



Lions Home
For The Elders
狮子乐龄之家

Affiliated to National Council of Social Service

Moving Forward to Greater Heights



Bishan Home
May 2015



Ang Mo Kio Home
1 Jan 1980



Toa Payoh Home
3 Nov 1985



Bedok Home
9 Mar 1997



Toa Payoh Home
12 Jan 2003

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Management Board



Chairman
PCC SG Chin



Immediate Past Chairman
**The late
PCC Goh Seng Chee**



1st Vice Chairman
Lion Peter Anthony Lim



2nd Vice Chairman /
Chairman, Fundraising
Committee
Lion Jerrick Tay Chun Peng



Honorary Secretary
Lion Soh Wee Boon



Honorary Treasurer/
Chairman, Finance Committee
Lion Barry Wee Yhih-Terk



Assistant Treasurer/
Finance Committee
Lion Albert Chew



Director/ Chairman, Building &
Maintenance Committee
Lion Henry Kwek ^{BBM}



Director/ Chairman,
Contracts & Purchasing
Committee
Lion Simon Ng



Director/ Chairman,
Publications Committee
Lion Eng Teal



Director/ Building &
Maintenance Committee
Lion Chua Ser Kiong



Director/ Fundraising
Committee
Lion Gary Goh ^{PBM}



Director/ Publications
Committee
Lion Jeffrey Yang



Director/ Finance
Committee
Lion Lee Keng Hong



Director
Lion Andy Foo



Co-opted Director/
Chairman, Constitution
and By-Law Committee
PDG Steven Seah



Co-opted Director/
Chairman, Audit Committee
PDG Henry Tan



Co-opted Director/
Fundraising
Committee
Lion Andy Tan



Co-opted Director/
Audit Committee
Lion Dayanand Menon



Co-opted Director/
Chairman, IT Committee
Lion Jonathan Foo

Trustees



PCC Lim Hon Chee PBM



PCC Shiva Banerjee PBM



PDG Bobby Eng



Chairman's Report

My first term in office as Chairman of Lions Home for the Elders has been one that is filled with optimism.

The foremost challenge ahead for Lions Home for the Elders in Toa Payoh is the relocation to Bishan, scheduled for May 2015, when the lease in Toa Payoh expires.

A brand new 6-storey building, accommodating 250 residents will be an anticipated feat for both the Lions, the Board and the staff. With the Management Board and the dedicated staff of Lions Home, I am confident we will arrive into achieving the next phase of occupation in serving the older adults of our Community.

Meeting the challenge of improving quality and safety for our clients is a commitment Lions Home will continue to undertake. I am pleased to report for the year 2012/2013, the Home has been supporting the Capability Program of sending our Registered Nurses for degree courses, to enhance their skills and knowledge in the management of aged care, with funds made available through the Community Silver Trust Fund.

The next level to embark on the Capability program is Information Technology enhancement for Lions Home, that will result in a confluence of Operational Efficiency, Effective Integration with both internal and external parties, and an Accomplished good Governance and sound Policies.

The Home is also equipped with high-end equipment of the latest technology to better serve our residents, providing quality and maximum comfort for those under our care. This is made possible from the funds raised by the Lions Clubs of Singapore, corporate companies, and generous donors.

Most of the programs, both recreational and occupational activities for our residents, have been steadily increasing, providing the residents the motivation to make full use of their time and make their stay with Lions Home a pleasant one.

In conclusion, I wish to acknowledge the dedication and the work of all our Clinical staff, Administrative and Support staff in making Lions Home for the Elders truly a shelter of support for all our residents. Lions Home will continue to make a difference and an impact on the lives of the disadvantaged older people in our Community.

PCC SG Chin
Chairman

Residents' Occupancy (As at March 2013)

Number of residents	309
Number of admissions	115
Numbers discharged	8
Number of deaths	78



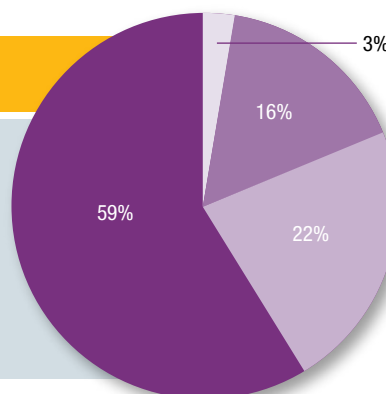
Staff Headcount

Total staff	192
Care staff	134
Administrative staff	24
Support staff	34



Healthcare

Expenses for the Home	%
Admin Expenses	3%
Maintenance Expense	16%
Residents' welfare	22%
Staff Costs	59%
Total Cost	100%



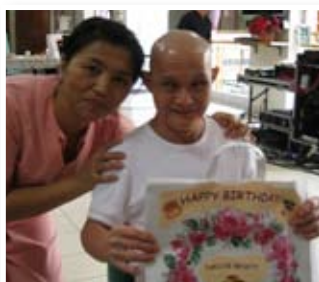
Clinical Milestones For Lions Home For The Elders

