

SATHYA SAI SOCIAL SERVICE (SINGAPORE)

[UEN: S96SS0160E]

[IPC No: IPC000246]

[Registered Under the Registrar of Societies]

COMBINED FINANCIAL STATEMENTS

for the financial year ended 31 March 2022

SATHYA SAI SOCIAL SERVICE (SINGAPORE)

[UEN: S96SS0160E]

[IPC No: IPC000246]

[Registered Under the Registrar of Societies]

COMBINED FINANCIAL STATEMENTS

for the financial year ended 31 March 2022

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SATHYA SAI SOCIAL SERVICE (SINGAPORE) AND ITS RELATED ENTITIES
(Registered Under the Societies Act 1966 in the Republic of Singapore)

STATEMENT BY THE EXECUTIVE COMMITTEE
for the financial year ended 31 March 2022

In our opinion:

- (a) the combined financial statements of Sathya Sai Social Service (Singapore) (the “Society”) and its related entities (collectively the “Combined Group”) are properly drawn up in accordance with the provisions of the Societies Act 1966, Charities Act 1994 and other relevant regulations (the “Charities Act and Regulations”) and Financial Reporting Standards in Singapore (“FRSs”) so as to give a true and fair view of the financial position of the Combined Group as at **31 March 2022** and of the financial performance, changes in funds and cash flows of the Combined Group for the year ended on that date;
- (b) at the date of this statement, there are reasonable grounds to believe that the Combined Group will be able to pay its debts as and when they fall due within the next financial year; and
- (c) nothing came to our notice that caused us to believe that the receipts, expenditure, and investment of monies by the Combined Group during the financial year have not been in accordance with the provisions of the Act.

The Executive Committee, comprising the following, authorised the issue of these combined financial statements on

President	Mr. Ho Poh Kong
Vice President	Mr. Leong Why Kong
Vice President	Prof. Hsu Pon Poh
Honorary Secretary	Mr. Siu Yow Wee
Assistant Honorary Secretary	Ms. Lim Yen Ping Joyce
Honorary Treasurer	Ms. Goh Chiew Mei
Assistant Honorary Treasurer	Mr. Seng Chun Guan
Committee Member	Dr. Chua Lee Lea Im
Committee Member	Ms. Mabel Goh Mui Ngim
Committee Member	Mr. Sowaran Singh
Committee Member	Mr. Tay Zi Yang

For and on behalf of the Executive Committee,



Mr. Ho Poh Kong
President



Ms. Goh Chiew Mei
Honorary Treasurer

Singapore, 15 September 2022

**INDEPENDENT AUDITOR’S REPORT TO THE MEMBERS OF
SATHYA SAI SOCIAL SERVICE (SINGAPORE) AND ITS RELATED ENTITIES**
(Registered Under the Societies Act 1966 in the Republic of Singapore)

For the financial year ended 31 March 2022

Report on the Audit of the Combined Financial Statements

Opinion

We have audited the combined financial statements of Sathya Sai Social Service (Singapore) (the “Society”) and its related entities (the “Combined Group”) which comprise the combined statement of financial position of the Combined Group as at **31 March 2022**, and the combined statement of comprehensive income, combined statements of changes in funds and combined statement of cash flows for the year then ended, and notes to the combined financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying combined financial statements are properly drawn up in accordance with the provisions of the Societies Act 1966 (the “Societies Act”), Charities Act 1994 and other relevant regulations (the “Charities Act and Regulations”) and Financial Reporting Standards in Singapore (“FRSs”) so as to give a true and fair view of the financial position of the Combined Group as at **31 March 2022**, and of the financial performance, and changes in funds and cash flows of the Combined Group for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the Auditors’ Responsibilities for the Audit of the Combined financial statements section of our report. We are independent of the Combined Group 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 combined 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 is responsible for the other information. The other information comprises the Statement by Executive Committee included in page 1.

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

In connection with our audit of the combined financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the combined 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 that we 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.

Other Matter

The combined financial statements of the Combined Group for the year ended 31 March 2021 was audited by another auditor who expressed an unmodified opinion on those statements on 21 September 2021.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
SATHYA SAI SOCIAL SERVICE (SINGAPORE) AND ITS RELATED ENTITIES**
(Registered Under the Societies Act 1966 in the Republic of Singapore)

For the financial year ended 31 March 2022

Responsibilities of the Management and Executive Committee for the Combined Financial Statements

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

In preparing the combined financial statements, the Management is responsible for assessing the Combined Group'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 either intends to liquidate the Combined Group or to cease operations, or has no realistic alternative but to do so.

The Executive Committee responsibilities include overseeing the Combined Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Combined Financial Statements

Our objectives are to obtain reasonable assurance about whether the combined financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 combined 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 combined 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 Combined Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Combined Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the combined 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 auditors' report. However, future events or conditions may cause the Combined Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the combined financial statements, including the disclosures, and whether the combined financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
SATHYA SAI SOCIAL SERVICE (SINGAPORE) AND ITS RELATED ENTITIES**
(Registered Under the Societies Act 1966 in the Republic of Singapore)

For the financial year ended 31 March 2022

Auditor's Responsibilities for the Audit of the Combined Financial Statements (continued)

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

Report on Other Legal and Regulatory Requirements

In our opinion:

- (a) the accounting and other records required to be kept by the Combined Group have been properly kept in accordance with the provision of the Societies Regulations enacted under the Societies Act, the Charities Act and Regulations; and
- (b) the fund-raising appeals held during the financial year ended 31 March 2022 have been carried out in accordance with Regulation 6 of the Societies Regulations issued under the Societies Act and proper accounts and other records have been kept of the fund-raising appeal.

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

- (a) the Combined Group has not used the donation moneys in accordance with its objectives as required under Regulation 11 of the Charities (institutions of a Public Character) Regulations; and
- (b) the Combined Group has not complied with the requirements of Regulation 15 of the Charities (Institution of a Public Character) Regulations.



Audit Alliance LLP
Public Accountants and Chartered Accountants

Singapore, 15 September 2022

SATHYA SAI SOCIAL SERVICE (SINGAPORE) AND ITS RELATED ENTITIES

[UEN: S96SS0160E]

[IPC No: IPC000246]

(Registered Under the Societies Act 1966 in the Republic of Singapore)

COMBINED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 March 2022

	Note	Restricted funds						Seniors' mobility and Village enabling in Eunos Crescent funds			Unrestricted funds	
		Care and share funds	Community silver trust funds	Donation funds	Food aid programme	Funding from Tote Board	MOH funds	MSF funds	President's challenge funds	Programme funds	General funds	Total funds
		S\$ 2022	S\$ 2022	S\$ 2022	S\$ 2022	S\$ 2022	S\$ 2022	S\$ 2022	S\$ 2022	S\$ 2022	S\$ 2022	S\$ 2022
INCOME												
Voluntary income												
Donations	4	-	-	150,818	12,330	-	-	-	-	-	-	163,148
Financial assistance scheme		-	-	-	-	-	-	-	(2,751)	-	-	(2,751)
Funding from Tote Board		-	-	-	-	7,803	-	-	-	-	-	7,803
Government grant		-	-	-	-	-	30,037	-	-	-	-	30,037
Government subvention		-	-	-	-	-	327,211	13,582,740	-	235,646	864,388	15,009,985
		-	-	150,818	12,330	7,803	357,248	13,582,740	-	(2,751)	235,646	864,388 15,208,222
Income from charitable activities												
SPICE fees		-	-	-	-	-	-	-	-	116	-	172,843 172,959
Other income												
CST matching grant		-	33,100	-	-	-	-	-	-	-	-	33,100
Management fee		-	-	-	-	-	-	-	-	-	-	415,752 415,752

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

SATHYA SAI SOCIAL SERVICE (SINGAPORE) AND ITS RELATED ENTITIES

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COMBINED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 March 2022

Note	Restricted funds				Unrestricted funds						
	Care and share funds	Community silver trust funds	Donation funds	Food aid programme	Funding from Total Board	MOH funds	MSF funds	President's Programme challenge funds	Seniors' mobility and Village enabling in Eunos Crescent funds	General funds	Total funds
	S\$ 2022	S\$ 2022	S\$ 2022	S\$ 2022	S\$ 2022	S\$ 2022	S\$ 2022	S\$ 2022	S\$ 2022	S\$ 2022	S\$ 2022
Other income (continued)	-	-	-	-	-	-	46,463	-	260	-	46,723
Miscellaneous income	-	-	-	-	-	74,914	499,116	-	-	2,384	617,344
Other income – government subvention	-	33,100	-	-	-	74,914	545,579	-	260	2,384	1,112,919
TOTAL INCOME	-	33,100	150,818	12,330	7,803	432,162	14,128,319	-	260	(2,635)	1,493,913
LESS:											
EXPENDITURE											
Costs of charitable activities											
Health screening expenses	-	-	-	-	-	-	9,807	-	-	-	9,807
Kitchen utilities and equipment	-	-	-	-	-	-	1,381	-	-	-	1,381
Programme management expenses	5	33,074	1,688	17,057	-	14,143	2,598,478	-	117	236	488,389
										8,008	3,161,190

