

LIONS HOME FOR THE ELDERS
FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
31 MARCH 2024

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LIONS HOME FOR THE ELDERS

(Registered in Singapore under the Societies Act)

STATEMENT BY THE MANAGEMENT BOARD

On behalf of the Management Board, we do hereby state that in our opinion, the financial statements of Lions Home For The Elders (the “Society”) as set out on pages 5 to 29 are properly drawn up in accordance with the Societies Act 1966, the Charities Act 1994 and other relevant regulations and Financial Reporting Standards in Singapore so as to present fairly, in all material respects, the financial position of the Society as at 31 March 2024, and of the financial performance, changes in accumulated fund and other funds and cash flows of the Society for the financial year ended on that date.

On behalf of the Management Board

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PDG Seah Seow Kang Steven (BBM)
Chairman

22 July 2024

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Lion Kang Kok Kwan
Honorary Treasurer

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
LIONS HOME FOR THE ELDERS**

(Registered in Singapore under the Societies Act)

Report on the Audit of the Financial Statements***Opinion***

We have audited the accompanying financial statements of Lions Home For The Elders (the "Society") as set out on pages 5 to 29, which comprise the statement of financial position as at 31 March 2024, and the statement of comprehensive income, statement of changes in accumulated fund and other funds and statement of cash flows for the financial year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the 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 financial position of the Society as at 31 March 2024 and of the financial performance, changes in accumulated fund and other 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 Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Management Board is responsible for the other information. The other information obtained at the date of the auditor's report is Statement by the Management Board.

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 on the other information obtained prior to the date of this auditor's report, 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
LIONS HOME FOR THE ELDERS (cont'd)**
(Registered in Singapore under the Societies Act)

Report on the Audit of the Financial Statements (cont'd)

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

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

In preparing the financial statements, the Management Board is responsible for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management Board 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 the Management Board.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
LIONS HOME FOR THE ELDERS (cont'd)**

(Registered in Singapore under the Societies Act)

Report on the Audit of the Financial Statements (cont'd)

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

- Conclude on the appropriateness of the Management Board'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.

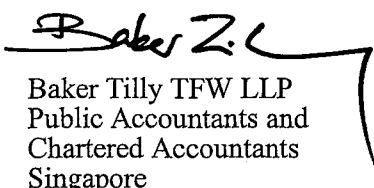
Report on Other Legal and Regulatory Requirements

In our opinion,

- (i) 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; and
- (ii) the fund-raising appeal held during the financial year ended 31 March 2024 has been carried out in accordance with Regulation 6 of the Societies Regulations issued under the Societies Act and proper accounts and other records have been kept of the fund-raising appeal.

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

- (i) 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
- (ii) the Society has not complied with the requirements of Regulation 15 (Fund-raising expenses) of the Charities (Institutions of a Public Character) Regulations.



Baker Tilly TFW LLP
Public Accountants and
Chartered Accountants
Singapore

22 July 2024

LIONS HOME FOR THE ELDERS
(Registered in Singapore under the Societies Act)

STATEMENT OF COMPREHENSIVE INCOME
For the financial year ended 31 March 2024

	Note	2024 \$	2023 \$
Income			
Ambulance reimbursement		75,932	66,706
Diapers reimbursement		365,700	338,000
Escort service reimbursement		9,900	8,100
Fees received from residents		4,008,167	3,676,517
Fees received from senior care centre		531,792	447,109
Government operating grants		8,942,719	7,885,852
Medical reimbursement - residents		261,050	222,990
Milk and ryles tubes reimbursement		123,894	115,774
Subsidy - senior care centre		301,697	270,642
Subsidy for GST absorbed by government		323,218	252,460
Subsidy for land rental		1,062,931	1,053,105
Subsidy - others	11	2,400,973	2,023,441
Grant from MOH (Bishan)	18	780,041	165,843
Grant from MOH (Bedok)	19	208,643	76,638
Medifund Grant	21	757,100	686,300
Medifund FAS Grant	22	49,300	—
Community Silver Trust	24	—	1,226,367
		20,203,057	18,515,844
Expenditure			
Administrative expenses	4	441,170	548,432
Establishment expenses	5	3,512,235	3,896,000
Interest expense on lease liabilities	15	42,450	73,063
Residents' welfare	6	4,270,323	4,131,302
Staff costs	7	12,617,069	11,426,742
Medifund disbursement to residents	21	879,824	759,164
Medifund FAS disbursement to residents	22	14,121	—
AIC funded programme	23	—	38,385
Community Silver Trust Funded Program	24	1,489,634	1,300,456
Transit Grant expenses	20	—	529,122
		23,266,826	22,702,666
Other income			
Donations	8	996,562	1,126,918
Other appeal letters	9	(1,656)	89,180
Flag day	10	480,785	329,188
Bank interest income		7,256	21,476
Interest income from financial assets at fair value through profit or loss		597,335	290,358
Fair value gain on financial assets at fair value through profit or loss		541,861	—
Sundry income		1,942	3,434
		2,624,085	1,860,554
Total deficit and comprehensive loss for the financial year		(439,684)	(2,326,268)

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

LIONS HOME FOR THE ELDERS
(Registered in Singapore under the Societies Act)