Services / Programmes Developed By LHE

2001	- Guided Autobiography for Lions Home Residents
2002	- Infocare (Health Information Technology System)
2003	- Multidisciplinary Care Model
2005	- Assisted Living Unit
2006	- Otago Exercise Training Programme + Hip Protectors - End of Life Care - Influenza Pandemic Preparedness Exercise Manual
2007	- Dementia Care Mapping
2008	- Chocolate Facial, Hand Massage & Aromatherapy Therapy
2009	- Kopitiam
2010	- InterProfessional Practice Approach Care Model - Kachang Puteh - Clinical Mobile System
2012	- Drum Therapy

Services / Programmes In Collaboration With Other Organisations / Institutions

2001	- Health Care (Home Care) Training under ITE Training Centre Status
2004	- Adult Day Rehab Centre & Home Nursing (under the Integrated Framework)
2010	- Project Care with TTSH - Replacement Ratio (RR) Policy For Nursing Homes with Manpower Standards & Development Division (MOH)
2011	- IT Solution Innovative Programme with MOHH (ongoing) - Hand Washing Project with AIC
2012	- Research Project on "MRSA" with KPTH (ongoing) - Research Project on "Safety and Quality in Nursing Homes in Singapore" with Curtin University (developmental stage) - Transitional Convalescence Facility with AIC (developmental stage)
2012 & beyond	- Teaching Nursing Home with Curtin University (planning stage)



Lions Home Financial Statement

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

STATEMENT BY THE MANAGEMENT BOARD

On behalf of the Management Board, we, Chin Siew Gim and Barry Wee Yihh Terk, being the Chairman and Honorary Treasurer of Lions Home For The Elders respectively, do hereby state that in our opinion, the financial statements set out on pages 4 to 21 are drawn up in accordance with the Societies Act, Singapore Charities Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Society at 31 March 2013 and of the results, statement of changes in accumulated fund and other funds and cash flows for the financial period from 1 January 2012 to 31 March 2013.



Chin Siew Gim
Chairman

22 July 2013



Barry Wee Yihh Terk
Honorary Treasurer



BAKER TILLY TFW

Baker Tilly TFW LLP
Chartered Accountants of Singapore
15 Beach Road #03-10 Beach Centre
Singapore 189577
T: +65 6336 2828
F: +65 6339 0438
www.bakertillytfw.com

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF LIIONS HOME FOR THE ELDERS (Registered in Singapore under the Societies Act)

Report on the Financial Statements

We have audited the accompanying financial statements of Lions Home For The Elders (the "Society"), as set out on pages 4 to 21, which comprise the balance sheet as at 31 March 2013, and the statement of comprehensive income, statement of changes in accumulated fund and other funds and statement of cash flows for the financial period from 1 January 2012 to 31 March 2013, and a summary of significant accounting policies and other explanatory information.

Management's Board Responsibility for the Financial Statements

Management Board is responsible for the preparation and fair presentation of these financial statements in accordance with the Societies Act, Singapore Charities Act (the "Charities Act") and Singapore Financial Reporting Standards, and for such internal control as management board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements of the Society are properly drawn up in accordance with the Societies Act, the Charities Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Society as at 31 March 2013, and the income and expenditure, changes in funds and cash flows of the Society for the financial period from 1 January 2012 to 31 March 2013.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF
LIONS HOME FOR THE ELDERLY**
(Registered in Singapore under the Societies Act)

Report on Other Legal and Regulatory Requirements

In our opinion,

- the accounting and other records required by the regulations enacted under the Societies Act to be kept by the Society have been properly kept in accordance with those regulations; and
- the fund-raising appeals held during financial period from 1 January 2012 to 31 March 2013 have been carried out in accordance with regulation 6 of the Societies Regulations issued under the Societies Act Cap. 311 and proper accounts and other records have been kept of the fund-raising appeals.

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

- The use of the donation moneys was not in accordance with the objectives of the Society as required under regulation 16 of the Charities (Institutions of a Public Character) Regulations; and
- 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

23 July 2013

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

STATEMENT OF COMPREHENSIVE INCOME
For the financial period from 1 January 2012 to 31 March 2013

	Note	1.1.2012 to 31.3.2013 \$	1.1.2011 to 31.12.2011 \$
Income			
Admission fees from residents		2,300	2,700
Ambulance reimbursement		38,790	22,604
Bank interest income		68,487	22,115
Diapers reimbursement		337,179	237,836
Escort service reimbursement		13,814	13,911
Fees received from residents		2,199,044	1,271,510
Government operating grants		4,712,189	3,146,532
Medical reimbursement - residents		257,944	206,384
Milk, Ryles Tubes reimbursement		74,816	-
Subsidy for enhance special employment		298,134	-
Subsidy for GST absorbed by government		2,229	-
Subsidy for integrated framework		59,959	92,671
Subsidy for interim subsidy top up		298	-
Subsidy for land rental		596,020	452,738
Subsidy for replacement ratio		527,909	447,788
Subsidy for TCF government subsidy top up		1,400	-
Subsidy - others		22,069	311
Sundry income		60	3,571
		9,212,641	5,920,671
Expenditure			
Administrative expenses	3	241,728	155,633
Establishment expenses	4	1,552,406	1,342,956
Residents' welfare	5	2,124,530	1,239,566
Staff costs	6	5,545,633	3,739,556
		9,464,297	6,477,711
		(251,656)	(557,040)
Other income			
Donations		1,747,285	1,326,578
Other appeal letters	7	68,077	38,045
Joint flag day	8	178,385	164,560
Street selling campaign	9	11,139	14,058
Charity golf project	10	39,000	-
		2,043,886	1,543,241
Total surplus for the year	15	1,792,230	986,201
Net surplus/(deficit) from other funds:			
Net surplus from Development Fund	16	-	2,500
Net surplus from LHE Toa Payoh Society Fund	17	62,963	-
Net surplus from LHE Bedok Society Fund	18	-	(4,356)
Net deficit from LHE Medifund	19	(30,332)	(112,002)
Net surplus from Agency for Integrated Care Fund	20	6,151	717
Net surplus from Community Silver Trust	21	939,513	-
Total comprehensive income for the year		2,770,525	873,060