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COMBINED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 March 2022

Note	Care and share funds	Community silver trust funds	Donation funds	Food aid programme	Restricted funds				Seniors' mobility and Village enabling funds	President's Programme challenge funds	Eunos Crescent funds	Unrestricted funds	
					Funding from Board	MOH funds	MSF funds	General funds				Total funds	
	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$
2022	2022	2022	2022	2022	2022	2022	2022	2022	2022	2022	2022	2022	2022
6	-	-	-	-	-	-	-	-	-	-	-	267,610	9,829,882
	-	33,074	1,688	17,057	-	101,848	9,358,299	-	117	236	110,133	755,999	13,002,260
Costs of charitable activities (continued)													
Staff costs													
Governance and other administrative costs													
	-	-	-	-	-	-	-	-	-	-	-	151,405	151,405
	-	-	-	-	-	-	-	-	-	-	-	9,098	9,098
	-	-	-	-	-	43	837	-	-	-	-	162	1,042
8	5,354	5,995	1,594	-	42,341	15,577	110,981	-	-	-	-	52,243	234,085
	-	-	-	-	-	-	11,582	-	-	-	-	-	11,582
	-	-	-	-	-	833	3,619	-	-	-	-	833	5,285

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For the financial year ended 31 March 2022

	Note	Restricted funds				Unrestricted funds							
		Care and share funds	Community silver trust funds	Donation funds	Food aid programme	Funding from Total Board	MOH funds	MSF funds	President's Programme challenge funds	Seniors' mobility and Village enabling funds	Eunos Crescent funds	General funds	Total funds
		S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$
		2022	2022	2022	2022	2022	2022	2022	2022	2022	2022	2022	2022
Governance and other administrative costs (continued)													
Insurance		-	-	-	-	-	320	9,211	-	-	-	562	10,093
Loss on disposal of property, plant and equipment		-	-	-	-	-	-	404	-	-	-	-	404
Purchase of low value assets being expensed		-	22,409	1,719	-	-	4,495	98,612	-	-	812	14,891	142,938
Maintenance of building		-	-	-	-	-	14,121	56,555	-	-	-	25,097	95,773
Maintenance of equipment		-	-	-	-	-	5,462	17,062	-	-	-	7,750	30,274
Maintenance of vehicle		-	-	-	-	-	-	37,338	-	-	-	-	37,338
Management fee		-	-	-	-	-	14,568	378,134	-	-	-	23,050	415,752
Medical supplies and materials		-	-	-	-	-	-	-	-	-	-	800	800
Meeting refreshments		-	-	-	-	-	-	110	-	-	-	-	110

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COMBINED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 March 2022

	Note	Restricted funds				Unrestricted funds						
		Care and share funds	Community silver trust funds	Donation funds	Food aid programme	Funding from Tote Board	MOH funds	MSF funds	President's Programme challenge funds	Seniors' mobility and Village enabling in Eunos Crescent funds	General funds	Total funds
		S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$
		2022	2022	2022	2022	2022	2022	2022	2022	2022	2022	2022
Governance and other administrative costs (continued)												
NCSS membership renewal		-	-	-	-	-	-	-	-	-	139	139
Printing and stationery		-	-	-	149	-	1,259	56,084	-	229	9,263	66,984
Professional fees		-	-	-	-	-	4,314	724,979	-	-	57,033	786,326
Rental of equipment		-	-	-	-	-	2,029	18,309	-	-	1,860	22,198
Rental of premises		-	-	-	-	-	-	-	-	-	1,420	1,420
Service charges for premises		-	-	-	-	-	4,311	-	-	-	1,989	6,300
Staff costs	6	-	-	-	25,894	-	72,869	605,347	-	126,054	454,717	1,284,881
Supplies and materials		-	-	-	-	-	1,011	64,144	-	-	1,558	66,713
Telecommunications		-	-	-	-	-	3,891	17,716	-	957	3,958	26,522
Transportation		-	-	-	-	-	273	19,368	-	15	5,018	24,674
Utilities		-	-	-	-	-	9,674	943,022	-	-	16,763	969,459

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COMBINED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 March 2022

Note	Care and share funds		Community silver trust funds		Donation funds		Food aid programme		Funding from Total Board		MOH funds		MSF funds		President's Programme challenge funds		Seniors' mobility and Village enabling in Eunos Crescent funds		Unrestricted funds		Total funds					
	S\$	2022	S\$	2022	S\$	2022	S\$	2022	S\$	2022	S\$	2022	S\$	2022	S\$	2022	S\$	2022	S\$	2022	S\$	2022				
Governance and other administrative costs (continued)																										
Volunteer management	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	130			
Volunteer orientation and training	-	480	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	480			
Finance cost	-	-	-	-	-	-	-	-	3,467	-	-	-	458	-	-	-	-	-	-	-	-	3,007	6,932			
7	5,354	28,884	3,313	5,001	26,043	45,808	155,050	3,173,872	-	-	-	-	-	-	-	-	-	-	-	-	-	842,746	4,409,137			
TOTAL EXPENDITURE	5,354	61,958	5,001	43,100	45,808	271,041	15,141,837	-	117	236	238,200	1,598,745	17,411,397	(5,354)	(28,858)	145,817	(30,770)	(38,005)	161,121	(1,013,518)	-	143	(2,871)	(170)	(104,832)	(917,297)
Net (deficit)/ surplus for the year	6,198	162,560	332,551	54,658	(55,268)	318,516	9,161,704	(2,970)	107,507	155,092	6,497	873,204	11,120,249	844	133,702	478,368	23,888	(93,273)	479,637	8,148,186	(2,970)	107,650	152,221	6,327	768,372	10,202,952
Total funds brought forward																										
Total funds carried forward																										

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COMBINED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 March 2022

	Restricted funds										Unrestricted funds												
	Care and Community share funds		Food aid programme		Funding from Tote Board		MOH funds		MSF funds		President's Programme challenge funds		Seniors' mobility and enabling funds		Donation funds		Village in Eunos Crescent		General funds		Total funds		
Note	S\$	2021	S\$	2021	S\$	2021	S\$	2021	S\$	2021	S\$	2021	S\$	2021	S\$	2021	S\$	2021	S\$	2021	S\$	2021	
	As restated																						
INCOME																							
Voluntary income																							
Donations	4	-	-	35,905	-	-	450	-	-	-	-	-	-	-	84,751	-	-	-	-	-	-	-	121,106
Financial assistance scheme		-	-	-	-	-	-	-	-	-	-	-	-	15,120	-	-	-	-	-	-	-	-	15,120
Funding from Tote Board		-	-	-	46,192	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	46,192
Government grant		-	-	-	-	30,037	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	30,037
Government subvention		-	-	-	-	-	184,769	13,636,209	-	-	-	-	-	-	-	-	90,421	-	-	-	-	-	795,694
		-	-	35,905	46,192	215,256	13,636,209	-	-	-	-	15,120	84,751	90,421	795,694	14,919,548							
Income from charitable activities																							
SPICE fees		-	-	-	-	-	-	-	-	-	-	4,609	-	-	-	-	-	-	-	-	-	-	133,905
Other income																							
Fixed deposit interest income		-	-	-	-	-	-	533	-	-	-	-	-	-	-	-	-	-	-	-	-	-	533

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COMBINED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 March 2022

	Restricted funds				Unrestricted funds					
	Care and Community share funds		Funding from Tote Board		Seniors' mobility and enabling funds		Village in Eunos Crescent		General funds	
Note	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$
	2021	2021	2021	2021	2021	2021	2021	2021	2021	2021
	As restated				As restated					
Other income (continued)										
Maintenance fees – welfare home	-	-	-	-	37,097	-	-	-	-	37,097
Management fee	-	-	-	-	-	-	-	-	415,752	415,752
Miscellaneous income	-	-	6,818	-	136,284	-	7,460	-	12,760	163,322
CST matching grant	-	67,614	-	-	-	-	-	9,720	-	77,334
Other income – government subvention	14,993	-	-	97,013	2,206,076	-	-	-	138,913	2,456,995
	14,993	67,614	-	6,818	2,379,990	-	7,460	-	9,720	567,425
TOTAL INCOME	14,993	67,614	35,905	53,010	312,269	16,016,199	-	7,460	19,729	84,751
									100,141	1,497,024
LESS: EXPENDITURE										
Costs of charitable activities										
Health screening expenses	-	-	-	-	9,029	-	-	-	-	-
										9,029

