

**RSVP Singapore The Organisation  
of Senior Volunteers  
and its subsidiary**

[Unique Entity No. S99SS0039L]

[Registered under the Societies Act (Chapter 311)  
in the Republic of Singapore]

**AUDITED FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED  
30 JUNE 2016**

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**Fiducia LLP**

(UEN: T10LL0955L)

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**STATEMENT BY BOARD OF MANAGEMENT**

In the opinion of the Board of Management, the statement of financial position of **RSVP Singapore The Organisation of Senior Volunteers** (the "Society") and the consolidated financial statements of the Group as set out on pages 5 to 39, are drawn up so as to give a true and fair view of the financial position of the Society and the Group as at 30 June 2016 and the financial performance, changes in funds and cash flows of the Group for the financial year covered by the consolidated financial statements.

At the date of this statement, there are reasonable grounds to believe that the Society will be able to pay its debts as and when they fall due.

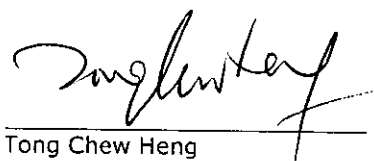
The Board of Management, comprising the following, authorised these financial statements for issue on

Koh Juay Meng	President
Ngiam Tong Yuen	1st Vice President
Gerald Minjoot	2nd Vice President
Wee Eng Hua, Marjorie ( Mrs Marjorie Marini)	Honorary Secretary
Tong Chew Heng	Honorary Treasurer
Loke Ho Yong	Assistant Honorary Treasurer
Tan Poh Lian, Florence	Member
Lily Lee	Member
Chan Fook Kay	Member

On behalf of the Board of Management,



Koh Juay Meng  
President



Tong Chew Heng  
Honorary Treasurer

Singapore, **07 OCT 2016**

## **Fiducia LLP**

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Independent Auditor's report to the members of:

**RSVP Singapore  
The Organisation of Senior Volunteers**  
[Unique Entity No. S99SS0039L]

[Registered under the Societies Act (Chapter 311)  
in the Republic of Singapore]

### **Report on the Financial Statements**

We have audited the accompanying financial statements of **RSVP Singapore The Organisation of Senior Volunteers** (the "Society") and its subsidiary (the "Group") set out on pages 5 to 39, which comprise the consolidated statement of financial position of the Group and statement of financial position of the Society as at 30 June 2016, the consolidated statement of comprehensive income, statement of changes in funds and consolidated statement of cash flows of the Group for the financial year then ended, and a summary of significant accounting policies and other explanatory information.

#### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provision of the Societies Act (Chapter 311), Charities Act (Chapter 37) and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

#### *Auditor's Responsibility*

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

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

## Fiducia LLP

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(CONT'D)

Independent Auditor's report to the members of:

**RSVP Singapore**  
**The Organisation of Senior Volunteers**  
[Unique Entity No. S99SS0039L]

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### Opinion

In our opinion, the consolidated financial statements of the Group and the statement of financial position of the Society are properly drawn up in accordance with the provisions of the Societies Act (Chapter 311), Charities Act (Chapter 37) and Singapore Financial Reporting Standards so as to give a true and fair view of the financial positions of the Group and of the Society as at 30 June 2016, and the financial performance, changes in funds and cash flows of the Group for the financial year ended on that date.

### Report on Other Legal and Regulatory Requirements

In our opinion,

- (a) the accounting and other records required by the Regulation under the Societies Act to be kept by the Society have been properly kept in accordance with the provisions of those Regulations; and
- (b) the fund raising appeals conducted by the Society during the year ended 30 June 2016 have been carried out in accordance with Regulation 6 of the Societies Regulations issued under the Act and proper accounts and other records have been kept of the fund raising appeals.

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

- (a) the use of the donation moneys was not in accordance with the objectives of the Society as required under regulation 11 of the Charities (Institutions of a Public Character) Regulations; and
- (b) the Society has not complied with the requirements of regulation 15 (Fund-raising expenses) of the Charities (Institutions of a Public Character) Regulations.