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

Lions Home Financial Statement

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

STATEMENT OF CHANGES IN ACCUMULATED FUND AND OTHER FUNDS For the financial period from 1 January 2012 to 31 March 2013

	Accumulated Fund \$	Development Fund \$	LHE Toa Payoh Society Fund \$	LHE Bedok Society Fund \$	LHE Medifund \$	AIC Fund \$	Community Silver Trust \$	Total \$
Balance at 1.1.2011	–	7,182,881	8,549,381	6,781,033	395,257	–	–	22,908,552
Net surplus/(deficit) for the year	986,201	2,500	–	(4,356)	(112,002)	717	–	873,060
Depreciation charge	–	–	(508,646)	(455,163)	–	–	–	(963,809)
Transfer (to)/from other funds	(986,201)	818,530	55,114	112,557	–	–	–	–
Balance at 31.12.2011	–	8,003,911	8,095,849	6,434,071	283,255	717	–	22,817,803
Net surplus/(deficit) for the period	1,792,230	–	62,963	–	(30,332)	6,151	939,513	2,770,525
Depreciation charge	–	–	(2,759,107)	(457,973)	–	–	–	(3,217,080)
Transfer (to)/from other funds	(1,792,230)	1,693,330	66,730	32,170	–	–	–	–
Balance at 31.3.2013	–	9,697,241	5,466,435	6,008,268	252,923	6,868	939,513	22,371,248

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

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

BALANCE SHEET At 31 March 2013

	Note	31.3.2013 \$	31.12.2011 \$
Non-current asset			
Property, plant and equipment	11	11,333,929	14,389,331
Current assets			
Sundry receivables	12	757,777	770,430
Cash and cash equivalents	13	11,234,552	8,582,860
Total assets		11,992,329	9,353,290
		23,326,258	23,742,621
Current liabilities			
Sundry payables	14	734,931	613,272
Accrued operating expenses		220,079	311,546
Net assets		955,010	924,818
		22,371,248	22,817,803
General Funds (unrestricted)			
Accumulated Fund	15	–	–
Development Fund	16	9,697,241	8,003,911
LHE Toa Payoh Society Fund	17	5,466,435	8,095,849
LHE Bedok Society Fund	18	6,008,268	6,434,071
		21,171,944	22,533,831
Specific Fund (restricted)			
LHE Medifund	19	252,923	283,255
Agency for Integrated Care Fund	20	6,868	717
Community Silver Trust	21	939,513	–
		1,199,304	283,972
		22,371,248	22,817,803

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

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

STATEMENT OF CASH FLOWS
For the financial period from 1 January 2012 to 31 March 2013

	1.1.2012 31.3.2013	1.1.2011 to 31.12.2011
	\$	\$
Cash flows from operating activities		
Net surplus for the period/year	1,792,230	986,201
Adjustments for:		
Interest income	(68,487)	(22,115)
Operating cash flows before movements in working capital	1,723,743	964,086
Sundry receivables	12,653	(283,371)
Payables	30,192	27,633
Cash generated from operations	1,766,588	708,348
Development Fund	—	2,500
LHE Medifund	(30,332)	(112,002)
Agency for Integrated Care Fund	6,151	717
Community Silver Trust	939,513	—
Net cash from operating activities	2,681,920	599,563
Cash flows from investing activities		
Interest received	68,487	22,115
Purchases of property, plant and equipment	(98,715)	(168,170)
Net cash used in investing activities	(30,228)	(146,055)
Net increase in cash and cash equivalents	2,651,692	453,508
Cash and cash equivalents at beginning of financial period/year	8,582,860	8,129,352
Cash and cash equivalents at end of financial period/year (note 13)	11,234,552	8,582,860

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

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

NOTES TO THE FINANCIAL STATEMENTS
For the financial period from 1 January 2012 to 31 March 2013

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 and 41 Toa Payoh Rise, Singapore. 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, sex or religion.

2. Significant accounting policies

(a) Basis of preparation

The financial statements, expressed in Singapore dollars which is the functional currency of the Society, have been prepared in accordance with the provisions of the Societies Act, Singapore Charities Act and Singapore Financial Reporting Standards ("FRS"). 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 FRS 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 revenues and expenses during the financial year. Although these estimates are based on 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.