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COMBINED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 March 2022

Note	Restricted funds										Unrestricted funds			
	Care and share funds S\$ 2021	Community silver trust funds S\$ 2021	Food aid programme S\$ 2021	Funding from Tote Board S\$ 2021	MOH funds S\$ 2021	MSF funds S\$ 2021	President's challenge funds S\$ 2021	Programme funds S\$ 2021	Seniors' mobility and enabling funds S\$ 2021	Donation funds S\$ 2021	Village in Eunos Crescent S\$ 2021	General funds S\$ 2021	Total funds S\$ 2021	
	As restated						As restated							
Costs of charitable activities (continued)														
Kitchen utilities and equipment	-	-	-	-	-	-	2,287	-	-	-	-	2,287		
Programme management expenses	5	4,001	13,087	731	1,610	2,818,063	-	5,043	18,155	76	-	473,766	3,334,532	
Staff costs	6	17,965	19,178	600	11,198	8,774,062	-	400	-	-	93,214	209,760	9,126,377	
		-	21,966	32,265	1,331	12,808	11,603,441	-	5,443	18,155	76	93,214	683,526	12,472,225
Governance and other administrative costs														
Accounting fees	-	-	-	-	-	-	-	-	-	-	-	141,240	141,240	
Advertisement	-	-	-	-	-	-	-	-	-	-	-	10,261	10,261	
Bank charges	-	-	-	-	32	996	-	-	-	-	-	125	1,153	
Depreciation of property, plant and equipment	8	9,341	14,611	-	42,341	16,920	175,093	-	-	2,144	-	56,526	316,976	

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

SATHYA SAI SOCIAL SERVICE (SINGAPORE) AND ITS RELATED ENTITIES

[UEN: S96SS0160E]

[IPC No: IPC000246]

(Registered Under the Societies Act 1966 in the Republic of Singapore)

COMBINED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 March 2022

	Restricted funds				Unrestricted funds					
	Care and Community share funds		Funding from Total Board		Seniors' mobility and enabling funds		Village in Eunos Crescent		General funds	
Note	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$
	2021	2021	2021	2021	2021	2021	2021	2021	2021	2021
	As restated				As restated					
Governance and other administrative costs										
(continued)										
Food and refreshments	-	-	-	-	-	-	-	-	-	7
General expenses	-	-	551	126	37,595	-	-	-	551	38,823
Insurance	-	-	321	-	7,985	-	-	-	562	8,868
Loss on disposal of property, plant and equipment	-	-	-	-	274	-	-	-	-	274
Purchase of low value assets being expensed	-	399	56	12,482	100,792	-	1,662	945	26,893	143,229
Maintenance of building	-	-	542	1,193	28,718	-	-	-	10,612	41,065
Maintenance of equipment	-	-	2,542	5,282	16,111	-	449	-	5,303	29,687
Maintenance of vehicle	-	-	-	-	30,526	-	-	-	-	30,526
Management fee	-	-	-	14,568	378,134	-	-	-	23,050	415,752
Medical supplies and materials	-	-	-	135	-	-	-	-	248	383
Meeting refreshments	-	-	-	-	531	-	-	-	-	531

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

SATHYA SAI SOCIAL SERVICE (SINGAPORE) AND ITS RELATED ENTITIES

[UEN: S96SS0160E]

[IPC No: IPC000246]

(Registered Under the Societies Act 1966 in the Republic of Singapore)

COMBINED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 March 2022

Note	Restricted funds				Unrestricted funds								
	Care and Community share funds	Food aid programme	Funding from Tote Board	MOH funds	MSF funds	President's challenge funds	Seniors' mobility and enabling funds	Donation funds	Village in Eunus Crescent	General funds	Total funds		
	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$		
	2021	2021	2021	2021	2021	2021	2021	2021	2021	2021	2021		
	As restated												
TOTAL EXPENDITURE	9,341	36,976	32,355	60,862	217,936	14,814,922	-	5,443	20,266	3,325	93,644	1,333,628	16,628,698
Net surplus/ (deficit) for the year	5,652	30,638	3,550	(7,852)	94,333	1,201,277	-	2,017	(537)	81,426	6,497	163,396	1,580,397
Total funds brought forward	546	131,922	51,108	(47,416)	224,183	7,960,427	(2,970)	105,490	155,629	251,125	-	709,808	9,539,852
Total funds carried forward	6,198	162,560	54,658	(55,268)	318,516	9,161,704	(2,970)	107,507	155,092	332,551	6,497	873,204	11,120,249

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

SATHYA SAI SOCIAL SERVICE (SINGAPORE) AND ITS RELATED ENTITIES

[UEN: S96SS0160E]

[IPC No: IPC000246]

(Registered Under the Societies Act 1966 in the Republic of Singapore)

COMBINED STATEMENT OF FINANCIAL POSITION*As at 31 March 2022*

	Note	2022 S\$	2021 S\$ As restated
ASSETS			
Non-current assets			
Property, plant and equipment	8	<u>429,171</u>	<u>589,126</u>
Total non-current assets		<u>429,171</u>	<u>589,126</u>
Current assets			
Amount due from related parties	9	5,617,665	5,045,679
Other receivables	10	504,040	1,394,431
Cash and cash equivalents	11	<u>11,298,859</u>	<u>10,966,612</u>
Total current assets		<u>17,420,564</u>	<u>17,406,722</u>
TOTAL ASSETS		<u>17,849,735</u>	<u>17,995,848</u>
LIABILITIES			
Non-current liabilities			
Lease liabilities	12	<u>260,583</u>	<u>298,752</u>
Total non-current liabilities		<u>260,583</u>	<u>298,752</u>
Current liabilities			
Amount due to related parties	9	5,617,665	5,045,679
Trade payables	13	415,085	436,176
Other payables	14	1,305,116	1,051,979
Lease liabilities	12	<u>48,334</u>	<u>43,013</u>
Total current liabilities		<u>7,386,200</u>	<u>6,576,847</u>
TOTAL LIABILITIES		<u>7,646,783</u>	<u>6,875,599</u>
NET ASSETS		<u>10,202,952</u>	<u>11,120,249</u>
FUNDS			
RESTRICTED FUNDS			
Care and share funds	15	844	6,198
Community silver trust funds	16	133,702	162,560
Donation funds	17	478,368	332,551
Food aid programme	18	23,888	54,658
Funding from Tote Board	19	(93,273)	(55,268)
MOH funds	20	479,637	318,516
MSF funds	21	8,148,186	9,161,704
President's challenge	22	(2,970)	(2,970)
Programme funds	23	107,650	107,507
Seniors' mobility and enabling funds	24	152,221	155,092
Village in Eunos Crescent	25	<u>6,327</u>	<u>6,497</u>
		<u>9,434,580</u>	<u>10,247,045</u>
UNRESTRICTED FUNDS			
General funds	26	<u>768,372</u>	<u>873,204</u>
TOTAL FUNDS		<u>10,202,952</u>	<u>11,120,249</u>

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

SATHYA SAI SOCIAL SERVICE (SINGAPORE) AND ITS COMBINED FUNDS

[UEN: S96SS0160E]

[IPC No: IPC000246]

(Registered Under the Societies Act 1966 in the Republic of Singapore)

COMBINED STATEMENT OF CHANGES IN FUNDS

For the financial year ended 31 March 2022

	Restricted funds							Unrestricted funds				
	Care and share funds	Community silver trust funds	Donation funds	Food aid programme	Funding from Tote Board	MOH funds	MSF funds	President's Programme challenge funds	Seniors' mobility and enabling funds	Village in Eunos Crescent	General funds	Total funds
	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$
Balance at 31 March 2020	546	131,922	251,125	51,108	(47,416)	224,183	7,960,427	(2,970)	105,490	-	709,808	9,539,852
Net surplus/(deficit) for the year (As restated)	5,652	30,638	81,426	3,550	(7,852)	94,333	1,201,277	-	2,017	(537)	163,396	1,580,397
Balance at 31 March 2021 (As restated)	6,198	162,560	332,551	54,658	(55,268)	318,516	9,161,704	(2,970)	107,507	6,497	873,204	11,120,249
Net (deficit)/surplus for the year	(5,354)	(28,858)	145,817	(30,770)	(38,005)	161,121	(1,013,518)	-	143	(2,871)	(104,832)	(917,297)
Balance at 31 March 2022	844	133,702	478,368	23,888	(93,273)	479,637	8,148,186	(2,970)	107,650	6,327	768,372	10,202,952

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

SATHYA SAI SOCIAL SERVICE (SINGAPORE)
ACACIA COMBINED GROUP
[UEN: S96SS0160E]
[IPC No: IPC000246]
(Registered Under the Societies Act 1966 in the Republic of Singapore)