STATEMENT OF FINANCIAL POSITION
At 31 March 2024

	Note	2024 \$	2023 \$
Non-current assets			
Property, plant and equipment	12	3,654,957	3,705,420
Sundry receivables	14	615,014	–
		4,269,971	3,705,420
Current assets			
Financial assets at fair value through profit or loss	13	21,083,373	20,054,053
Sundry receivables	14	2,193,193	1,845,274
Cash and cash equivalents		6,883,459	9,130,161
		30,160,025	31,029,488
Total assets		34,429,996	34,734,908
Non-current liability			
Lease liabilities	15	714,483	212,282
Current liabilities			
Sundry payables	16	1,026,593	1,114,020
Accrued operating expenses		572,450	517,922
Lease liabilities	15	592,316	926,846
		2,191,359	2,558,788
Total liabilities		2,905,842	2,771,070
Net assets		31,524,154	31,963,838
General Funds (unrestricted)			
Accumulated Fund	17	27,413,251	26,617,782
LHE Bishan Society Fund	18	1,294,784	625,026
LHE Bedok Society Fund	19	1,695,666	2,023,268
Transit Grant	20	–	–
		30,403,701	29,266,076
Specific Fund (restricted)			
LHE Medifund	21	244,713	367,377
LHE Medifund FAS	22	34,989	–
Agency for Integrated Care Fund	23	–	–
Community Silver Trust	24	840,751	2,330,385
		1,120,453	2,697,762
		31,524,154	31,963,838

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

LIONS HOME FOR THE ELDERS
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STATEMENT OF CHANGES IN ACCUMULATED FUND AND OTHER FUNDS
For the financial year ended 31 March 2024

	←	Unrestricted		→	Restricted		→		
	Accumulated Fund \$	LHE Bishan Society Fund \$	LHE Bedok Society Fund \$	Transit Grant \$	LHE Medifund \$	LHE Medifund FAS \$	Agency for Integrated Care Fund \$	Community Silver Trust \$	Total \$
Balance at 1.4.2022	27,720,384	696,630	2,460,930	529,122	440,181	–	38,385	2,404,474	34,290,106
Total deficit and comprehensive loss for the financial year	(990,689)	(154,079)	(467,100)	(529,122)	(72,804)	–	(38,385)	(74,089)	(2,326,268)
Transfer (to)/from other funds	(111,913)	82,475	29,438	–	–	–	–	–	–
Balance at 31.3.2023	26,617,782	625,026	2,023,268	–	367,377	–	–	2,330,385	31,963,838
Total surplus/(deficit) and comprehensive income/(loss) for the financial year	1,033,973	453,243	(349,591)	–	(122,664)	34,989	–	(1,489,634)	(439,684)
Transfer (to)/from other funds	(238,504)	216,515	21,989	–	–	–	–	–	–
Balance at 31.3.2024	27,413,251	1,294,784	1,695,666	–	244,713	34,989	–	840,751	31,524,154

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

LIONS HOME FOR THE ELDERS
(Registered in Singapore under the Societies Act)

STATEMENT OF CASH FLOWS
For the financial year ended 31 March 2024

	2024 \$	2023 \$
Cash flows from operating activities		
Net deficit for the financial year	(439,684)	(2,326,268)
Adjustments for:		
Bad debts written off	7,324	3,270
Allowance for impairment on amounts due from residents	93,752	14,000
Allowance for impairment on amounts due from residents written-back	(8,695)	(264)
Interest income	(604,591)	(311,834)
Interest expense on lease liabilities (Note 15)	42,450	73,063
Depreciation of property, plant and equipment (Note 12)	1,843,506	1,803,817
Property, plant and equipment written off (Note 5)	7,285	16,109
Fair value (gain)/loss on financial assets at fair value through profit or loss	(541,861)	149,251
Investment expenses	116,417	–
Operating cash flows before movements in working capital	515,903	(578,856)
Sundry receivables	(440,300)	412,314
Sundry payables and accrued operating expenses	(32,899)	199,489
Net cash generated from operating activities	42,704	32,947
Cash flows from investing activities		
Interest received	715	238,813
Purchases of property, plant and equipment (Note A)	(1,227,188)	(354,394)
Additions of financial assets at fair value through profit or loss	–	(20,130,283)
Net cash used in investing activities	(1,226,473)	(20,245,864)
Cash flows from financing activities		
Repayment of lease liabilities (Note 15)	(1,020,483)	(980,043)
Interest paid (Note 15)	(42,450)	(73,063)
Net cash used in financing activities	(1,062,933)	(1,053,106)
Net decrease in cash and cash equivalents	(2,246,702)	(21,266,023)
Cash and cash equivalents at beginning of the financial year	9,130,161	30,396,184
Cash and cash equivalents at end of the financial year	6,883,459	9,130,161

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

LIONS HOME FOR THE ELDERS
(Registered in Singapore under the Societies Act)

STATEMENT OF CASH FLOWS (cont'd)
For the financial year ended 31 March 2024

Note A: Purchases of property, plant and equipment

	2024 \$	2023 \$
Aggregate cost of property, plant and equipment acquired (Note 12)	1,786,797	354,394
Add: Prepayments as at 31 December (Note 14)	615,014	—
Less: New lease (Note 15)	(1,174,623)	—
	<hr/>	<hr/>
Net cash outflows for purchases of property, plant and equipment	1,227,188	354,394
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The accompanying notes form an integral part of these financial statements.

