain grants, the government agencies reserve the right to withdraw, withhold or reduce the amount of any funds approved but not yet disbursed or to call for the refund of all funds which have been disbursed to the Society if the conditions are not met.

4. Donations

The donations received during the financial year are as follows:

	2022 S\$	2021 S\$
Donations - Tax exempt	32,600	9,150
Donations - Non-tax exempt	8,804	1,150
	<u>41,404</u>	<u>10,300</u>

Donations are presented as follows:

	2022 S\$	2021 S\$
Accumulated fund	250	0
Jia Ying SAC fund	41,154	10,300
	<u>41,404</u>	<u>10,300</u>

During the financial year, the Society issued tax-deductible receipts, for donations totaling S\$32,600 (2021: S\$9,150) pursuant to its Institutions of a Public Character ("IPC") status.

5. MOH/MSF funding

	2022 S\$	2021 S\$
Performance funding	29,988	29,383
Recurrent funding	36,129	144,226
AIC Recurrent Funding	210,000	0
	<u>276,117</u>	<u>173,609</u>

6. Other income

	2022 S\$	2021 S\$
Accumulated fund		
Interest income	<u>769</u>	<u>791</u>
Jia Ying SAC fund		
Jobs support scheme	0	11,416
Telecom subsidy	360	360
Wage credit scheme	2,866	3,218
CTO Payout	176	0
Gain on early termination of lease	44	0
Interest income	1,900	2,544
	<u>5,345</u>	<u>17,538</u>
	<u>6,115</u>	<u>18,329</u>

7. Staff costs

	2022 S\$	2021 S\$
CPF contributions	27,730	22,800
Salaries, bonuses and related costs	186,188	166,162
	<u>213,918</u>	<u>188,962</u>

None of the Society's top three highest paid staff receives more than S\$100,000 in annual remuneration.

8. Income tax

The Society is an approved charity under Charities Act 1994 and is exempted from income tax under the provisions of Section 13 (1) (zm) of the Income Tax Act 1947.

9. Cash and cash equivalents

	2022 S\$	2021 S\$
Cash at bank	146,231	97,114
Fixed deposits	300,000	420,000
	<u>446,231</u>	<u>517,114</u>

At the reporting date, the fixed deposits have tenures ranging from 1 to 9 months (2021: 12 to 36 months) and have interest rates ranging from 0.35% to 1.50% (2021: 0.35% to 1.50%) per annum.

Long-term fixed deposits are included as cash and cash equivalents as these can be readily converted into cash without incurring significant penalty.

At the reporting date, the carrying amounts of cash and cash equivalents approximate their fair values.

10. Other receivables

	2022 S\$	2021 S\$
Deposits	1,472	1,272
Interest receivables	2,657	3,034
Grant receivable - AIC	52,500	0
Community Care Day receivable - AIC	2,000	0
Prepayments	626	505
	<u>59,255</u>	<u>4,811</u>

At the reporting date, the carrying amounts of other receivables approximate their fair values.

11. Plant and equipment

	Beginning of financial year S\$	Additions S\$	Disposals/ written off S\$	End of financial year S\$
2022				
Cost				
Computers	17,645	1,480	(5,166)	13,959
Furniture and fittings	65,135	0	(3,840)	61,295
Gym equipment	30,094	0	0	30,094
Office equipment	2,169	0	0	2,169
Right of use - copier	6,693	6,230	(6,693)	6,230
Air Conditioners	0	48,305	0	48,305
Renovation	373,643	0	0	373,643
	<u>495,379</u>	<u>56,015</u>	<u>(15,699)</u>	<u>535,695</u>
	Beginning of financial year S\$	Depreciation S\$	Disposals/ written off S\$	End of financial year S\$
Accumulated depreciation				
Computers	14,070	2,755	(5,166)	11,659
Furniture and fittings	65,135	0	(3,840)	61,295
Gym equipment	30,094	0	0	30,094
Office equipment	2,169	0	0	2,169
Right of use - copier	5,738	1,301	(5,897)	1,142
Air Conditioners	0	16,103	0	16,103
Renovation	373,643	0	0	373,643
	<u>490,849</u>	<u>20,159</u>	<u>(14,903)</u>	<u>496,105</u>
	Beginning of financial year S\$			End of financial year S\$
Carrying amount				
Computers	3,575			2,300
Furniture and fittings	0			0
Gym equipment	0			0
Office equipment	0			0
Right of use - copier	955			5,088
Air Conditioners	0			32,202
Renovation	0			0
	<u>4,530</u>			<u>39,590</u>