COMBINED STATEMENT OF CASH FLOWS

For the financial year ended 31 March 2022

	Note	2022 S\$	2021 S\$
Cash flows from operating activities			
(Deficit)/Surplus for the year		(917,297)	1,580,397
Adjustments for:			
Depreciation of property, plant and equipment	8	234,085	316,978
Interest income		-	(533)
Loss on disposal of property, plant and equipment		404	274
Finance cost	7	6,932	7,660
		(675,876)	1,904,776
Changes in working capital:			
Amount due from related parties		(571,986)	(987,492)
Other receivables		890,391	(552,484)
Amount due to related parties		571,986	1,031
Trade payables		(21,091)	987,492
Other payables		253,137	(94,469)
Net cash generated from operating activities		446,561	1,258,854
Cash flows from investing activities			
Fixed deposit interest received		-	533
Purchase of property, plant and equipment		(60,000)	-
Net cash (used in)/generated from investing activities		(60,000)	533
Cash flows from financing activities			
Interest paid		(6,932)	(7,660)
Repayment of principal portion for lease liabilities		(47,382)	(46,456)
Net cash used in financing activities		(54,314)	(54,116)
Net increase in cash and cash equivalents		332,247	1,205,271
Cash and cash equivalents at beginning of the year		10,966,612	9,761,341
Cash and cash equivalents at end of the year	11	11,298,859	10,966,612

SATHYA SAI SOCIAL SERVICE (SINGAPORE) AND ITS RELATED ENTITIES

[UEN: S96SS0160E]

[IPC No: IPC000246]

(Registered Under the Societies Act 1966 in the Republic of Singapore)

NOTES TO THE COMBINED FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

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

1. General information

Sathya Sai Social Service (Singapore) (the “Society”) which was registered under the Societies Act 1966 and it is also a charity registered under the Charities Act 1994 since 25 April 1996. The Combined Group’s registered address and principal place of operating activities is 2 Buangkok Green, Singapore 539749. The Society’s registration number is S96SS0160E.

The Society has been accorded an Institution of Public Character (‘IPC’) status for the period from 1 May 2020 to 30 April 2023. The Society’s IPC number is IPC000246. The principal activities of the Society are to provide social services to the destitute, elderly persons and the needy.

The combined financial statements are presented because these entities are governed by the Executive Committee, who are the final authority and has overall responsibilities for policy making and determination of all activities of the entities.

The combined financial statements comprise the combined financial statements of the Society and its two Centres together with the other four Welfare Home which the Society acts as managing agent on behalf of Ministry of Social and Family Development (“MSF”) (collectively the “Combined Group”).

Centres

The Society conducts the following programmes in its centres:

(a) *Tembusu Eldercare Centre*

The principal activity of the centre is to provide day care for frail elderly persons.

(b) *Tembusu Seniors Activity Centre*

The principal activity of the centre is to promote general well-being of the elderly residents living in HDB.

Welfare Home

The Society also managed the following welfare home on behalf of Ministry of Social and Family Development (MSF):

(a) *Acacia Home*

The 250-bed welfare home provides shelter, care and rehabilitation for male destitute persons. The Society took over the operations of the welfare home from the MSF in February 2013. The welfare home previously operated from a converted building until the permanent premise at Admiralty Road was ready and it shifted over in November 2016.

(b) *Bukit Batok Home for the Aged*

The 195-bed welfare home provides shelter, care and rehabilitation for male and female destitute persons. The Society took over the operations of the welfare home from the Ministry of Community Development, Youth and Sports in April 1997.

SATHYA SAI SOCIAL SERVICE (SINGAPORE) AND ITS RELATED ENTITIES

[UEN: S96SS0160E]

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(Registered Under the Societies Act 1966 in the Republic of Singapore)

NOTES TO THE COMBINED FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

1. General information (continued)

Welfare Home (continued)

(c) *Tembusu Home at Pelangi Village*

The 192-bed welfare home provides shelter, care and rehabilitation for both male and female destitute persons. The Ministry of Community Development, Youth and Sports appointed the Society as the managing agent of the welfare home since 1 April 2007.

(d) *Thuja Home at Pelangi Village*

The 239-bed welfare home provides shelter, care and rehabilitation for mentally incapacitated female destitute persons. The Ministry of Community Development, Youth and Sports appointed the Society as the managing agent of the welfare home with effect from 1 April 2007.

On 8 March 2021, MSF exercised the option to extend the appointment as the Managing Agent of the four Welfare Home to 31 March 2024.

The Society has set up a Welfare Home Management Committee to help oversee the operations of the Welfare Home.

2. Summary of significant accounting policies

2.1 Basis of preparation

These combined financial statements have been prepared in accordance with Financial Reporting Standards in Singapore (“FRSs”). The combined financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of combined financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Combined Group’s accounting policies. It also requires the use of certain critical accounting estimates and assumptions. Areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the combined financial statements are disclosed in Note 3 to the combined financial statements.

2.2 Adoption of new and amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Combined Group has adopted all the new and amended standards which are relevant to the Combined Group and are effective for annual financial periods beginning on or after 1 April 2021. The adoption of these standards did not have any material effect on the financial performance or position of the Combined Group.

SATHYA SAI SOCIAL SERVICE (SINGAPORE) AND ITS RELATED ENTITIES

[UEN: S96SS0160E]

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(Registered Under the Societies Act 1966 in the Republic of Singapore)

NOTES TO THE COMBINED FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

2. Summary of significant accounting policies (continued)

2.3 Standards issued but not yet effective

A number of new standards, amendments to standards and interpretations are issued but effective for annual periods beginning after 1 April 2021, and have not been applied in preparing these combined financial statements. The Combined Group does not plan to early adopt these standards.

Description	Effective for annual periods beginning on or after
Amendment to FRS 116 <i>Leases: Covid-19-Related Rent Concessions</i> beyond 30 June 2021	1 April 2021
Amendment to FRS 109 <i>Financial Instruments</i> , FRS 39 <i>Financial Instruments: Recognition and Measurement</i> , FRS 107 <i>Financial Instruments: Disclosures</i> , FRS 104 <i>Insurance Contracts</i> , FRS 116 <i>Leases: Interest Rate Benchmark Reform – Phase 2</i>	1 January 2021
Amendments to FRS 16 <i>Property, Plant and Equipment: Proceeds before Intended Use</i>	1 January 2022
Amendments to FRS 37 <i>Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts – Cost of Fulfilling a Contract</i>	1 January 2022
Annual Improvements to FRSs 2018-2020	1 January 2022
Amendments to FRS 1 <i>Presentation of financial statements: Classification of Liabilities as Current or Non-current</i>	1 January 2023
Amendments to FRS 110 <i>Consolidated financial statements</i> and FRS 28 <i>Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Date to be determined

The Executive Committee expect that the adoption of the standards above will have no material impact on the combined financial statements in the year of initial application.

2.4 Functional and presentation currency

The combined financial statements are presented in Singapore Dollar (“S\$”), which is the functional currency of the Combined Group.

Transactions in foreign currencies are measured in the functional currency of the Combined Group and are recorded on initial recognition in the functional currency at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

SATHYA SAI SOCIAL SERVICE (SINGAPORE) AND ITS RELATED ENTITIES

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NOTES TO THE COMBINED FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

2. Summary of significant accounting policies (continued)

2.4 Functional and presentation currency (continued)

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss.

2.5 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of property, plant and equipment includes its purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the property, plant and equipment.

Depreciation is calculated on a straight-line method to allocate depreciable amounts over their estimated useful lives. The estimated useful lives are as follows:

	Years
Audio and visual equipment	3
Computer and equipment	3
Electrical and electronic equipment	3
Equipment	3
Furniture and fittings	3
Kitchen equipment and utensils	3
Leasehold equipment	5
Leasehold property	10
Machinery	3
Medical equipment	3
Motor vehicles	3
Office and communication equipment	3
Other equipment	3
Rehab equipment	3
Renovation	3
Safety and security installation	3

The residual value, useful lives and depreciation method are reviewed at the end of each reporting period, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on de-recognition of the asset is included in profit or loss in the year the asset is derecognised.

2.6 Impairment of non-financial assets

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

SATHYA SAI SOCIAL SERVICE (SINGAPORE) AND ITS RELATED ENTITIES

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NOTES TO THE COMBINED FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

2. Summary of significant accounting policies (continued)

2.6 Impairment of non-financial assets (continued)

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in profit or loss.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

2.7 Financial instruments

(a) Financial assets

Initial recognition and measurement

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

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

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

Subsequent measurement

Investments in debt instruments

Subsequent measurement of debt instruments depends on the Combined Group's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are amortised cost, fair value through other comprehensive income (FVOCI) and FVPL. The Combined Group only has debt instruments at amortised cost.