LIONS HOME FOR THE ELDERLY
(Registered in Singapore under the Societies Act)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2024

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

1. General information

The Society's principal places of operations are at 487 Bedok South Avenue 2, Singapore 469316 and 9 Bishan Street 13, Singapore 579804. The principal activities of the Society are to provide shelter and care to aged destitute and those in need of such care, ambulant, non-ambulant sick or otherwise, regardless of their race, gender or religion.

2. Material accounting policies

a) Basis of preparation

The financial statements, expressed in Singapore dollar ("S\$"), which is the functional currency of the Society, have been prepared in accordance with the Societies Act 1966, Charities Act 1994 and other relevant regulations and Financial Reporting Standards in Singapore ("FRSs"). The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRSs requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenditure during the financial year. Although these estimates are based on the Management Board's best knowledge of current events and actions and historical experiences and various other factors that are believed to be reasonable under the circumstances, actual results may ultimately differ from those estimates.

Use of estimates and judgements

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The areas involving a higher degree of judgement in applying accounting policies, or areas where assumptions and estimates have a significant risk of resulting in material adjustment within the next financial year are disclosed in Note 3.

The carrying amounts of sundry receivables, cash and cash equivalents, sundry payables and accrued operating expenses (other than current lease liabilities) approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

New and revised standards that are adopted

In the current financial year, the Society has adopted all the new and revised FRSs and Interpretations of FRSs ("INT FRSs") that are relevant to its operations and effective for the current financial year. 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.

2. Material accounting policies (cont'd)

a) Basis of preparation (cont'd)

New and revised standards that are adopted (cont'd)

The adoption of these new/revised FRSs and INT FRSs did not have any material effect on the financial performance or position of the Society except as disclosed below:

Amendments to FRS 1 and FRS Practice Statement 2: Disclosure of Accounting Policies

The amendments to FRS 1 and FRS Practice Statement 2 *Making Materiality Judgements* provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments require entities to disclose their material accounting policies rather than their significant accounting policies, and provide guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The Society has adopted the amendments to FRS 1 on disclosures of accounting policies. The amendments have no impact on the measurement, recognition and presentation of any items in the Society's financial statements.

New and revised standards not yet effective

New standards, amendments to standards and interpretations that have been issued at the end of the reporting period but are not yet effective for the financial year ended 31 March 2024 have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Society.

b) Income recognition

Service income

The Society offers a spectrum of Aged Care Services as well as a Senior Day Care Centre to provide long-term residential and nursing care for the elderly. Such services are recognised as a performance obligation satisfied over time. Service income (comprising admission fees, fee received from residents and from day rehabilitation and society nursing and reimbursement income) is recognised when services are rendered to the residents.

Donations

Donations are recognised when received.

Interest income

Interest income is recognised using the effective interest method.

Subsidy income

Subsidy income is recognised on accrual basis when the receipts are certain.

c) Income tax

The Society is a registered charity under the Charities Act and is exempted from income tax under the provisions of the Income Tax Act.

2. Material accounting policies (cont'd)

d) Financial assets

Financial assets include sundry receivables (excluding prepayments and grant and subsidies receivables), financial assets at fair value through profit and loss and cash and cash equivalents. Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial assets (other than financial assets at fair value through profit or loss) are added to the fair value of the financial assets on initial recognition. Transaction costs directly attributable to acquisition of financial assets at fair value through profit or loss are recognised immediately in profit or loss. All financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets. The classification is based on the Society's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. The Society classifies its financial assets at amortised cost and fair value through profit or loss ("FVTPL").

Amortised cost

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in income or expenditure when the asset is derecognised, modified or impaired. Interest income from these financial assets is included in interest income using the EIR method.

Fair value through profit or loss ("FVTPL")

Debt instruments that are held for trading as well as those that do not meet the criteria for classification as amortised cost are classified as FVTPL. Movements in fair values and interest income are recognised in profit or loss in the period in which it arises and presented in "other income" or "other expense".

e) Financial liabilities

Financial liabilities include sundry payables, accrued operating expenses (excluding provision for unutilised leave) and lease liabilities. Financial liabilities are recognised on the statement of financial position when, and only when, the Society becomes a party to the contractual provisions of the financial instruments. Financial liabilities are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method. A financial liability is derecognised when the obligation under the liability is extinguished. Gains and losses are recognised in income or expenditure when the liabilities are derecognised and through the amortisation process.

f) Government grants

Government grants are given in the form of subvention and capital grants.

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Where the grant relates to an asset, the fair value is recognised as deferred capital grant on the statement of financial position and is amortised to respective Society's fund over the expected useful life of the relevant asset by equal annual instalments.

When the grant relates to an expense item, it is recognised in income or expenditure over the period necessary to match them on a systematic basis to the costs that it is intended to compensate.

g) Funds

Unless specifically indicated, fund balances are not represented by any specific assets, but are represented by all assets of the Society. Income and expenditure relating to various funds specifically set up are taken directly to these funds. All other income and expenditure are reflected in the accumulated fund.