11. Plant and equipment (Cont'd)

	Beginning of financial year S\$	Additions S\$	End of financial year S\$
2021			
Cost			
Computers	13,708	3,937	17,645
Furniture and fittings	65,135	0	65,135
Gym equipment	30,094	0	30,094
Office equipment	2,169	0	2,169
Right of use - copier	6,693	0	6,693
Renovation	373,643	0	373,643
	<u>491,442</u>	<u>3,937</u>	<u>495,379</u>
Accumulated depreciation			
	Beginning of financial year S\$	Depreciation S\$	End of financial year S\$
Computers	11,808	2,262	14,070
Furniture and fittings	60,193	4,942	65,135
Gym equipment	30,094	0	30,094
Office equipment	2,169	0	2,169
Right of use - copier	3,825	1,913	5,738
Renovation	373,643	0	373,643
	<u>481,732</u>	<u>9,117</u>	<u>490,849</u>
Carrying amount			
	Beginning of financial year S\$		End of financial year S\$
Computers	1,900		3,575
Furniture and fittings	4,942		0
Gym equipment	0		0
Office equipment	0		0
Right of use - copier	2,868		955
Renovation	0		0
	<u>9,710</u>		<u>4,530</u>

Breakdown of depreciation expense is as follows:

	2022 S\$	2021 S\$
Jia Ying SAC fund	<u>20,159</u>	<u>9,117</u>

During the year, the additions of plant and equipment amounting to S\$56,015 (2021: S\$3,937). It consist of the additions of S\$49,785 (2021: S\$3,937) for plant and equipment and additions of S\$6,230 (2021: S\$Nil) for right-of-use assets.

12. Other payables

	2022 S\$	2021 S\$
Accruals	15,852	13,227
Deferred grant income – NCSS	0	61,833
Provision for unutilised leaves	3,093	3,547
	<u>18,945</u>	<u>78,607</u>

The deferred grant income – National Council on Social Services (NCSS) will be recognised as a grant income over the periods necessary to match it with the related costs.

At the reporting date, the carrying amounts of other payables approximate their fair values.

13. Lease liabilities

	2022 S\$	2021 S\$
Current	1,198	1,007
Non-current	3,970	0
	<u>5,168</u>	<u>1,007</u>

A reconciliation of lease liabilities arising from financing activities is as follows:

	<u>Non-cash charges</u>						31.12.2022 S\$
	01.01.2022 S\$	Early termination S\$	Addition S\$	Repayments during the year S\$	Accretion of interests S\$	Others S\$	
Current	1,007	(840)	1,062	(1,412)	183	1,198	1,198
Non-current	0	0	5,168	0	0	(1,198)	3,970
	<u>1,007</u>	<u>(840)</u>	<u>6,230</u>	<u>(1,412)</u>	<u>183</u>	<u>0</u>	<u>5,168</u>

	<u>Non-cash charges</u>					31.12.2021 S\$
	01.01.2021 S\$	Repayments during the year S\$	Accretion of interests S\$	Others S\$		
Current	1,961	(2,028)	67	1,007	1,007	1,007
Non-current	1,007	0	0	(1,007)	0	0
	<u>2,968</u>	<u>(2,028)</u>	<u>67</u>	<u>0</u>	<u>1,007</u>	<u>1,007</u>

14. Leases

Society as a lessee

The Society has lease contracts for centre space and office equipment. The Society's obligations under these leases are secured by the lessor's title to the leased assets. The Society is restricted from assigning and subleasing the leased assets.

The Society also has certain leases with lease terms of 12 months or less. The Society applies the 'short-term lease' recognition exemptions for these leases. During the financial year, the Society received rental concession from its short-term leases amounting to S\$NIL (2021: S\$2,166). The rental concession from short-term lease are offset against the related rental expense.

(a) Carrying amount

	2022 S\$	2021 S\$
Copier	<u>5,088</u>	<u>955</u>

(b) Lease liabilities

The carrying amounts of lease liabilities and the movements during the year are disclosed in Note 13.