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 years.

The areas involving a higher degree of judgment 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 2(f) to the financial statements.

The carrying amounts of sundry receivables, cash and cash equivalents and payables approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

In the current financial year, the Society has adopted all the new and revised FRS and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for the current financial year. The adoption of these new/revised FRS and INT FRS has no material effect on the financial statements.

New standards, amendments to standards and interpretations that have been issued at the balance sheet date but are not yet effective for the financial period from 1 January 2012 to 31 March 2013 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.

<p>Lions Home For The Elders</p> <p>2. Significant accounting policies (cont'd)</p> <p>(b) Income recognition</p> <p>Income from the various sources are recognised on the following basis:</p> <ul style="list-style-type: none"> - on receipt basis - on accrual basis - accrued on a time proportion basis, by reference to the principal outstanding and at the interest rate applicable. - on accrual basis when the receipts are certain. <p>(c) Income tax</p> <p>The Society is a registered charity under the Charities Act and is exempt from income tax under the provision of the Income Tax Act.</p> <p>(d) Property, plant and equipment</p> <p>Property, plant and equipment are stated at cost less accumulated depreciation and any impairment in value.</p> <p>The cost of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.</p> <p>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:</p> <table border="1"> <thead> <tr> <th></th> <th>Years</th> </tr> </thead> <tbody> <tr> <td>Leasehold properties</td> <td>30</td> </tr> <tr> <td>Plant and equipment and motor vehicles</td> <td>1 to 10</td> </tr> </tbody> </table> <p>Fully depreciated assets are retained in the financial statements until they are no longer in use.</p> <p>On disposal of a property, plant and equipment, the difference between the net disposal proceeds and its carrying amount is taken to income or expenditure.</p> <p>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 Toa Payoh Society Fund account.</p> <p>(e) Financial assets</p> <p>Classification</p> <p>The Society classifies its financial assets according to the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date. The Society's only financial assets are loans and receivables.</p> <p>Loans and receivables</p> <p>Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except those maturing later than 12 months after the balance sheet date which are classified as non-current assets. Loans and receivables are classified within 'sundry receivables' (excluding prepayments) and 'cash and cash equivalents' on the balance sheet.</p>		Years	Leasehold properties	30	Plant and equipment and motor vehicles	1 to 10	<p>Lions Home For The Elders</p> <p>2. Significant accounting policies (cont'd)</p> <p>(e) Financial assets</p> <p>Recognition and derecognition</p> <p>Regular 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.</p> <p>On sale of a financial asset, the difference between the net sale proceeds and its carrying amount is recognised in income or expenditure.</p> <p>Initial measurement</p> <p>Loans and receivables are initially recognised at fair value plus transaction costs.</p> <p>Subsequent measurement</p> <p>Loans and receivables are carried at amortised cost using the effective interest method.</p> <p>Impairment</p> <p>The Society assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired and recognised an allowance for impairment when such evidence exists.</p> <p>Loans and receivables</p> <p>An allowance for impairment of loans and receivables, including sundry receivables, is recognised when there is objective evidence that the Society will not be able to collect all amounts due according to the original terms of the receivables.</p> <p>Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the receivable is impaired. The amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.</p> <p>(f) Impairment of non-financial assets</p> <p>At each balance sheet date, the Society reviews the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Society estimates the recoverable amount of the cash-generating unit to which the asset belongs.</p> <p>Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.</p> <p>If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in income or expenditure, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.</p>
	Years						
Leasehold properties	30						
Plant and equipment and motor vehicles	1 to 10						

2. Significant accounting policies (cont'd)

(g) Financial liabilities

Financial liabilities include sundry payables and accrued operating expenses. Financial liabilities are recognised on the balance sheet when, and only when, the Society becomes a party to the contractual provisions of the financial instruments.

Financial liabilities are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method.

A financial liability is derecognised when the obligation is extinguished.

(h) Government grants

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

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

Subvention grants are recognised in income or expenditure on a systematic and rational basis over the periods necessary to match them with the related expenditure. Capital grants are capitalised in the balance sheet and allocated over useful life of the related depreciable assets.

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.

(i) Provisions

Provisions are recognised when the Society has a present legal or constructive obligation as a result of past event, and it is probable that an outflow of economic resources will be required to settle the obligation and the amount can be estimated reliably. Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the balance sheet date, and are discounted to the present value where the effect is material.

(j) Employee benefits

Employee leave entitlement

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

Defined contribution plans

The Society contributes to the Central Provident Fund ("CPF"), a defined contribution plan regulated and managed by the Singapore Government. Contributions to CPF are charged to income or expenditure in the period in which the contributions relate.

(k) Operating leases

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are taken to income or expenditure on a straight-line basis over the period of the lease.

When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

2. Significant accounting policies (cont'd)

1) Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet 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 balance sheet date in accordance with the accounting policy in note 2(d). The estimation of the useful lives and residual amount involves assumptions concerning the future and estimations of the assets common life expectancies and expected level of usage. The net carrying amount of property, plant and equipment at 31 March 2013 and the annual depreciation charge for the financial period from 1 January 2012 to 31 March 2013 are disclosed in note 11 to the financial statements.