3. Critical accounting judgements and key sources of estimation uncertainty

Estimates, assumptions concerning the future and judgements are made in the preparation of the financial statements. They affect the application of the Society's accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosures made. They are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical judgments in applying the Society's accounting policies

In the process of applying the Society's accounting policies, which are described in Note 2, the Management Board has made the following judgements that has the most significant effect on the amounts recognised in the financial statements (apart from those involving estimations):

Reinstatement cost of leasehold land and leasehold buildings

In accordance with the terms of the lease agreement, upon expiry of the lease, the Society is required to deliver to the landlord vacant possession of the land and buildings together with the approved building work and fixtures and fittings in tenantable condition.

The Management Board is of the view that the likelihood to reinstate the land and buildings is low due to the nature of the Society's operations. No provision has been made in the financial statements. The carrying amounts of the leasehold land and leasehold buildings as at 31 March 2024 are disclosed in Note 12.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below:

Property, plant and equipment

The Society reviews the useful lives and residual values of property, plant and equipment at each reporting date in accordance with the accounting policy in Note 12. The estimation of the useful lives and residual values involve assumption concerning the future and estimation of the assets' common life expectancies and expected level of usage.

The Society's leasehold building was constructed specifically for the operating activities of the Society. The construction costs were fully financed by a grant from Ministry of Health ("MOH") and the land lease tenure on which the building is erected is on a 3 years basis since the first tenancy agreement in 1997. As the Management Board believes that the landlord, Singapore Land Authority will continue to renew and extend the lease up to the building's estimated useful life of 30 years based on the total extended number of years' lease for a nursing home generally granted by the local government agency, the leasehold building is hence depreciated on a straight-line basis over its estimated useful life of 30 years.

The net carrying amount of property, plant and equipment at 31 March 2024 and the annual depreciation charge for the financial year ended 31 March 2024 are disclosed in Note 12.

Any changes in the expected useful lives of these assets would affect the net carrying amount of property, plant and equipment and the depreciation charge for the financial year.

4. Administrative expenses

	2024 \$	2023 \$
Advertisement	11,954	26,402
Auditor's remuneration	25,200	21,600
Bank charges	4,386	4,111
Fair value loss on financial assets at fair value through profit or loss	—	149,251
General expenses	4,909	2,730
Insurance	40,603	42,638
Printing, postage and stationery	18,026	18,985
Professional fee	101,646	80,007
Transportation	13,176	8,190
Management fee paid to fund managers	146,802	87,054
Upkeep of motor vehicle	22,869	26,027
Volunteer expenses	51,599	81,437
	441,170	548,432

5. Establishment expenses

	2024 \$	2023 \$
Depreciation of property, plant and equipment (Note 12)	1,843,506	1,803,817
Property, plant and equipment written off	7,285	16,109
GST not claimable	303,324	221,889
IT maintenance - hardware	82,853	82,821
IT maintenance - software	145,635	66,638
Land and toll fee	4,651	—
Repairs and maintenance	626,279	1,100,211
Telephone	13,435	14,686
Utilities	473,303	481,845
Vaccine and infection control consumables	11,964	107,984
	3,512,235	3,896,000

6. Residents' welfare

	2024 \$	2023 \$
Allowance for impairment on amounts due from residents (Note 14)	93,752	14,000
Allowance for impairment on amounts due from residents written-back (Note 14)	(8,695)	(264)
Bad debts written off	7,324	3,270
Bedding and clothing	10,653	33,864
Cleaning and laundry	97,003	162,673
GST absorbed by government	323,396	254,961
Medical expenses	826,404	773,995
Medical/professional services	719,436	733,616
Home subsidies	1,081,945	1,034,848
Physiotherapy/occupant consumables	6,062	7,124
Residents' food and refreshment	315,542	357,130
Residents' transport	170,968	169,901
Residents' diapers	195,763	198,817
Residents - miscellaneous	38,252	45,147
Senior care centre expenses	392,518	342,220
	4,270,323	4,131,302

7. Staff costs

	2024 \$	2023 \$
CPF	593,454	578,298
Medical expenses	125,888	82,078
Medical insurance	74,415	60,582
Recruitment expenses	69,567	44,247
Salaries and bonus	9,610,747	8,684,578
Staff food and refreshment	139,048	169,592
Staff handphone allowance	3,657	4,100
Staff training	47,961	7,352
Staff uniform	31,640	25,207
Staff welfare	64,560	92,263
Foreign worker levy	1,569,378	1,508,608
Staff accommodation	713,169	484,537
	13,043,484	11,741,442
Funded by CST grant	(426,415)	(314,700)
	12,617,069	11,426,742

7. Staff costs (cont'd)

The number of persons employed at the end of the financial year is 255 (2023: 250) of which 195 (2023: 196) persons are Nursing Care staff, 36 (2023: 29) persons are Support staff, and 24 (2023: 25) persons are Administrative staff. The remuneration of our Executives are:

	Number of staff
\$300,001 to \$350,000 per annum	1 (2023: 1)
\$201,001 to \$225,000 per annum	1 (2023: 0)
\$175,001 to \$200,000 per annum	3 (2023: 1)
\$150,001 to \$175,000 per annum	2 (2023: 5)
\$100,001 to \$125,000 per annum	2 (2023: 2)

Total remuneration paid to the Executives for the financial year amounted to \$1,640,208 (2023: \$1,513,270). The number of Executives at the end of financial year is 9 (2023: 9).