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through the amortisation process.

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NOTES TO THE COMBINED FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

2. Summary of significant accounting policies (continued)

2.7 Financial instruments (continued)

(a) Financial assets (continued)

Investments in equity instruments

On initial recognition of an investment in equity instrument that is not held for trading, the Combined Group may irrevocably elect to present subsequent changes in fair value in other comprehensive income which will not be reclassified subsequently to profit or loss. Dividends from such investments are to be recognised in profit or loss when the Combined Group's right to receive payments is established. For investments in equity instruments which the Combined Group has not elected to present subsequent changes in fair value in other comprehensive income, changes in fair value are recognised in profit or loss.

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

(b) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Combined Group becomes a party to the contractual provisions of the financial instrument. The Combined Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at FVPL, directly attributable transaction costs.

Subsequent measurement

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

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

2.8 Impairment of financial assets

The Combined Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at FVPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Combined Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

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NOTES TO THE COMBINED FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

2. Summary of significant accounting policies (continued)

2.8 Impairment of financial assets (continued)

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For trade receivables, the Combined Group applies a simplified approach in calculating ECLs. Therefore, the Combined Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Combined Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment which could affect debtors' ability to pay.

The Combined Group considers a financial asset in default when contractual payments are 60 days past due. However, in certain cases, the Combined Group may also consider a financial asset to be in default when internal or external information indicates that the Combined Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Combined Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.9 Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and short-term bank deposits and are subject to an insignificant risk of changes in value.

Cash and cash equivalents carried in the statement of financial position are classified and accounted for as loans and receivables under FRS 39. The accounting policy is stated in Note 2.7 to the combined financial statements.

2.10 Provisions

Provisions are recognised when the Combined Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.11 Leases

The Combined Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

SATHYA SAI SOCIAL SERVICE (SINGAPORE) AND ITS RELATED ENTITIES

[UEN: S96SS0160E]

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NOTES TO THE COMBINED FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

2. Summary of significant accounting policies (continued)

2.11 Leases (continued)

When the Combined Group is the lessee

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

Right-of-use assets

The Combined Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Combined Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in Note 2.6.

The Combined Group's right-of-use assets are presented within property, plant and equipment (Note 8).

Lease liabilities

At the commencement date of the lease, the Combined Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Combined Group and payments of penalties for terminating the lease, if the lease term reflects the Combined Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

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

The Combined Group's lease liabilities are disclosed in Note 12.

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2. Summary of significant accounting policies (continued)

2.11 Leases (continued)

Short-term leases and leases of low-value assets

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

2.12 Government grants

Government grants are recognised as a receivable when there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, the fair value is recognised as deferred income on the statement of financial position and is recognised as income in equal amounts over the expected useful life of the related asset.

When loans or similar assistance are provided by governments or related institutions with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as additional government grant.

2.13 Employee benefits

Defined contribution plans

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

Employee leave entitlement

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

2.14 Revenue

Income comprises the fair value of the consideration received or receivable in the ordinary course of the Combined Group's activities. Income is recognised as follows:

Donations

Donation income is recognised as income upon receipt of such monies.

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2. Summary of significant accounting policies (continued)

2.14 Revenue (continued)

Government grants

Government grants are recognised when they have been approved and are accounted for in the profit or loss on accrual basis.

Other income

Other income is recognised on an accrual basis.

2.15 Income tax

The Society which is a charity registered under the Charities Act 1994 since 25 April 1996. Consequently, the income of the Combined Group is exempt from tax under the provisions of Section 13 of the Income Tax Act 1947.

2.16 Related party relationships and transactions

FRS 24 defines a related party as a person or entity that is related to the reporting entity and it includes:

- (a) A person or a close member of that person's family if that person:
 - (i) Has control or joint control over the reporting entity;
 - (ii) Has significant influence over the reporting entity; or
 - (iii) Is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

- (b) An entity is related to a reporting entity if any of the following conditions applies:
 - (i) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member),
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
 - (vi) The entity is controlled or jointly controlled by a person identified in (a).
 - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

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2. Summary of significant accounting policies (continued)

2.17 Conflict of interest policy

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

3. Significant accounting judgement and estimates

The preparation of the Combined Group's combined financial statements requires Executive Committee to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3.1 Judgements made in applying accounting policies

The Executive Committee are of the opinion that there are no significant judgements made in applying accounting policies that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3.2 Key sources of estimation of uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Combined Group based its assumptions and estimates on parameters available when the combined financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Combined Group. Such changes are reflected in the assumptions when they occur.

Impact arising from Covid-19 outbreak

The Coronavirus Disease ("Covid-19") continues to cause unprecedented disruptions to the global economy due to restrictions in economic activities to contain the spread of Covid-19. There is significant uncertainty on the duration of the Covid-19 pandemic and its long-term impact on Singapore's economy.

Estimating the incremental borrowing rate

The Combined Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate to measure lease liabilities. The incremental borrowing rate is the rate of interest that the Combined Group would have to obtain the required funding over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The incremental borrowing rate therefore reflects what the Combined Group 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Combined Group estimates the incremental borrowing rate using observable inputs when available and is required to make certain entity-specific estimates.

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NOTES TO THE COMBINED FINANCIAL STATEMENTS*For the financial year ended 31 March 2022***3. Significant accounting judgement and estimates (continued)****3.2 Key sources of estimation of uncertainty (continued)***Accounting for government assistance grant*

FRS 20 Accounting for Government Grants and Disclosures of Government Assistance applies when there is a transfer of resources from the government to entities in return for meeting the stipulated conditions related to the operating activities of the entity and there is no service or goods provided back to the government by the entities. Government grants are recognised when there is reasonable assurance that it will comply with the conditions attached to them and the grants will be received. Government grants shall be recognised in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate.

The Jobs Support Scheme (“JSS”) was announced by the Government to provide wage support to employers to help retain local employees (Singapore Citizens and Permanent Residents) during the period of economic uncertainty due to Covid-19 pandemic. In determining the timing of recognition of the JSS grant income, the Management has evaluated and concluded that the period of economic uncertainty commences on 7 April 2020 when the Circuit Breaker measures kicks in. The deferred grant income is disclosed in Note 14.

4. Donations

	2022 S\$	2021 S\$
Tax deductible donations	98,898	106,629
Non-tax deductible donations	<u>64,250</u>	<u>14,477</u>
	<u>163,148</u>	<u>121,106</u>

5. Programme management expenses

	2022 S\$	2021 S\$
Enrichment programme	150,095	125,777
Food items	2,104,148	2,123,357
Food ration and supplies	-	13,087
Meals and refreshment	-	77,954
Medical supplies and materials	293,363	252,834
Medical support fees	-	77,927
Rehabilitation fees	88,293	83,394
Residents’ earning allowance	111,120	96,886
Supplies and materials for residents	30,052	81,047
Supplies and materials for service users	36,761	29,195
Transport	<u>347,358</u>	<u>373,074</u>
	<u>3,161,190</u>	<u>3,334,532</u>

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Included in the expenses expended are the following staff costs:

	2022 S\$	2021 S\$
Foreign worker levy	827,372	541,783
Medical and dental subsidies	113,375	103,150
Renewal fee of S pass and work permit	14,475	15,202
Skill development levy	17,200	16,329
Staff allowances	942,922	1,096,960
Staff benefits	4,715	1,345
Staff CPF contributions	1,312,603	928,505
Staff insurance	36,441	31,783
Staff salaries and bonuses	7,854,034	7,241,005
Staff training and development	44,992	74,933
Staff uniforms	13,818	17,127
Staff welfare	15,988	18,055
Unutilised leave	(83,172)	147,999
	<u>11,114,763</u>	<u>10,234,176</u>

The staff costs were composed of:

Costs of charitable activities	9,829,882	9,126,377
Governance and other administrative costs	1,284,881	1,107,799
	<u>11,114,763</u>	<u>10,234,176</u>

The remunerations of key management personnel of the Combined Group during the financial year were as follows:

	2022 S\$	2021 S\$
Salaries and other short-term employee benefits	1,210,532	1,390,170
CPF contributions	173,329	161,910
	<u>1,383,861</u>	<u>1,552,080</u>

No. of executives of the Combined Group in remuneration bands:

Below S\$100,000	8	7
S\$100,001 – S\$200,000	6	7

7. Finance costs

	2022 S\$	2021 S\$
Interest expenses on:		
Lease liabilities (Note 12)	<u>6,932</u>	<u>7,660</u>

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8. Property, plant and equipment