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

3. Administrative expenses

	1.1.2012 to 31.3.2013	1.1.2011 to 31.12.2011
	\$	\$
Advertisement	13,815	13,257
Auditor's remuneration	17,000	12,000
Bank charges	2,315	535
General expenses	3,105	2,514
Insurance	26,061	21,676
Kitchen expenses	5,122	2,161
Printing, postage and stationery	18,457	14,436
Professional fee	81,475	56,500
Transport	7,505	6,042
Upkeep of motor vehicle	26,498	20,578
Volunteer expenses	40,575	5,934
	<u>241,728</u>	<u>155,633</u>

4. Establishment expenses

	1.1.2012 to 31.3.2013	1.1.2011 to 31.12.2011
	\$	\$
IT maintenance - hardware	30,769	20,217
IT maintenance - software	26,120	1,690
Land rental	570,711	417,890
Repairs and maintenance	349,217	460,673
Telephone	26,071	19,041
Utilities	546,313	411,124
Vaccine and infection control consumables	3,205	12,321
	<u>1,552,406</u>	<u>1,342,956</u>

Lions Home Financial Statement

Lions Home For The Elders

5. Residents' welfare

	1.1.2012 to 31.3.2013 \$	1.1.2011 to 31.12.2011 \$
Allowance for doubtful receivables (note 12)	156,978	—
Bedding and clothing (net)	10,422	174
Cleaning and laundry	92,210	75,476
Dental/reflexology consumables	250	300
Medical expenses	701,921	465,299
Medical/professional services	535,463	238,120
Miscellaneous	8,918	5,375
Physiotherapy/occupant consumables	2,281	1,875
Residents' food and refreshment	374,813	305,755
Residents' transport	39,190	23,013
Residents' diapers	173,005	124,179
TCF expenses	29,079	—
	2,124,530	1,239,566

6. Staff costs

	1.1.2012 to 31.3.2013 \$	1.1.2011 to 31.12.2011 \$
CPF	310,390	222,959
Medical expenses	21,659	21,976
Medical insurance	40,230	25,463
Recruitment expenses	30,624	24,432
Salaries and bonus	4,254,126	2,905,232
Staff food and refreshment	128,316	117,046
Staff training	4,680	19,210
Staff uniform	14,903	18,121
Staff welfare	9,292	9,265
Foreign worker levy	590,581	359,680
Staff accommodation	140,832	16,172
	5,545,633	3,739,556

The number of persons employed at the end of the financial period is 192 (31.12.2011: 183) of which 147 (31.12.2011: 137) persons are Nursing Care staff, and 45 (2011: 46) persons are Administrative and Maintenance staff. The remuneration of our Executives are:

\$150,001 to \$175,000 per annum	1 staff (31.12.2011: Nil)
\$125,001 to \$150,000 per annum	1 staff (31.12.2011: 1 staff)
\$100,001 to \$125,000 per annum	Nil (31.12.2011: 1 staff)
\$75,001 to \$100,000 per annum	3 staffs (31.12.2011: Nil)
\$50,000 to \$75,000 per annum	1 staff (31.12.2011: 4 staffs)

Total remuneration paid to the Executives for the financial period amounted to \$679,818 (31.12.2011: \$484,542). The number of executives at the end of financial period ended is 6 (31.12.2011: 6).

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.

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7. Other appeal letters

	1.1.2012 to 31.3.2013 \$	1.1.2011 to 31.12.2011 \$
Donation (note 23)	102,947	56,133
Less: Expenses	(34,870)	(18,088)
	68,077	38,045

8. Flag day

	1.1.2012 to 31.3.2013 \$	1.1.2011 to 31.12.2011 \$
Donation (note 23)	192,595	173,213
Less: Expenses	(14,210)	(8,653)
	178,385	164,560

9. Street selling campaign

	1.1.2012 to 31.3.2013 \$	1.1.2011 to 31.12.2011 \$
Donation (note 23)	11,139	14,058

10. Charity golf project

	1.1.2012 to 31.3.2013 \$	1.1.2011 to 31.12.2011 \$
Donation (note 23)	39,000	—

11. Property, plant and equipment

	2013	2012	2011
Cost			
Balance at 1.1.2012	23,041,018	3,826,241	27,109,348
Additions	23,005	138,673	161,678
Write off	—	—	(45,000)
Balance at 31.3.2013	23,064,023	3,964,914	27,226,026
Accumulated depreciation			
Balance at 1.1.2012	9,233,208	3,315,258	171,551
Depreciation charge	3,018,969	182,079	16,032
Write off	—	—	(45,000)
Balance at 31.3.2013	12,252,177	3,497,337	15,892,097
Carrying amount			
At 31.3.2013	10,811,846	467,577	11,333,929