The Management Board consists of Lion Members in good standing and are elected into the management position for a two-year term. Virtually every member spearheads a function and is not remunerated in any way.

8. Donations

	2024 \$	2023 \$
Donation	858,736	823,740
Donation-in-kind	140,376	306,202
Less: Expenses	(2,550)	(3,024)
	996,562	1,126,918

9. Other appeal letters

	2024 \$	2023 \$
Donation (Note 26)	28,355	114,508
Less: Expenses	(30,011)	(25,328)
	(1,656)	89,180

10. Flag day

	2024 \$	2023 \$
Donation (Note 26)	505,414	333,529
Less: Expenses	(24,629)	(4,341)
	480,785	329,188

11. Subsidy - others

	2024 \$	2023 \$
Wage Credit Scheme	58,113	78,320
Special Employment Credit	26,016	23,578
Job Growth Incentive	2,750	98,162
Community Care Salary Enhancement ("CCSE") ^(a)	2,147,133	1,302,628
CPF Transition Offset	5,712	7,445
Others	161,249	513,308
	2,400,973	2,023,441

(a) The CCSE grant from MOH is given to increase the funding support for wages and to ensure that salaries in the community care sector remain competitive.

12. Property, plant and equipment

	Leasehold land \$	Leasehold buildings \$	Plant and equipment \$	Motor vehicles \$	Total \$
2024					
Cost					
Balance at 1.4.2023	4,198,565	11,656,080	4,248,414	249,331	20,352,390
Additions	1,174,623	—	612,174	—	1,786,797
Modification of lease liabilities	13,531	—	—	—	13,531
Written off	—	—	(110,883)	—	(110,883)
Balance at 31.3.2024	5,386,719	11,656,080	4,749,705	249,331	22,041,835
Accumulated depreciation					
Balance at 1.4.2023	3,141,440	9,973,376	3,343,631	188,523	16,646,970
Depreciation charge	965,759	429,201	434,148	14,398	1,843,506
Written off	—	—	(103,598)	—	(103,598)
Balance at 31.3.2024	4,107,199	10,402,577	3,674,181	202,921	18,386,878
Net carrying value					
At 31.3.2024	1,279,520	1,253,503	1,075,524	46,410	3,654,957

12. Property, plant and equipment (cont'd)

	Leasehold land \$	Leasehold buildings \$	Plant and equipment \$	Motor vehicles \$	Total \$
2023					
Cost					
Balance at 1.4.2022	4,186,465	11,656,080	4,009,546	249,331	20,101,422
Additions	–	–	354,394	–	354,394
Modification of lease liabilities	12,100	–	–	–	12,100
Written off	–	–	(115,526)	–	(115,526)
Balance at 31.3.2023	4,198,565	11,656,080	4,248,414	249,331	20,352,390
Accumulated depreciation					
Balance at 1.4.2022	2,185,174	9,544,175	3,044,084	169,137	14,942,570
Depreciation charge	956,266	429,201	398,964	19,386	1,803,817
Written off	–	–	(99,417)	–	(99,417)
Balance at 31.3.2023	3,141,440	9,973,376	3,343,631	188,523	16,646,970
Net carrying value					
At 31.3.2023	1,057,125	1,682,704	904,783	60,808	3,705,420

Property, plant and equipment are depreciated on a straight-line basis to write off the cost of property, plant and equipment over their estimated useful lives. The estimated useful lives are as follows:

	Years
Leasehold land	3
Leasehold buildings	30
Plant and equipment	1 to 10
Motor vehicles	10

Depreciation of relevant property, plant and equipment that are funded in part by government capital grants are charged to the LHE Bedok Society Fund account and LHE Bishan Society Fund account.

Details of the leasehold land and leasehold buildings held by the Society are as follows:

Location	Usage	Tenure
Bedok Society 487 Bedok South Ave 2 Singapore 469316	Home for the Elders Agreement expires on 31 December 2026	3 years
Bishan Society 9 Bishan Street 13, Singapore 579804	Home for the Elders Agreement expires on 2 August 2024	3 years

As at 31 March 2024, the net carrying value of the Society's right-of-use assets included under property, plant and equipment were \$1,279,520 (2023: \$1,057,125) (Note 15).

12. Property, plant and equipment (cont'd)

Motor vehicles consist of ambulances and vans specifically converted to convey patients to hospitals and homes.

Additions for the financial year of property, plant and equipment financed by capital grants received amounted to \$373,670 (2023: \$242,481).

Remaining additions for the financial year of property, plant and equipment transferred from accumulated fund amounted to \$238,504 (2023: \$111,913).

The depreciation charge of \$322,790 (2023: \$308,288) and \$554,957 (2023: \$539,263) are charged to the LHE Bishan Society Fund (Note 18) and LHE Bedok Society Fund (Note 19) respectively.