	Audio, visual, electrical and electronic equipment S\$	Computer and equipment S\$	Furniture and fittings S\$	Kitchen, medical, laundry and other equipment S\$	Leasehold equipment S\$	Machinery S\$	Motor vehicles S\$	Office and communication equipment S\$	Gym and rehab equipment S\$	Renovation S\$	Safety and security installation S\$	Leasehold property S\$	Total S\$
2022													
Cost													
At beginning of year	119,300	666,404	173,466	59,426	36,475	41,976	209,072	36,685	38,406	1,211,236	163,814	413,892	3,170,152
Additions	-	60,000	-	-	14,534	-	-	-	-	-	-	-	74,534
Disposal / Written off of assets	(1,134)	(4,866)	(8,842)	(3,120)	-	(410)	-	-	-	(1,273)	(1,498)	-	(21,143)
Expiry of lease	-	-	-	-	(9,720)	-	-	-	-	-	-	-	(9,720)
At end of year	118,166	721,538	164,624	56,306	41,289	41,566	209,072	36,685	38,406	1,209,963	162,316	413,892	3,213,823
Accumulated depreciation													
At beginning of year	112,612	617,263	161,951	50,011	17,501	37,523	208,478	33,427	35,215	1,083,716	140,855	82,474	2,581,026
Depreciation charge	5,069	35,311	8,752	6,697	10,300	3,851	375	2,432	3,042	97,913	19,106	41,237	234,085
Disposal / Written off of assets	(1,134)	(4,612)	(8,842)	(3,120)	-	(410)	-	-	-	(1,273)	(1,348)	-	(20,739)
Expiry of lease	-	-	-	-	(9,720)	-	-	-	-	-	-	-	(9,720)
At end of year	116,547	647,962	161,861	53,588	18,081	40,964	208,853	35,859	38,257	1,180,356	158,613	123,711	2,784,652
Net book value													
At end of year	1,619	73,576	2,763	2,718	23,208	602	219	826	149	29,607	3,703	290,181	429,171

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8. Property, plant and equipment (continued)

	Audio, visual, electrical and electronic equipment S\$	Computer and equipment S\$	Furniture and fittings S\$	Kitchen, medical, laundry and other equipment S\$	Leasehold equipment S\$	Machinery S\$	Motor vehicles S\$	Office and communication equipment S\$	Gym and rehab equipment S\$	Renovation S\$	Safety and security installation S\$	Leasehold property S\$	Total S\$
2021													
Cost													
At beginning of year	119,809	668,265	173,466	62,197	36,475	41,976	259,038	36,685	38,406	1,211,236	163,814	413,892	3,225,259
Disposal of assets	(509)	(1,861)	-	(2,771)	-	-	(49,966)	-	-	-	-	-	(55,107)
At end of year	119,300	666,404	173,466	59,426	36,475	41,976	209,072	36,685	38,406	1,211,236	163,814	413,892	3,170,152
Accumulated depreciation													
At beginning of year	97,976	567,106	147,918	43,326	7,366	30,864	258,067	28,422	28,290	957,313	110,996	41,237	2,318,881
Depreciation charge	15,094	52,018	14,033	9,233	10,135	6,659	377	5,005	6,925	126,403	29,859	41,237	316,978
Disposal of assets	(458)	(1,861)	-	(2,548)	-	-	(49,966)	-	-	-	-	-	(54,833)
At end of year	112,612	617,263	161,951	50,011	17,501	37,523	208,478	33,427	35,215	1,083,716	140,855	82,474	2,581,026
Net book value													
At end of year	6,688	49,141	11,515	9,415	18,974	4,453	594	3,258	3,191	127,520	22,959	331,418	589,126

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	2022	2021
	S\$	S\$
Amount due from related parties	<u>5,617,665</u>	<u>5,045,679</u>
Amount due to related parties	<u>5,617,665</u>	<u>5,045,679</u>

The amount due from/(to) related parties are unsecured, interest free and repayable on demand.

Amount due from/(to) related parties are denominated in Singapore Dollars.

10. Other receivables

	2022	2021
	S\$	S\$
Other receivables	380,714	367,890
Deposits	95,122	81,372
Grant receivable	-	922,977
Prepayments	<u>28,204</u>	<u>22,192</u>
	<u>504,040</u>	<u>1,394,431</u>

The grant receivable as at 31 March 2021 relates to the JSS and is computed based on 10% of gross monthly wages for January to March 2021, subject to a monthly wage cap of S\$4,600 per employee.

At the date of financial year ended, the carrying amounts of other receivables approximated their fair values.

Other receivables are denominated in Singapore Dollar.

11. Cash and cash equivalents

	2022	2021
	S\$	S\$
Cash on hand	6,370	5,770
Cash at bank	11,254,489	10,922,842
Fixed deposits	<u>38,000</u>	<u>38,000</u>
	<u>11,298,859</u>	<u>10,966,612</u>

At the date of financial year ended, the carrying amounts of cash and cash equivalents approximated their fair values.

Cash and cash equivalents are denominated in Singapore Dollar.

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NOTES TO THE COMBINED FINANCIAL STATEMENTS*For the financial year ended 31 March 2022***12. Lease liabilities***The Combined Group as a lessee*

The Combined Group has lease contracts for copiers and properties. The Combined Group's obligations under these leases are secured by the lessor's title to the leased assets. The Combined Group is restricted from assigning and subleasing the leased assets. The Combined Group's right-of-use assets are presented within property, plant and equipment (Note 8) with the carrying amount of S\$313,389 (2021: S\$350,392).

(a) *Carrying amount of right-of-use asset classified within property, plant and equipment*

	Leasehold equipment S\$	Leasehold property S\$	Total S\$
At 31 March 2020	29,109	372,655	401,764
Depreciation	(10,135)	(41,237)	(51,372)
At 31 March 2021	18,974	331,418	350,392
Addition	14,534	-	14,534
Depreciation	(10,300)	(41,237)	(51,537)
At 31 March 2022	23,208	290,181	313,389

(b) *Lease liabilities*

The carrying amounts of lease liabilities and the movements during the year are disclosed as follows:

	2022 S\$	2021 S\$
Current	48,334	43,013
Non-current	260,583	298,752
	<u>308,917</u>	<u>341,765</u>

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

	1 April 2021 S\$	Cash flows S\$	Acquisition S\$	<u>Non cash changes</u> Accretion of interests S\$	Transfers S\$	31 March 2022 S\$
Current liabilities	43,013	(54,314)	-	6,932	52,703	48,334
Non-current liabilities	298,752	-	14,534	-	(52,703)	260,583
	<u>341,765</u>	<u>(54,314)</u>	<u>14,534</u>	<u>6,932</u>	<u>-</u>	<u>308,917</u>

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	1 April 2020 S\$	Cash flows S\$	Acquisition S\$	<u>Non cash changes</u> Accretion of interests S\$	Transfers S\$	31 March 2021 S\$
Current liabilities	46,456	(54,116)	-	7,660	43,013	43,013
Non-current liabilities	341,765	-	-	-	(43,013)	298,752
	<u>388,221</u>	<u>(54,116)</u>	<u>-</u>	<u>7,660</u>	<u>-</u>	<u>341,765</u>

(c) Amount recognised in profit or loss

	2022 S\$	2021 S\$
Amortisation of right-of-use assets	51,537	51,372
Interest expense on lease liabilities	6,932	7,660
Expenses relating to short term leases	21,589	18
Expenses relating to low value asset	2,029	2,029
Total amount recognised in profit or loss	<u>82,087</u>	<u>61,079</u>

(d) Total cash flow

The Combined Group had total cash outflows for leases of S\$54,314.

13. Trade payables

	2022 S\$	2021 S\$
Amount due to third parties	<u>415,085</u>	<u>436,176</u>

At the date of financial year ended, the carrying amounts of trade payables approximated their fair values.

Trade payables are denominated in Singapore Dollar.

14. Other payables

	2022 S\$	2021 S\$
Accruals	754,392	283,178
Other payables	185,944	143,252
Provision of unutilised leaves	325,073	407,535
Provision for restoration cost	19,265	19,265
Deferred grant income	20,442	198,749
	<u>1,305,116</u>	<u>1,051,979</u>

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Deferred grants consist of:

	2022	2021
	S\$	S\$
Deferred grant for Job Support Scheme	5,424	153,694
Deferred grant for purchase of assets	15,018	45,055
	20,442	198,749

The movement in deferred grants for purchase of property, plant and equipment is as follow:

	2022	2021
	S\$	S\$
Balance at beginning of year	45,055	75,092
Less: Amortisation for the year	(30,037)	(30,037)
Balance at end of year	15,018	45,055

Deferred grants relate to the purchase of property, plant and equipment from the funds received and this is subject to the terms and conditions as prescribed in the respective funding agreements. Deferred grants are recognised in the manner prescribed in Note 2.12.

At the date of financial year ended, the carrying amount of other payables (other than deferred grants) approximates to fair value.