**Fiducia LLP**  
Public Accountants and  
Chartered Accountants

Singapore, **07 OCT 2016**

Partner-in-charge: Lee Choon Keat

PAB. No.: 01721

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE  
2016**

	Note	2016		
		General Fund S\$	Restricted fund S\$	Total Funds S\$
<b>REVENUE</b>	4	1,442,253	618,803	2,061,056
<b>Other income</b>	5	82,433	0	82,433
<b>TOTAL INCOME</b>		<u>1,524,686</u>	<u>618,803</u>	<u>2,143,489</u>
<b>TOTAL EXPENSES</b>	6	(1,259,773)	(701,346)	(1,961,119)
<b>NET SURPLUS / (DEFICIT)</b>		<u>264,913</u>	<u>(82,543)</u>	<u>182,370</u>
Income tax expense	7	0	0	0
<b>TOTAL COMPREHENSIVE INCOME / (LOSS)</b>		<u>264,913</u>	<u>(82,543)</u>	<u>182,370</u>
	Note	2015		
		General Fund Restated S\$	Restricted fund S\$	Total Funds Restated S\$
<b>REVENUE</b>	4	1,052,280	826,388	1,878,668
<b>Other income</b>	5	78,015	0	78,015
<b>TOTAL INCOME</b>		<u>1,130,295</u>	<u>826,388</u>	<u>1,956,683</u>
<b>TOTAL EXPENSES</b>	6	(823,072)	(937,367)	(1,760,439)
<b>NET SURPLUS/ (DEFICIT)</b>		<u>307,223</u>	<u>(110,979)</u>	<u>196,244</u>
Income tax expense	7	290	0	290
<b>TOTAL COMPREHENSIVE INCOME / (LOSS)</b>		<u>307,513</u>	<u>(110,979)</u>	<u>196,534</u>

The accompanying notes form an integral part of these financial statements

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2016**

	Note	Group	
		2016 S\$	2015 Restated S\$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	12	2,592,142	1,422,615
Trade and other receivables	13	235,879	615,938
Available-for-sale financial assets	14	506,678	254,650
		<u>3,334,699</u>	<u>2,293,203</u>
<b>Non-current assets</b>			
Property, plant and equipment	15	36,377	163,163
		<u>36,377</u>	<u>163,163</u>
<b>Total assets</b>		<u>3,371,076</u>	<u>2,456,366</u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	17	1,003,536	217,603
		<u>1,003,536</u>	<u>217,603</u>
<b>Non-current liabilities</b>			
Deferred capital grants / donated funds	18	30,328	83,921
Provision for restoration costs		72,225	72,225
		<u>102,553</u>	<u>156,146</u>
<b>Total liabilities</b>		<u>1,106,089</u>	<u>373,749</u>
<b>NET ASSETS</b>		<u>2,264,987</u>	<u>2,082,617</u>
<b>UNRESTRICTED FUND</b>			
General Fund	19	2,504,555	2,239,642
<b>RESTRICTED FUND</b>			
Restricted fund	20	(239,568)	(157,025)
<b>Total funds</b>		<u>2,264,987</u>	<u>2,082,617</u>

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

**STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2016**

	Note	Society	
		2016 S\$	2015 Restated S\$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	12	2,323,091	1,228,308
Trade and other receivables	13	184,164	565,580
Available-for-sale of financial assets	14	506,678	254,650
		<u>3,013,933</u>	<u>2,048,538</u>
<b>Non-current assets</b>			
Property, plant and equipment	15	36,224	161,961
Investment in subsidiary	16	231,002	231,000
		<u>267,226</u>	<u>392,961</u>
<b>Total assets</b>		<u>3,281,159</u>	<u>2,441,499</u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Other payables	17	953,475	175,055
<b>Non-current liabilities</b>			
Deferred capital grants / donated funds	18	30,328	83,921
Provision for restoration costs		72,225	72,225
		<u>102,553</u>	<u>156,146</u>
<b>Total liabilities</b>		<u>1,056,028</u>	<u>331,201</u>
<b>NET ASSETS</b>		<u>2,225,131</u>	<u>2,110,298</u>
<b>UNRESTRICTED FUND</b>			
General Fund	19	2,464,699	2,267,323
<b>RESTRICTED FUND</b>			
Restricted Fund	20	(239,568)	(157,025)
<b>Total funds</b>		<u>2,225,131</u>	<u>2,110,298</u>

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

**CONSOLIDATED STATEMENT OF CHANGES IN FUNDS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016**

	General fund	Restricted fund	Total funds
	S\$	S\$	S\$
<b><u>2016</u></b>			
<b>Balance at beginning of financial year – As previously stated</b>	2,035,917	(157,025)	1,878,892
Prior year adjustments	203,725	0	203,725
<b>Balance at beginning of financial year – As restated</b>	<u>2,239,642</u>	<u>(157,025)</u>	<u>2,082,617</u>
Total comprehensive income/(loss) for the financial year	264,913	(82,543)	182,370
<b>Balance at end of financial year</b>	<u><u>2,504,555</u></u>	<u><u>(239,568)</u></u>	<u><u>2,264,987</u></u>
	General fund	Restricted fund	Total funds
	Restated		Restated
	S\$	S\$	S\$
<b><u>2015</u></b>			
<b>Balance at beginning of financial year</b>	1,932,129	(46,046)	1,886,083
Total comprehensive income/(loss) for the financial year	307,513	(110,979)	196,534
<b>Balance at end of financial year</b>	<u><u>2,239,642</u></u>	<u><u>(157,025)</u></u>	<u><u>2,082,617</u></u>