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

2012	Leasehold properties \$	Plant and equipment \$	Motor vehicles \$	Total \$
Cost				
Balance at 1.1.2011	23,041,018	3,675,687	242,089	26,958,794
Additions	—	168,170	—	168,170
Disposals	—	(17,616)	—	(17,616)
Balance at 31.12.2011	23,041,018	3,826,241	242,089	27,109,348
Accumulated depreciation				
Balance at 1.1.2011	8,437,337	3,176,435	155,696	11,769,468
Depreciation charge	795,871	152,083	15,855	963,809
Disposals	—	(13,260)	—	(13,260)
Balance at 31.12.2011	9,233,208	3,315,258	171,551	12,720,017
Carrying amount				
At 31.12.2011	13,807,810	510,983	70,538	14,389,331

Details of the leasehold properties held by the Society are as follows:

Location	Usage	Tenure
Bedok Society 487 Bedok South Ave 2 Singapore 459316	Home for the Elders	30 years commencing from 4 December 1997
Toa Payoh Society 41 Toa Payoh Rise Singapore 298101	Home for the Elders	30 years commencing from 9 May 1985

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

The depreciation charge of \$2,759,107 (31.12.2011: \$508,646) and \$457,973 (31.12.2011: \$455,163) are shown under LHE Toa Payoh Society Fund (note 17) and LHE Bedok Society Fund (note 18) respectively.

The Toa Payoh Home's (the "Home") leasehold property is expected to be demolished in 2015 for the construction of North South expressway and Toa Payoh centre will move to Bishan where the building is fully funded by Ministry of Health.

Arising from the review, the Society changes the estimated useful lives from 30 years for the Centre's leasehold property to 3 years. The revision in estimate has been applied on a prospective basis from 1 January 2012. The effect of this revision on depreciation charge in current and future periods is as follows:

	Impact on profit or loss			Subsequent to 2015
	2013 \$	2014 \$	2015 \$	\$
Increase/(decrease) in depreciation expense	2,215,429	2,215,429	2,215,429	(6,646,287)

12. Sundry receivables

	31.3.2013 \$	31.12.2011 \$
Prepayments	27,142	107,848
Deposits	155,104	155,224
Sundry debtors	238,109	149,348
Amounts due from residents	494,400	358,010
Allowance for doubtful debts	914,755	770,430
- amounts due from residents (note 5)	(156,978)	—
	757,777	770,430

13. Cash and cash equivalents

	31.3.2013 \$	31.12.2011 \$
Bank and cash balances	5,055,867	3,062,258
Fixed deposits	6,178,685	5,520,602
	11,234,552	8,582,860

The fixed deposits are placed with reputable financial institution on varying maturity and interest rate. The effective interest rate of these deposits ranges from 0.68% to 1.35% (31.12.2011: 0.3% to 0.8%) per annum at the balance sheet date.

14. Sundry payables

	31.3.2013 \$	31.12.2011 \$
Cash held in custody:		
- residents	274,693	249,305
- staff	—	838
Deposits from residents	113,651	92,707
Sundry payables	225,134	233,922
Revenue received in advance	80,170	1,776
Medication deposit	41,283	34,724
	734,931	613,272

15. Accumulated Fund

	1.1.2012 to 31.3.2013 \$	1.1.2011 to 31.12.2011 \$
Balance at beginning of period/year	—	—
Surplus for the period/year	1,792,230	986,201
Transfer to Development Fund (note 16)	(1,792,230)	(986,201)
Balance at end of period/year	—	—

16. Development Fund

	1.1.2012 to 31.3.2013 \$	1.1.2011 to 31.12.2011 \$
Balance at beginning of period/year	8,003,911	7,182,881
Net surplus for the year	–	2,500
Transfer from Accumulated Fund (note 15)	1,792,230	986,201
Transfer to:		
- LHE Toa Payoh Society Fund (note 17)	(66,730)	(55,114)
- LHE Bedok Society Fund (note 18)	(32,170)	(112,557)
Balance at end of period/year	9,697,241	8,003,911

This represents a general fund for development projects to be undertaken by the Society. Funds are transferred from this account to specific fund accounts for specific development projects that are approved.

17. LHE Toa Payoh Society Fund

	1.1.2012 to 31.3.2013 \$	1.1.2011 to 31.12.2011 \$
<i>Capital grant</i>		
Balance at beginning of period/year	8,027,160	8,027,160
Grant received from MOH	62,963	–
Balance at end of period/year (A)	8,090,123	8,027,160

Building fund

Balance at beginning of period/year	5,685,005	5,629,891
Transfer from Development Fund (note 16)	66,730	55,114
Balance at end of period/year (B)	5,751,735	5,685,005

Accumulated depreciation

Balance at beginning of period/year	(5,616,316)	(5,107,670)
Depreciation (note 11)	(2,759,107)	(508,646)
Balance at end of period/year (C)	(8,375,423)	(5,616,316)
Total (A + B + C)	5,466,435	8,095,849

18. LHE Bedok Society Fund

	1.1.2012 to 31.3.2013 \$	1.1.2011 to 31.12.2011 \$
<i>Capital grant</i>		
Balance at beginning and end of period/year (A ¹)	8,345,811	8,345,811

Building fund

Balance at beginning of period/year	5,253,689	5,141,132
Transfer from Development Fund (note 16)	32,170	112,557
Balance at end of period/year (B ¹)	5,285,859	5,253,689