Other payables are denominated in Singapore Dollars.

15. Care and share funds

Care and share is a national fund-raising and volunteerism movement led by Community Chest for the social service sector, in celebration of SG50. It aims to bring our nation together to show care and concern for the needy and recognise the contributions made by voluntary welfare organisations (VWOs). Eligible donations raised by Community Chest and participating VWOs from 1 December 2013 till 31 March 2016 were matched dollar-for-dollar by the government. The matched amount will go towards building the capabilities and capacities of the social service sector and supporting social services to meet rising needs.

16. Community silver trust funds

This fund is established for a matching grant of one dollar provided by the government for every donation dollar raised by the eligible organisation and to encourage more donations and provide additional resources for the service providers in the intermediate and long-term care.

17. Donation funds

The donations are to be used to benefit the residents, directly or indirectly, such as upgrading of the Combined Group's facility, in accordance with the donor's instruction.

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18. Food aid programme

The Charities unit had directed that the unused “funds from the overseas project are to be used on the Society’s local programme(s) with similar purpose as that of the overseas projects”. The Society’s Executive Committee at its 10th (2011-2013) meeting held on 21 July 2013, decided to ring-fence the fund to be used for the food aid programme (as the programme offered food parcels to needy individuals and families).

19. Funding from Tote Board

The funds were set up to provide the funding to the programme. It’s restricted to the Tote Board funded Programme.

20. MOH funds

The funds were set up to provide the recurrent funding to the programme. It is restricted to MOH funded Programme.

21. MSF funds

The fund was set up to provide the recurrent funding to the programme. It is restricted to MSF funded Programme.

22. President’s challenge

Initiated by former President S R Nathan in 2000 and continued by President Tony Tan in 2012, the President’s Challenge is an annual series of events to create greater awareness of the needs of the social service voluntary sector, and to mobilise the community to help the disadvantaged and less fortunate in our midst. The Society was selected by the National Council of Social Service as one of the beneficiaries for President’s Challenge 2012 and was allocated a sum of S\$200,000 by the President’s Office.

23. Programme funds

The Programme Funds consists of funds for specific programmes that receive grants from different agencies such as South East Community Development Council Collaborative Partnership Grant and SUSS-NYP Work Learn Programme. The objective of such programmes is to partner with other community stakeholders to strengthen the social service communities as well as identifying and bridging service gaps through projects for the service users.

24. Seniors’ mobility and enabling funds

The Seniors’ Mobility and Enabling Fund (SMF) provides holistic support for seniors to age in place within the community. It provides subsidies for Singaporean seniors who require mobility and assistive devices for daily independent living and to remain ambulant in the community, receiving government funded Centre care and care within the community, needing Centre healthcare item for their care, and attending MOH-funded eldercare, dialysis or day hospice services which require specialised transport.

25. Village in Eunos Crescent

The Village in Eunos Crescent pilot programme aims to create a well-supported network of linkages for better health and social integration for seniors in Eunos Crescent. It is supported by the Tote Board Community Healthcare Fund, which is designed as a seed fund for social service agencies or non-profit organisations to pilot innovative programmes for the Community Care sector. It aims to help empower people to stay healthy and engaged, delay or reverse disease and frailty, and to support those who are unwell to live a good life.

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26. General funds

The general funds are for the purpose of meeting operating expenses incurred by the Combined Group.

27. Categories of financial assets and liabilities

The carrying amounts presented in the statement of financial position relate to the following categories of assets and liabilities:

	2022	2021
	S\$	S\$
<i>Financial assets measured at amortised cost:</i>		
Amount due from related parties	5,617,665	5,045,679
Other receivables	475,836	1,372,239
Cash and cash equivalents	11,298,859	10,966,612
	<u>17,392,360</u>	<u>17,384,530</u>
<i>Financial liabilities measured at amortised cost:</i>		
Amount due to related parties	5,617,665	5,045,679
Trade and other payables	1,680,494	1,270,141
Lease liabilities	308,917	341,765
	<u>7,607,076</u>	<u>6,657,585</u>

A description of the accounting policies for each category of financial instruments is disclosed in Note 2.7 (Financial instruments). A description of the Combined Group's financial risk management objectives and policies for financial instruments is given in Note 29.

28. Significant related party transactions

During the financial year, none of Executive Committee members received any remuneration from the Combined Group.

The Combined Group is governed by the Executive Committee, which is the final authority and has overall responsibility for policy making and determination of all activities.

The Combined Group has in place a conflict of interest policy. All members of Executive Committee are required to declare their interest after they have been elected to office at the annual general meeting.

29. Financial risk management

The Combined Group's activities expose it to a variety of financial risks from its operations. The key financial risks include credit risk and liquidity risk.

The Executive Committee review and agree policies and procedures for the executive of these risks, which are executed by the executive team. It is, and has been throughout the current and previous financial year, the Combined Group's policy that no trading in derivatives for speculative purposes shall be undertaken.

The following sections provide details regarding the Combined Group's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

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29. Financial risk management (continued)

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

(a) Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Combined Group. The Combined Group's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including investment securities and cash), the Combined Group minimises credit risk by dealing exclusively with high credit rating counterparties.

The Combined Group has adopted a policy of only dealing with creditworthy counterparties. The Combined Group performs ongoing credit evaluation of its counterparties' financial condition and generally do not require a collateral.

The Combined Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The Combined Group has determined the default event on a financial asset to be when internal and/or external information indicates that the financial asset is unlikely to be received, which could include default of contractual payments due for more than 60 days, default of interest due for more than 30 days or there is significant difficulty of the counterparty.

To minimise credit risk, the Combined Group has developed and maintained the Combined Group's credit risk gradings to categorise exposures according to their degree of risk of default. The credit rating information is supplied by publicly available financial information and the Combined Group's own trading records to rate its major customers and other debtors. The Combined Group considers available reasonable and supportive forward-looking information which includes the following indicators:

- Internal credit rating;
- External credit rating;
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations;
- Actual or expected significant changes in the operating results of the debtor;
- Significant increases in credit risk on other financial instruments of the same debtor; and
- Significant changes in the expected performance and behaviour of the debtor, including changes in the payment status of debtors in the group and changes in the operating results of the debtor.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making contractual payment.

The Combined Group determined that its financial assets are credit-impaired when:

- There is significant difficulty of the debtor;
- A breach of contract, such as a default or past due event;
- It is becoming probable that the debtor will enter bankruptcy or other financial reorganisation; or
- There is a disappearance of an active market for that financial asset because of financial difficulty.

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The Combined Group categorises a receivable for potential write-off when a debtor fails to make contractual payments more than 120 days past due. Financial assets are written off when there is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery.

The Combined Group's current credit risk grading framework comprises the following categories:

Category	Definition of category	Basis for recognising ECL
I	Counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
II	Amount is >30 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL – not credit-impaired
III	Amount is >60 days past due or there is evidence indicating the asset is credit-impaired (in default).	Lifetime ECL – credit-impaired
IV	There is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery.	Amount is written off

The table below details the credit quality of the Combined Group's financial assets, as well as maximum exposure to credit risk by credit risk rating categories:

	Note	Category	12-month or lifetime ECL	Gross carrying amount S\$	Loss allowance S\$	Net carrying amount S\$
<u>31 March 2022</u>						
Other receivables	9	I	12-month ECL	475,836	-	475,836
					-	
<u>31 March 2021</u>						
Other receivables	9	I	12-month ECL	1,372,239	-	1,372,239
					-	

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29. Financial risk management (continued)

(a) Credit risk (continued)

Trade receivables

For trade receivables, the Combined Group has applied the simplified approach in FRSS 109 to measure the loss allowance at lifetime ECL. The Combined Group determines the ECL by using a provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Accordingly, the credit risk profile of trade receivables is presented based on their past due status in terms of the provision matrix.

Exposure to credit risk

The Combined Group has no significant concentration of credit risk of trade receivables. The Combined Group has credit policies and procedures in place to minimise and mitigate its credit risk exposure.

Financial assets that are neither past due nor impaired

Trade receivables that are neither past due nor impaired are creditworthy debtors with good payment record with the Combined Group. Bank balances are placed with or entered into with reputable financial institutions with high credit ratings and no history of default.

Financial assets that are past due but not impaired

The Combined Group has trade receivables that are past due at the end of the reporting period for which the Combined Group has not provided as there has not been a significant change in credit quality and the amounts are still considered recoverable.

Other receivables

The Combined Group assessed the latest performance and financial position of the counterparties, adjusted for the future outlook of the industry in which the counterparties operate in, and concluded that there has been no significant increase in the credit risk since the initial recognition of the financial assets. Accordingly, the Combined Group measured the impairment loss allowance using 12-month ECL and determined that the ECL is insignificant.