(c) Amounts recognised in the statement of comprehensive income

	2022 S\$	2021 S\$
Gain on early termination of lease	(44)	0
Depreciation of right-of-use assets	1,301	1,913
Interest expense on lease liabilities	183	67
Operating lease expense*	<u>8,664</u>	<u>6,498</u>

* Included COVID-19 related rent concessions received from landlord of Nil (2021: S\$2,166) to which the Society applied the practical expedient.

(d) The Society has total cash outflows for leases of S\$10,076 (2021: S\$8,526).

15. Jia Ying SAC fund

The Jia Ying SAC fund is restricted for the operations of the Jia Ying Senior Activity Centre. In keeping with the donors' intent for the use of monies, this fund will not be transferred out of the programme for other purposes.

	2022 S\$	2021 S\$
Balance at beginning of financial year	201,187	216,263
Net surplus/ (deficit) for the financial year	<u>78,403</u>	<u>(15,076)</u>
Balance at end of financial year	<u>279,590</u>	<u>201,187</u>

16. Community Silver Trust fund ("CST")

The CST is managed by the Ministry of Health on behalf of the Trustees, which is a restricted fund.

The objective of the CST is to encourage donations and provide additional resources for the service providers in the Intermediate and Long-Term Care sector to enhance their capabilities, provide value-added services to achieve higher quality care, and enhance the affordability of step-down care for service users and patients.

	2022 S\$	2021 S\$
Balance at beginning of financial year	11,748	13,998
Deficit for the financial year	<u>(5,300)</u>	<u>(2,250)</u>
Balance at end of financial year	<u>6,448</u>	<u>11,748</u>

17. Related party transactions

There are no transactions with related parties as at the reporting date.

The Society is governed by the Management Committee. Members of the Committee are volunteers and receive no monetary remuneration for their contribution.

18. Service commitment

The Society entered into non-cancellable service agreement with a non-related party during the financial year.

The future minimum payment contracted for at the end of the reporting period are as follows:

	2022 S\$	2021 S\$
Within one year	1,595	19,140
Later than one year but not later than five years	<u>0</u>	<u>1,595</u>
	<u>1,595</u>	<u>20,735</u>

19. Reserve policy and position

The Society's reserve position for financial year ended 31 December 2022 and 2021 is as follows:

		2022 S\$	2021 S\$	Increase/ (decrease) %
A	Unrestricted funds			
	- Accumulated fund	234,925	233,906	0
B	Restricted or Designated Funds			
	- Community Silver Trust fund	6,448	11,748	(45)
	- Jia Ying SAC fund	279,590	201,187	39
C	Endowment funds	0	0	0
D	Total funds	520,963	446,841	17
E	Total annual operating expenditure	333,739	268,837	24
F	Ratio of funds to annual operating expenditure (A/E)	0.70	0.87	

19. Reserve policy and position (Cont'd)

Reference:

- C. An endowment fund consists of assets, funds or properties, which are held in perpetuity, which produce annual income flow for a foundation to spend as grants.
- D. Total funds include unrestricted, restricted / designated and endowment funds.
- E. Total annual operating expenditure includes expenses related to Cost of Charitable Activities and Governance and Administrative Costs.

The Society's reserve policy is as follows:

The Society shall maintain an appropriate level of reserves to ensure long-term financial stability but shall not build up excessive reserves. It intends to maintain reserves that are equivalent to at least one year's operating expenses.

The restricted fund, Jia Ying SAC fund is intended for the following purposes:

- a. Operations of the Jia Ying Senior Activity Centre;
- b. Capability building of the Jia Ying Senior Activity Centre;
- c. Capacity building of the Jia Ying Senior Activity Centre; and
- d. New initiatives / expansion of senior services.

The Management Committee makes quarterly reviews of the amount of the reserves that are required to ensure that they are adequate to fulfil the Society's continuing obligations.

20. Financial instruments

The carrying amounts of financial assets and liabilities of the Society as at end of financial year are as follows:

	2022 S\$	2021 S\$
Financial assets, at amortised cost		
Cash and cash equivalents	446,231	517,114
Other receivables (excluding prepayments)	<u>58,629</u>	<u>4,306</u>
	<u>504,860</u>	<u>521,420</u>
Financial liabilities, at amortised cost		
Other payables (excluding deferred grant income, interest received in advance and provision for unutilised leaves)	15,852	13,227
Lease liabilities	<u>5,168</u>	<u>1,007</u>
	<u>21,020</u>	<u>14,234</u>

21. Financial risk management

The Society's activities expose it to minimal financial risks and overall risk management is determined and carried out by the Management Committee of the Society. The Management Committee reviews and agrees on policies and procedures for management of these risks.