Accumulated depreciation

Balance at beginning of period/year	(7,165,429)	(6,705,910)
Depreciation (note 11)	(457,973)	(455,163)
Disposals	–	(4,356)
Balance at end of period/year (C ¹)	(7,623,402)	(7,165,429)
Total (A ¹ + B ¹ + C ¹)	6,008,268	6,434,071

19. LHE Medifund

	1.1.2012 to 31.3.2013 \$	1.1.2011 to 31.12.2011 \$
Balance at beginning of period/year	283,255	395,257
Medical grant received during the period/year	1,044,554	514,326
Disbursement during the period/year	(1,074,886)	(626,328)
Deficit during the period/year	(30,332)	(112,002)
Balance at end of period/year	252,923	283,255

The deficit for the year includes interest income of \$94 (31.12.2011: \$139).

This fund is set up and funded by Ministry of Health to finance the residents who are unable to pay the hospital charges, fees or other expenses incurred by them.

20. Agency for Integrated Care (AIC) Fund

	31.3.2013 \$	31.12.2011 \$
Balance at beginning of period/year	717	–
Grant received during the period/year	63,136	49,750
Disbursement during the period/year	(56,985)	(49,033)
Surplus during the period/year	6,151	717
Balance at end of period/year	6,868	717

This fund is set up to finance the various projects administered by Integrated Care. An independent corporate entity under MOH Holdings to look into enhancement and integration of long term care sector.

21. Community Silver Trust

	31.3.2013 \$	31.12.2011 \$
Balance at beginning of period/year	–	–
Grant received during the period/year	1,073,067	–
Disbursement during the period/year	(133,554)	–
Surplus during the period/year	939,513	–
Balance at end of period/year	939,513	–

Community Silver Trust ("CST") is a Trust managed by MOH. 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.

22. Tax-deductible receipts

The tax-deductible receipts during the year totalled \$1,667,380 (31.12.2011: \$1,205,126).

23. Donations from public fund raising events

Donations from public raising events included in profit or loss:

	31.3.2013 \$	31.12.2011 \$
Other appeal letters (note 7)	102,947	56,133
Flag day (note 8)	192,595	173,213
Street selling campaign (note 9)	11,139	14,058
Charity golf project (note 10)	39,000	–
	345,681	243,404

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

Financial instruments as at balance sheet date are as follow:

	31.3.2013 \$	31.12.2011 \$
<i>Financial assets</i>		
Loans and receivables (including cash and cash equivalents)	11,939,748	9,245,442
<i>Financial liabilities</i>		
At amortised cost	499,019	607,908

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

The Society's exposure to the risk of changes in interest rates arises mainly from the bank balances and fixed deposits (note 13) placed with financial institutions. For interest income from the fixed deposits, the Society managed the interest rate risks by placing fixed deposits with reputable financial institutions on varying maturities and interest rate terms. The sensitivity analysis for changes in interest rate is not disclosed as the effect on income or expenditure is not significant.

Credit risk

Credit risk or the risk of counterparties defaulting, is managed through monitoring procedures. The carrying amount of loans and receivables represent the Society's maximum exposure to credit risk. The Society has no significant concentration of credit risks.

Financial assets that are neither past due nor impaired

Bank balances and fixed deposits that are neither past due nor impaired are placed with reputable financial institutions with high credit ratings and no history of default.

The table below shows an analysis of amounts due from residents as disclosed in note 12.

	31.3.2013 \$	31.12.2011 \$
Not past due and not impaired	82,876	60,764
Past due but not impaired	254,546	297,246
Past due and impaired	156,978	–
	494,400	358,010
Less: Allowance for doubtful receivables	(156,978)	–
	337,422	358,010

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

The age analysis of the amount that are past due but not impaired are as follows:

	31.3.2013	31.12.2011
	\$	\$
Past due < 1 months	82,876	121,747
Past due 1 to 3 months	151,820	64,698
Past due over 3 months	19,850	110,801
	<u>254,546</u>	<u>297,246</u>

Liquidity and cash flow risk

In the management of liquidity risk, the Society monitors and maintains a level of cash and cash equivalents deemed adequate by the Management Board to finance the Society's operations and mitigate the effects of fluctuation in cash flows.

The financial liabilities of the Society as presented in the balance sheet are due within twelve months from the balance sheet date and approximate the contractual undiscounted payments.

c) Fair values

The carrying amounts of the financial assets and financial liabilities recorded in the financial statements of the Society approximate their fair values.

25. Fund management

The Society's objectives when managing its funds are to safeguard and to maintain adequate working capital to continue as 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 subsidy and donations.

26. Comparative figures

The financial statements cover the financial period from 1 January 2012 to 31 March 2013 whereas the previous financial statements cover the financial year from 1 January 2011 to 31 December 2011. As such, the figures are not comparable.

27. Authorisation of financial statements

The financial statements for the financial period from 1 January 2012 to 31 March 2013 were authorised for issue in accordance with a resolution of the Management Board meeting dated 22 July 2013.