(b) Liquidity risk

Liquidity risk refers to the risk that the Combined Group will encounter difficulties in meeting its short-term obligations due to shortage of funds. The Combined Group's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. It is managed by matching the payment and receipt cycles. The Combined Group's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities. The Combined Group finances its working capital requirements through a combination of funds generated from operations and bank borrowings. The Executive Committee are satisfied that funds are available to finance the operations of the Combined Group.

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The table below summarises the maturity profile of the Combined Group's financial assets and liabilities at the reporting date based on contractual undiscounted repayment obligations.

	Carrying amount S\$	Contractual cash flows S\$	One year or less S\$	Two to five years S\$	More than five years S\$
As at 31 March 2022					
<i>Financial assets</i>					
Amount due from related parties	5,617,665	5,617,665	5,617,665		
Other receivables	475,836	475,836	475,836	-	-
Cash and cash equivalents	11,298,859	11,298,859	11,298,859	-	-
	<u>17,392,360</u>	<u>17,392,360</u>	<u>17,392,360</u>	-	-
<i>Financial liabilities</i>					
Amount due to related parties	(5,617,665)	(5,617,665)	(5,617,665)	-	-
Trade and other payables	(1,680,494)	(1,680,494)	(1,680,494)	-	-
Lease liabilities	(308,917)	(331,326)	(54,332)	(230,231)	(46,763)
	<u>(7,607,076)</u>	<u>(7,629,485)</u>	<u>(7,352,491)</u>	<u>(230,231)</u>	<u>(46,763)</u>
Total net undiscounted financial assets/(liabilities)	<u>9,785,284</u>	<u>9,762,875</u>	<u>10,039,869</u>	<u>(230,231)</u>	<u>(46,763)</u>
As at 31 March 2021					
<i>Financial assets</i>					
Amount due from related parties	5,045,679	5,045,679	5,045,679		
Other receivables	1,372,239	1,372,239	1,372,239	-	-
Cash and cash equivalents	10,966,612	10,966,612	10,966,612	-	-
	<u>17,384,530</u>	<u>17,384,530</u>	<u>17,384,530</u>	-	-
<i>Financial liabilities</i>					
Amount due to related parties	(5,045,679)	(5,045,679)	(5,045,679)	-	-
Trade and other payables	(1,270,141)	(1,270,141)	(1,270,141)	-	-
Lease liabilities	(341,765)	(370,695)	(49,747)	(250,803)	(70,145)
	<u>(6,657,585)</u>	<u>(6,686,515)</u>	<u>(6,365,567)</u>	<u>(250,803)</u>	<u>(70,145)</u>
Total net undiscounted financial assets/(liabilities)	<u>10,726,945</u>	<u>10,698,015</u>	<u>11,018,963</u>	<u>(250,803)</u>	<u>(70,145)</u>

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The fair value of a financial instrument is the amount at which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction.

The following methods and assumptions are used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value.

Cash and cash equivalents, other receivables and other payables

The carrying amounts of these balances approximate their fair values due to the short-term nature of these balances.

Trade receivables and trade payables

The carrying amounts of these receivables and payables approximate their fair values as they are subject to normal trade credit terms.

Lease liabilities

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

31. Fund management policy

The primary objective of the Combined Group is to ensure it maintains sufficient cash in order to support its activities. Its approach to fund management is to balance the allocation of cash and the incurrence of debt. Available cash is deployed primarily to cover operational requirements.

32. Reserve position and policy

The Combined Group's reserve position (excluding non-current assets) for financial year ended 31 March 2022 is as follows:

	2022 S\$	2021 S\$	Increase/ (Decrease)
A Unrestricted funds			
General funds	768,372	873,204	-12%
B Restricted funds			
Care and share funds	844	6,198	-86%
Community silver trust funds	133,702	162,560	-18%
Donations funds	478,368	332,551	44%
Food aid programme	23,888	54,658	-56%
Funding from Tote Board	(93,273)	(55,268)	69%
MOH Funds	479,637	318,516	51%
MSF funds	8,148,186	9,161,704	-11%
President's challenge	(2,970)	(2,970)	0%
Programme funds	107,650	107,507	0%
Seniors' mobility and enabling funds	152,221	155,092	-2%
Village in Eunos Crescent	6,327	6,497	-3%
C Total funds	10,202,952	11,120,249	-8%
D Total annual operating expenditure	17,411,397	16,628,698	5%
E Ratio of funds to annual operating expenditure (C/D)	0.59	0.66	-11%

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Reference:

- C. Total funds include unrestricted, restricted/designated and endowment Funds.
D. Total annual operating expenditure includes expenses related to cost of charitable activities and governance and other administrative costs.

33. Comparative information

- [a] The comparative figures presented in financial year ended 31 March 2021 was audited by another audit firm rather than Audit Alliance LLP.
- [b] Certain reclassifications have been made to the prior year's financial statements to enhance the comparability with the current year's financial statements. As a result, certain line items have been amended on the face of the statement of comprehensive income, statement of financial position, statement of changes in funds and the related notes to the financial statements.

The impact of the prior year's reclassifications on the relevant accounts captions and comparative financial information is summarised below:

	As previously stated S\$	Amount restated S\$	As restated S\$
For the financial year ended 31 March 2021			
Statement of Comprehensive Income			
Voluntary income – Government subvention	14,688,283	18,810	14,707,093
Other income – Government subvention (Care and share funds)	-	14,993	14,993
Other income – Government subvention (MSF funds)	2,221,069	(14,993)	2,206,076
Governance and other administrative costs – Rental of equipment	(6,362)	(18,810)	(25,172)
Statement of Financial Position			
MSF funds	9,554,831	(14,993)	9,539,838
Care and share funds	(8,795)	14,993	6,198

34. Authorisation of combined financial statements

These combined financial statements for the financial year ended 31 March 2022 were authorised for issue in accordance with a resolution of Executive Committee on 15 September 2022.

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DETAILED STATEMENTS OF COMPREHENSIVE INCOME*For the financial year ended 31 March 2022*

	2022	2021
	S\$	S\$
INCOME		
Donation	163,148	121,106
Financial assistance scheme	(2,751)	15,120
Funding from Tote Board	7,803	46,192
Government grant	46,587	30,037
Government subvention	15,009,985	14,707,093
SPICE fees	172,959	138,514
Other income	1,096,369	3,151,033
Total income	16,494,100	18,209,095
LESS: EXPENDITURE		
Cost of charitable activities (Schedule A)	(13,002,260)	(12,472,225)
Governance and other administrative costs (Schedule B)	(4,409,137)	(4,156,473)
Total expenditure	(17,411,397)	(16,628,698)
(Deficit)/Surplus for the year	(917,297)	1,580,397
Other comprehensive income, net of tax	-	-
Total comprehensive (deficit)/surplus for the year	(917,297)	1,580,397

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SCHEDULE A

COSTS OF CHARITABLE ACTIVITIES

For the financial year ended 31 March 2022

	2022	2021
	S\$	S\$
COST OF CHARITABLE ACTIVITIES		
Health screening expenses	9,807	9,029
Kitchen utilities and equipment	1,381	2,287
Programme management expenses	3,161,190	3,334,532
Staff costs	9,829,882	9,126,377
	<u>13,002,260</u>	<u>12,472,225</u>

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SCHEDULE B**GOVERNANCE AND OTHER ADMINISTRATIVE COSTS***For the financial year ended 31 March 2022*

	2022	2021
	S\$	S\$
GOVERNANCE AND OTHER ADMINISTRATIVE COSTS		
Accounting fees	151,405	141,240
Advertisement	9,098	10,261
Bank charges	1,042	1,153
Depreciation of property, plant and equipment	234,085	316,976
Employment agency services	11,582	-
Food and refreshment	-	7
General expenses	5,285	38,823
Insurance	10,093	8,868
Loss on disposal of property, plant and equipment	404	274
Purchase of low value assets being expensed	142,938	143,229
Maintenance of building	95,773	41,065
Maintenance of equipment	30,274	29,687
Maintenance of vehicle	37,338	30,526
Management fee	415,752	415,752
Medical supplies and materials	800	383
Meeting refreshments	110	531
NCSS membership renewal	139	-
Printing and stationery	66,984	46,711
Professional fees	786,326	889,862
Rental of equipment	22,198	25,172
Rental of premises	1,420	1,420
Service charges for premises	6,300	5,937
Staff costs	1,284,881	1,107,799
Supplies and materials	66,713	70,969
Telecommunications	26,522	28,584
Transportation	24,674	30,607
Utilities	969,459	762,847
Volunteer management	130	130
Volunteer orientation and training	480	-
Finance cost	6,932	7,660
	<u>4,409,137</u>	<u>4,156,473</u>