21.1 Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Society.

(i) Risk management

The Society adopts the following policy to mitigate the credit risk.

For banks and financial institutions, the Society mitigates its credit risks by transacting only with counterparties who are rated "A" and above by independent rating agencies.

The Society has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Society performs ongoing credit evaluation of its counterparties' financial condition and generally do not require a collateral.

The maximum exposure to credit risk in the event that the counterparties fail to perform their obligation as at the end of the financial year in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the statement of financial position.

(ii) Impairment of financial assets

As at the reporting date, there are no amounts arising from expected credit losses for each class of financial assets.

21.2 Interest rate risk

The Society is exposed to interest rate risk through the impact of rate changes on interest-bearing assets and liabilities. The major interest-bearing asset of the Society is its fixed deposits, which are not exposed to interest rate risk as the interest rates are fixed.

21.3 Liquidity risk

The Society adopts prudent liquidity risk management by maintaining sufficient cash to finance the Society's operations and mitigate the effects of fluctuations in cash flows.

21. Financial risk management (Cont'd)

21.3 Liquidity risk (Cont'd)

The table below summarises the maturity profile of the Society's financial assets and liabilities at the end of the reporting date based on the contractual undiscounted repayment obligations:

	Within one year S\$	Later than one year but not later than five years S\$	Total S\$
2022			
Financial assets, at amortised cost			
Cash and cash equivalents	446,231	0	446,231
Other receivables (excluding prepayments)	58,629	0	58,629
	<u>504,860</u>	<u>0</u>	<u>504,860</u>
Financial liabilities, at amortised cost			
Other payables (excluding deferred grant income, interest received in advance and provision for unutilised leaves)	15,852	0	15,852
Lease liabilities	1,356	4,181	5,168
	<u>17,208</u>	<u>4,181</u>	<u>21,389</u>
Net financial assets/(liabilities)	<u>487,652</u>	<u>(4,181)</u>	<u>483,471</u>
	Within one year S\$	Later than one year but not later than five years S\$	Total S\$
2021			
Financial assets, at amortised cost			
Cash and cash equivalents	517,114	0	517,114
Other receivables (excluding prepayments)	4,306	0	4,306
	<u>521,420</u>	<u>0</u>	<u>521,420</u>
Financial liabilities, at amortised cost			
Other payables (excluding deferred grant income, interest received in advance and provision for unutilised leaves)	13,227	0	13,227
Lease liabilities	1,014	0	1,014
	<u>14,241</u>	<u>0</u>	<u>14,241</u>
Net financial assets	<u>507,179</u>	<u>0</u>	<u>507,179</u>

22. Fair values

As at 31 December 2022, the carrying amounts of the financial assets and liabilities recorded in the financial statements of the Society approximate their fair values due to their short-term nature.

The carrying amounts of non-current lease liabilities approximate their fair values as they are subject to interest rate close to market rate of interests for similar arrangements with financial institutions.

23. Management of conflict of interest

There is no paid staff in the Society's Management Committee.

Committee members are required to disclose any interest that they may have, whether directly or indirectly, that the Society may enter into or in any organisations that the Society has dealings with or is considering dealing with; and any personal interest accruing to him as one of the Society's supplier, user of services or beneficiary. Should there be any potential conflict of interest, the affected Management Committee member may not vote on the issue that was the subject matter of the disclosure. Detailed minutes will be taken on the disclosure as well as the basis for arriving at the final decision in relation to the issue at stake.

24. Impact of Coronavirus Disease 2019 (COVID-19)

As the COVID-19 situation has improved and moved from pandemic to endemic, restrictions have been gradually released. Unless there is any new COVID-19 variant causing the government to restart the safe management measures, the Society can reasonably ascertain that the COVID-19 disruptions on its operating for the financial year ending 31 December 2023 would be marginal.

The Society has assessed that the going concern basis of preparation for this set of financial statements remains appropriate. The Management Committee is continuously monitoring the COVID-19 pandemic situation and will take further action as necessary in response to the service disruption.

25. Authorisation of financial statements

The financial statements for the financial year ended 31 December 2022 were authorised for issue in accordance with a resolution of the Management Committee of the Society on 21 April 2023.