Policy On Conflict Of Interest And Declaration

1. The Policy on Conflict of Interest will be read by the Management Board Member upon election or appointment to the Board as an acknowledgement of having understood the policy and that he/she will fully disclose to the Board when a conflict of interest situation arises. Such conflict of interest shall include but not be limited to the following:

Conflict of Interest Situations

a) Contracts with vendors

Where Management Board members, staff or volunteers have personal interest in business transactions or contracts that the Lions Home for the Elders may enter into, they are required to make a declaration of such interest as soon as possible followed by abstention from discussion and decision-making on the matter (including voting on the transaction or contract). All discussions and evaluation by the Management Board or relevant approving authority in arriving at the final decision on the transaction/contract should be well documented.

b) Vested interest in other organisations that have dealings/relationship with the VWO

Where the Management Board members, staff or volunteers have vested interests in other organisations that have dealings/relationships with the Lions Home for the Elders, and when matters involving the interests of both the Lions Home for the Elders and other organisations are discussed, they have to make a declaration of such interest and if necessary, followed by abstention from discussions and decision-making on such matters.

c) Joint ventures

The Management Board's approval should be sought before the Lions Home for the Elders enters into any joint ventures with external parties. Where the Management Board members, staff or volunteers have interest in such ventures, they have to make a declaration of such interest and if necessary, followed by abstention from discussions and decision-making on such matters.

d) Recruitment of staff with close relationships

Recruitment of staff with close relationships (ie. those who are more than just mere acquaintances) with the current Management Board members, staff or volunteers has to go through the established human resource procedures for recruitment. The Management Board members, staff or volunteers should make a declaration of such relationships and should refrain from influencing decisions on the recruitment.

e) Remuneration

The Management Board members and volunteers should serve without remuneration for their voluntary services to the Lions Home for the Elders so as to maintain the integrity of serving for public trust and community good instead of personal gains. However, the Lions Home for the Elders may reimburse the Management Board members or volunteers for out-of-pocket expenses directly related to the services rendered.

f) Paid staff on Board

Paid staff, including the Executive Director and senior staff members employed by the Lions Home for the Elders, shall not serve as a member of the Board as it can pose issues of conflict of interest and role conflicts, and may raise doubts on the integrity of the Board's decisions. The Executive Director and senior staff can attend the Management Board meetings, ex-officio, to provide information and facilitate necessary discussions but should not take part in the decision-making of the Board.

g) Major donors/ representatives from major donor companies being on the Board

The Lions Home for the Elders shall not invite any major donors or representatives from major donor companies to be a Management Board member as potentially conflicting situations may arise, such as:

- Conflict of loyalty: The Management Board member may not have the overall best interests of the Lions Home for the Elders due to their vested interests/priorities. This may influence decisions relating to allocation of resources/ setting the organisation's directions. (There may be particular programme areas the Board member is vested in and is biased towards.)
- Use the information to influence donor's decisions: Information accessible to the Management Board members may be used to influence donors' decisions on allocations or the corporation they represent. This may result in staff not highlighting certain issues for fear that the donations may be affected. Issues of transparency and disclosure can arise.
- Pressure to release information to donors: The Management Board members may expect additional information from staff on how donations were used and the details of users.
- Personal benefits/gains/recognition : The Management Board members may expect greater recognition for financial support given, than is usually done. Staff may feel beholden to this Board member in case the donor relationship is threatened.

h) Others

- A Management Board member's organisation receives grant funding from the organisation he/ she is serving.
- Prohibition on gifts, entertainment and other favours from any persons or entities which do or seek business with the organisation.

Disclosure Policy and Procedures

2. Transactions with parties with whom a conflicting interest exists may be undertaken only if all of the following are observed:
 - a) The conflicting interest is fully disclosed
 - b) The person with the conflict of interest is excluded from the discussion and approval of such transaction;
 - c) A competitive bid or a comparable valuation exists;
 - d) The Management Board or its Sub-Committee has determined that the transaction is in the best interest of the organisation
3. Disclosure involving Board members shall be made to the Chairman of the Management Board (or if he/she is the one with the conflict, to the Management Board Vice Chairman) who shall bring these matters to the Management Board or its Sub-Committee.
4. The Management Board or its Sub-Committee shall determine whether a conflict exists and in the case of an existing conflict, whether the contemplated transaction may be authorised as just, fair and reasonable to the Lions Home for the Elders. The decision of the Management Board or its Sub-Committee on these matters will rest in their sole discretion, and their concern must be the welfare of the Lions Home for the Elders and the advancement of its purpose.
5. All decisions made by the Management Board or its Sub-Committee on such matters shall be minuted and filed.
6. The policy document must be read and understood by all Management Board members upon the start of office.
7. Any disclosure of interests made by the Management Board members where they may be involved in potentially conflicting situation(s) must be recorded, filed and updated appropriately by all specified parties.

OPERATING CENTRES

41 Toa Payoh Rise Singapore 298101 • Tel : 6252 9900 Fax: 6353 5725
487 Bedok South Ave 2 Singapore 469316 • Tel: 6244 0667 Fax: 6244 1682
Website: www.lionshome.org.sg • Email: lhe.pr@lionshome.org.sg
Admissions: pubaf@liosnhome.org.sg