13. Financial assets at fair value through profit or loss

	2024 \$	2023 \$
Investments under fund management	21,083,373	20,054,053

Investments under fund management are classified and measured as financial assets at fair value through profit or loss. The Society classify a portfolio of financial assets that is managed and whose performance is evaluated on a fair value basis as financial assets at fair value through profit or loss. Such portfolio of financial assets is neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets. The collection of contractual cash flows is only incidental to achieving the investment model's objective. The Society's primary focus on a portfolio of financial assets is on the fair value information and uses that information to assess the assets' performance and to make decisions. Movements in fair values, interest income and dividend income are recognised in profit or loss in the period in which it arises and presented as "Net gain/loss on financial assets at fair value through profit or loss" and "Finance income".

Investments under fund management of the Society relate to funds placed with the professional fund managers. These managers are given discretionary powers within certain guidelines to invest the funds.

14. Sundry receivables

	2024 \$	2023 \$
Non-current		
Prepayments for purchases of property, plant and equipment	615,014	–
Current		
Grant and subsidies receivables	588,494	475,162
Prepayments	66,758	66,502
Deposits	260,635	264,305
Sundry debtors	937,308	621,137
Amounts due from residents	438,760	450,198
	2,291,955	1,877,304
Allowance for impairment on amounts due from residents	(98,762)	(32,030)
	2,193,193	1,845,274

14. Sundry receivables (cont'd)

The movements in allowance for impairment on amounts due from residents are as follows:

	2024 \$	2023 \$
At 1 April	32,030	34,407
Allowance made (Note 6)	93,752	14,000
Allowance written off	(18,325)	(16,113)
Allowance written back (Note 6)	(8,695)	(264)
At 31 March	98,762	32,030

15. Lease liabilities

	2024 \$	2023 \$
Current	592,316	926,846
Non-current	714,483	212,282
	1,306,799	1,139,128

Reconciliation of movements of lease liabilities to cash flows arising from financing activities:

	2024 \$	2023 \$
Balance at 1 April	1,139,128	2,107,071
Changes from financing cash flows:		
- Repayments	(1,020,483)	(980,043)
- Interest paid	(42,450)	(73,063)
Non-cash changes:		
- Interest expense	42,450	73,063
- New lease	1,174,623	—
- Modification of lease liabilities	13,531	12,100
Balance at 31 March	1,306,799	1,139,128

The Society leases leasehold land from a third party. The leases have an average tenure of 3 years.

The maturity analysis of the lease liabilities is disclosed in Note 27(b).

Information about leases for which the Society is a lessee is presented below:

Carrying amount of right-of-use assets

The carrying amount of right-of-use assets are as follows:

	2024 \$	2023 \$
<u>Classified within property, plant and equipment</u>		
Leasehold land	1,279,520	1,057,125

15. Lease liabilities (cont'd)

Information about leases for which the Society is a lessee is presented below (cont'd):

Amounts recognised in income or expenditure

	2024 \$	2023 \$
<u>Depreciation charge for the financial year</u>		
Leasehold land	965,759	956,266
	<hr/>	<hr/>
Interest expense on lease liabilities	42,450	73,063
	<hr/>	<hr/>

Total cash flows for leases of the Society amounted to \$1,062,933 (2023: \$1,053,106).

16. Sundry payables

	2024 \$	2023 \$
Cash held in custody - residents	288,254	312,246
Deposits from residents	237,927	221,791
Sundry payables	500,412	579,983
	<hr/>	<hr/>
	1,026,593	1,114,020
	<hr/>	<hr/>

17. Accumulated Fund

	2024 \$	2023 \$
At 1 April	26,617,782	27,720,384
Surplus/(deficit) for the financial year	1,033,973	(990,689)
Transfer to:		
- LHE Bishan Society Fund (Note 18)	(216,515)	(82,475)
- LHE Bedok Society Fund (Note 19)	(21,989)	(29,438)
	<hr/>	<hr/>
At 31 March	27,413,251	26,617,782
	<hr/>	<hr/>

18. LHE Bishan Society Fund

	2024 \$	2023 \$
<i>Capital grant</i>		
At 1 April	2,575,432	2,444,244
Grant received from MOH	780,041	165,843
Property, plant and equipment written off	(88,046)	(34,655)
At 31 March (A)	3,267,427	2,575,432
<i>Building fund</i>		
At 1 April	486,708	451,693
Transfer from Accumulated Fund (Note 17)	216,515	82,475
Property, plant and equipment written off	(8,457)	(47,460)
At 31 March (B)	694,766	486,708
<i>Accumulated depreciation</i>		
At 1 April	(2,437,114)	(2,199,307)
Depreciation charge	(322,790)	(308,288)
Property, plant and equipment written off	92,495	70,481
At 31 March (C)	(2,667,409)	(2,437,114)
Total (A + B + C)	1,294,784	625,026

19. LHE Bedok Society Fund

	2024 \$	2023 \$
<i>Capital grant</i>		
At 1 April	10,576,101	10,515,044
Grant received from MOH	208,643	76,638
Property, plant and equipment written off	(12,920)	(15,581)
Transfer to Building Fund	(16,471)	–
At 31 March (A)	10,755,353	10,576,101
<i>Building fund</i>		
At 1 April	2,515,585	2,503,977
Transfer from Accumulated Fund (Note 17)	21,989	29,438
Property, plant and equipment written off	(1,460)	(17,830)
Transfer from Capital Grant	16,471	–
At 31 March (B)	2,552,585	2,515,585
<i>Accumulated depreciation</i>		
At 1 April	(11,068,418)	(10,558,091)
Depreciation charge	(554,957)	(539,263)
Property, plant and equipment written off	11,103	28,936
At 31 March (C)	(11,612,272)	(11,068,418)
Total (A + B + C)	1,695,666	2,023,268

20. Transit Grant

	2024 \$	2023 \$
At 1 April	—	529,122
Deficit during the financial year	—	(529,122)
At 31 March	—	—

This represents grant received from Ministry of Health and Agency for Integrated Care relating to post-circuit breaker measures and transition into new norm for staff accommodation. During the financial year ended 31 March 2023, the Society closed the fund.