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



**CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016**

	Note	Group	
		2016	2015
		S\$	Restated S\$
<b>Cash flows from operating activities</b>			
Net income for the financial year		182,370	196,244
Adjustments for:			
- Fair value loss on available-for-sale financial assets	14	2,972	3,725
- Gain on disposal on available-for-sale financial assets	14	0	(3,163)
- Amortisation of capital grants / donated funds	18	(63,946)	(80,253)
- Depreciation	15	138,039	188,747
- Interest income		(27,315)	(20,680)
<b>Operating surplus before working capital changes</b>		<u>232,120</u>	<u>284,620</u>
Changes in operating assets and liabilities			
- Trade and other receivables		380,059	(414,755)
- Trade and other payables		785,933	103,960
- Deferred capital grants	18	10,353	33,398
<b>Net cash provided by operating activities</b>		<u>1,408,465</u>	<u>7,223</u>
<b>Cash flows from investing activities</b>			
Interest income received		27,315	20,680
Purchases of property, plant and equipment	15	(11,253)	(33,398)
Purchases of available-for-sale financial assets	14	(255,000)	(258,375)
Disposal of available-for-sale financial assets	14	0	275,825
<b>Net cash (used in) / provided by investing activities</b>		<u>(238,938)</u>	<u>4,732</u>
<b>Net increase in cash and cash equivalents</b>		1,169,527	11,955
Cash and cash equivalents at beginning of financial year		1,422,615	1,410,660
<b>Cash and cash equivalents at end of financial year</b>	12	<u>2,592,142</u>	<u>1,422,615</u>
<b>Cash and cash equivalents comprise:</b>			
Cash on hand		2,311	2,312
Cash at bank		1,289,831	920,303
Fixed deposit		1,300,000	500,000
	12	<u>2,592,142</u>	<u>1,422,615</u>

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

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## **NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016**

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

### **1. General information**

RSVP Singapore The Organisation of Senior Volunteers ("the Society") is registered under the Societies Act (Chapter 311) on 19 October 1999. The Society became a registered charity under the Charities Act (chapter 37) on 28 October 1999. The address of its registered office and principal place of business is located at 9 Bishan Place #08-02 Junction 8 Shopping Centre Singapore 579837.

The objectives of the Society are mainly involved in enriching the lives of senior persons by providing them with the opportunities to participate more fully in their communities through volunteer service. The principal activities of the subsidiary are those relating to business and management consultancy services.

The Society is granted an Institution of Public Character ("IPC") status for the period from 01 July 2016 to 30 June 2019.

The consolidated financial statements are presented in Singapore Dollar, which is the Society's functional currency.

### **2. Significant accounting policies**

#### **2.1 Basis of preparation**

These financial statements have been prepared in accordance with Singapore Financial Reporting Standard ("FRS"), under the historical cost convention, except as disclosed in the accounting policies below.

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

#### **Interpretations and amendments to published standards effective in 2015**

On 01 July 2015, the Group adopted the new or amended FRS and Interpretations of FRS ("INT FRS") that are mandatory for application for the financial year. Changes to the Society's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

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

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

**2.1 Basis of preparation (Cont'd)**

**Interpretations and amendments to published standards effective in 2015 (Cont'd)**

***New or amended Standards and Interpretations effective after 1 July 2015***

The following are the new or amended Standards and Interpretations that are not yet applicable, but may be early adopted for the current financial year:

Descriptions	Annual periods commencing on
FRS 114 Regulatory Deferral Accounts Amendments to FRS 27: Equity Method in Separate Financial Statements Amendments to FRS 16 and FRS 38: Clarification of Acceptable Methods of Depreciation and Amortisation Amendments to FRS 16 and FRS 41: Agricultural - Bearer Plants Amendments to FRS 111: Accounting for Acquisitions of Interests in Joint Operations Amendments to FRS 110 and FRS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture Amendments to FRS 110, FRS 112 and FRS 28 : Investment Entities: applying the consolidation exception FRS 1 Amendments to FRS 1 : Disclosure Initiative	1 January 2016
Amendments to FRS 7: Disclosure Initiative Amendments to FRS 12: Recognition of Deferred Tax Assets for Unrealised Losses	1 January 2017
FRS 109 Financial Instruments FRS 115 Revenue from Contracts with Customers	1 January 2018

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## **2. Significant accounting policies (Cont'd)**

### **2.2 Revenue recognition**

Revenue comprises the fair value of the consideration received or receivable for the services rendered in the ordinary course of the Society's activities. Revenue is recognised as follows:

#### **2.2.1 Donations**

Donations are recognised and accrued as and when they are committed. Uncommitted donations, income from charity events are recognised on accrual basis. Donations-in-kind are recognised when the fair value of the assets received can be reasonably ascertained.