21. LHE Medifund

	2024 \$	2023 \$
At 1 April	367,377	440,181
Medical grant received during the financial year	757,100	686,300
Net bank interest received	60	60
Disbursement during the financial year	(879,824)	(759,164)
Deficit during the financial year	(122,664)	(72,804)
At 31 March	244,713	367,377

This fund is set up and funded by Ministry of Health to finance the residents who are unable to pay the monthly fees and other medical related charges.

22. LHE Medifund FAS

	2024 \$	2023 \$
At 1 April	—	—
Medical grant received during the financial year	49,300	—
Net bank interest charged	(190)	—
Disbursement during the financial year	(14,121)	—
Surplus during the financial year	34,989	—
At 31 March	34,989	—

This fund is set up and funded by Ministry of Health to finance the permanent residents who are unable to pay the monthly fees and other medical related charges.

23. Agency for Integrated Care Fund

	2024 \$	2023 \$
At 1 April	–	38,385
Grant received during the financial year	–	–
Disbursement during the financial year	–	(38,385)
Deficit during the financial year	–	(38,385)
At 31 March	–	–

This fund was set up to finance the various projects administered by Agency for Integrated Care. An independent corporate entity under MOH Holdings was appointed to look into enhancement and integration of long-term care sector. During the financial year ended 31 March 2023, the Society closed the fund.

24. Community Silver Trust

	2024 \$	2023 \$
At 1 April	2,330,385	2,404,474
Grant received during the financial year	–	1,226,367
Disbursement during the financial year	(1,281,598)	(742,355)
Unutilised grant refunded during the financial year	(208,036)	(558,101)
Deficit during the financial year	(1,489,634)	(74,089)
At 31 March	840,751	2,330,385

Community Silver Trust (“CST”) is a Trust managed by the Ministry of Health. The objective of CST is to encourage donations and provide additional resources for the services providers in the intermediate and long-term care sector to enhance capabilities and provide value-added services to achieve higher quality care and affordable step-down care.

Grant income is recognised when attaching conditions are complied with the recoverability of grant receipts is reasonable assured. Upon receipt of the grants, the Society is required to fully utilise the grant receipts within 5 years. In the event that the CST Fund are not fully utilised by end of 5 years subsequent to receiving the grants, the Society may be required to return any unutilised portion of the grants.

25. Tax-deductible receipts

	2024 \$	2023 \$
Tax-deductible receipts	1,187,147	1,157,452
Non-tax-deductible receipts	205,358	114,325
	1,392,505	1,271,777

26. Donations from public fund-raising events

Donations from public raising events included in income or expenditure:

	2024 \$	2023 \$
Other appeal letters (Note 9)	28,355	114,508
Flag day (Note 10)	505,414	333,529
	<u>533,769</u>	<u>448,037</u>

27. Financial instruments**a) Categories of financial instruments**

Financial instruments at their carrying amounts at the reporting date are as follows:

	2024 \$	2023 \$
<i>Financial assets</i>		
Financial assets at amortised cost	8,421,400	10,433,771
Financial assets at fair value through profit or loss	21,083,373	20,054,053
	<u></u>	<u></u>
<i>Financial liabilities</i>		
Financial liabilities at amortised cost	2,779,822	2,598,634
	<u></u>	<u></u>

b) Financial risk management

The Society is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include interest rate risk, credit risk and liquidity risk. The Society is not exposed to foreign exchange risk as the Society transacts substantially in its functional currency. The policies for managing each of these risks are summarised below. The Management Board reviews and agrees policies and procedures for the management of these risks.

There has been no change to the Society's exposure to these financial risks or the manner in which it manages and measures financial risk.

Interest rate risk

In Society's income and operating cash flows are substantially independent of changes in market interest rates. The Society has no significant variable interest rate-bearing assets or liabilities.

Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Society's exposure to credit risk arises primarily from cash and cash equivalents and sundry receivables. For financial assets, including cash and cash equivalents, the Society minimises credit risk by dealing exclusively with high credit rating counterparties.

27. Financial instruments (cont'd)

b) Financial risk management (cont'd)

Credit risk (cont'd)

The Society does not have any significant concentration of credit risk exposure. The maximum exposure to credit risk is represented by the carrying value of each class of financial assets recognised on the statement of financial position.

The Society's exposure to credit risk arises from the failure of a resident to settle its financial and contractual obligations to the Society, as and when they fall due. The Management Board manages this risk by limiting the aggregate financial exposure to any individual resident.

The following sets out the Society's internal credit evaluation practices and basis for recognition and measurement of expected credit losses ("ECL"):

Description of evaluation of financial assets	Basis for recognition and measurement of ECL
Counterparty has a low risk of default and does not have any past due amounts	12-month ECL
Contractual payments are more than 30 days past due or where there has been a significant increase in credit risk since initial recognition	Lifetime ECL - not credit-impaired
Contractual payments are more than 90 days past due or there is evidence of credit impairment	Lifetime ECL - credit-impaired
There is evidence indicating that the Society has no reasonable expectation of recovery of payments such as when the debtor has been placed under liquidation or has entered into bankruptcy proceedings	Write-off

The Society determines the ECL of amounts due from residents by making debtor-specific assessment of expected impairment loss for overdue amounts due from residents and using a provision matrix for amounts due from residents that is based on its historical credit loss experience, past due status of residents, residents' ability to pay and forward-looking information specific to the residents and economic environment.

The Society considers that default has occurred when the resident fails to make contractual payments more than 90 days past due. A resident outstanding balance is written off when there is information indicating that there is no realistic prospect of recovery from the resident.

There has been no change in the estimation techniques or significant assumptions made during the current financial year.

27. Financial instruments (cont'd)**b) Financial risk management (cont'd)*****Credit risk (cont'd)***

Based on a simplified approach for determining credit loss allowance for amounts due from residents at the reporting date, an allowance for impairment amounting to \$98,762 (2023: \$32,030) was recognised by the Society as at 31 March 2024 and 31 March 2023 for specific residents as a result of occurrence of credit impairment events.

Movements in credit loss allowance for impairment on amounts due from residents are as follows:

	2024 \$	2023 \$
Balance at 1 April	32,030	34,407
Loss allowance recognised in income or expenditure during the financial year on:		
Lifetime ECL - simplified approach	85,057	13,736
Receivables written-off as uncollectable	(18,325)	(16,113)
Balance at 31 March	<u>98,762</u>	<u>32,030</u>

Credit risk exposure in relation to cash and cash equivalents and sundry receivables (except for amounts due from residents) as at 31 March 2024 and 31 March 2023 is insignificant, and accordingly no credit loss allowances is recognised as at 31 March 2024 and 31 March 2023.

Market price risk***Sensitivity analysis for price risk***

At the reporting date, a 5% (2023: 5%) increase/(decrease) in the fair value of the financial assets at fair value through profit or loss at the reporting date would increase/(decrease) the Society's profit or loss by \$1,054,169 (2023: \$1,002,703).

Liquidity risk

Liquidity risk is the risk that the Society will encounter difficulty in meeting financial obligations due to shortage of funds. The Society's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Society manages the liquidity risk by maintaining sufficient cash to enable them to meet their normal operating commitments.

27. Financial instruments (cont'd)**b) Financial risk management (cont'd)***Liquidity risk (cont'd)*

The table below summarises the maturity profile of the Society's non-derivative financial liabilities at the reporting date based on contractual undiscounted repayment obligations:

	1 year or less \$	1 to 5 years \$	Total \$
2024			
Sundry payables	1,026,593	—	1,026,593
Accrued operating expenses	446,430	—	446,430
Lease liabilities	638,696	739,347	1,378,043
	2,111,719	739,347	2,851,066
2023			
Sundry payables	1,114,020	—	1,114,020
Accrued operating expenses	345,486	—	345,486
Lease liabilities	956,642	214,229	1,170,871
	2,416,148	214,229	2,630,377

28. Fair value of financial assets and financial liabilities**a) Fair value hierarchy**

The tables below analyse the fair value measurements by the levels in the fair value hierarchy based on the inputs to the valuation techniques. The different levels are defined as follows:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (ie derived from prices); and
- Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

28. Fair value of financial assets and financial liabilities (cont'd)**b) Fair value measurement of assets and liabilities that are measured at fair value**

The following table presents the level of fair value hierarchy for each class of financial assets measured at fair value on the statement of financial position:

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
2024				
<i>Financial Assets</i>				
Financial assets at fair value through profit or loss				
- Current accounts, money market fund and bonds	17,839,071	–	–	17,839,071
- Fixed income funds	–	3,244,302	–	3,244,302
				<hr/>
2023				
<i>Financial Assets</i>				
Financial assets at fair value through profit or loss				
- Current accounts and bonds	17,532,876	–	–	17,532,876
- Fixed income funds	–	2,521,177	–	2,521,177
				<hr/>

c) Determination of fair values

Current accounts, money market fund, bonds and fixed income funds

The fair value of the investments under fund management are determined based on market prices provided by financial institutions at the reporting date. These instruments are included in Level 1 and 2.

d) Fair values of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of their respective fair values

The carrying amounts of the financial assets and financial liabilities recorded in the financial statements of the Society approximate their fair values due to their relatively short-term maturity.

29. Fund management

The Society's objectives when managing its funds are to safeguard and maintain adequate working capital to continue as a going concern and to develop its principal activities over the longer term through the fees received from residents and significant support in various form of government funding and subsidies and donations.

No changes were made to the fund management objectives during the financial years ended 31 March 2024 and 31 March 2023.

30. Authorisation of financial statements

The financial statements of the Society for the financial year ended 31 March 2024 were authorised for issue in accordance with a resolution of the Management Board dated 22 July 2024.