#### **2.2.2 Interest income**

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

#### **2.2.3 Government subvention**

Government subvention is recognised in the income and expenditure account when the right to receive payment is established, which is when the services are performed. Government subvention may be adjusted subsequently when the Government has reviewed and finalised the subvention paid and payable to the Society.

#### **2.2.4 Rendering of services**

Revenue from services rendered is recognised upon service performed.

#### **2.2.5 Government grant**

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions. Government grants, relating to costs are deferred and recognised in the statement of comprehensive income over the period necessary to match them with the costs they are intended to compensate.

#### **2.2.6 Other income**

Other income is recognised when incurred.

### **2.3 Group accounting**

#### **2.3.1 Subsidiaries**

##### **(i) Consolidation**

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date on that control ceases.

## **2.3 Group accounting (Cont'd)**

### **2.3.1 Subsidiaries (Cont'd)**

#### **(i) Consolidation (Cont'd)**

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated but are considered an impairment indicator of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests comprise the portion of a subsidiary's net results of operations and its net assets, which is attributable to the interests that are not owned directly or indirectly by the equity holders of the Society. They are shown separately in the consolidated statement of comprehensive income, statement of changes in equity and statement of financial position. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

#### **(ii) Acquisition**

The acquisition method of accounting is used to account for business combinations entered into by the Group.

The consideration transferred for the acquisition of a subsidiary or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes the fair value of any contingent consideration arrangement and any pre-existing equity interest in the subsidiary measured at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

The excess of (a) the consideration transferred the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the (b) fair value of the identifiable net assets acquired is recorded as goodwill.

#### **(iii) Disposals**

When a change in the Group's ownership interest in a subsidiary results in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill are derecognised.

Any retained equity interest in the entity is re-measured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in statement of comprehensive income.

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## **2.3 Group accounting (Cont'd)**

### **2.3.2 Transactions with non-controlling interests**

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control over the subsidiary are accounted for as transactions with equity owners of the Society. Any difference between the change in the carrying amounts of the non-controlling interest and the fair value of the consideration paid or received is recognised within equity attributable to the equity holders of the Society.

## **2.4 Property, plant and equipment**

### **2.4.1 Measurement**

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

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

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

### **2.4.2 Depreciation**

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives. A full year's depreciation charge is allocated on an annual basis as at year-end so long as ownership is ascertained at year-end. The estimated useful lives are as follows:

	Useful lives
Computers and equipment	3 years
Renovation	3 years
Office equipment	3 years

The residual value and useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each statement of financial position date. The effects of any revision are included in the statement of comprehensive income when the changes arise.

### **2.4.3 Subsequent expenditure**

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

### **2.4.4 Disposal**

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

## **2. Significant accounting policies (Cont'd)**

### **2.5 Investments in subsidiaries**

Investments in subsidiaries are carried at cost, less accumulated impairment losses in the Society's statement of financial position. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in statement of comprehensive income.

### **2.6 Financial assets**

#### **2.6.1 Classification**

The Group classifies its financial assets as loans and receivables and available-for-sale financial assets. The classification depends on the nature of the asset and the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at each reporting date.

##### Loan and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those expected to be realised later than 12 months after the statement of financial position date which are presented as non-current assets. Loans and receivables are presented as "trade and other receivables" and "cash and cash equivalents" on the statement of financial position.

##### Available-for-sale financial assets

Available-for-sale, financial assets are non-derivative that are either designated in this category or not classified in any of the other categories. They are presented as non-current assets unless the investment matures or management intends to dispose of the assets within 12 months after the statement of financial position date.

#### **2.6.2 Recognition and derecognition**

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

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. On disposal of a financial asset, the difference between the carrying amount and the sale proceeds is recognised in statement of comprehensive income.

Trade receivables that are factored out to banks and other financial institutions with recourse to the Group are not derecognised until the recourse period has expired and the risks and rewards of the receivables have been fully transferred. The corresponding cash received from the financial institutions is recorded as borrowings.

#### **2.6.3 Initial measurement**

Financial assets are initially recognised at fair value plus transaction costs except for financial assets at fair value through the profit or loss, which are recognised at fair value. Transaction costs for financial assets at fair value through profit or loss are recognised immediately as expenses.

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

**2.6 Financial assets (Cont'd)**

**2.6.4 Subsequent measurement**

Available-for-sale financial assets are subsequently carried at fair value through profit or loss is subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Changes in the fair values of financial assets at fair value through profit or loss including the effects of currency translation, interest and dividends, are recognised in statement of comprehensive income when the changes arises.

Interest and dividend income on available-for-sale financial assets are recognised separately in income. Changes in the fair values of available-for-sale debt securities (i.e. monetary items) denominated in foreign currencies are analysed into currency translation differences on the amortised cost of the securities and other changes; the currency translation differences are recognised in statement of comprehensive income. Changes in the fair values of available-for-sale equity securities (i.e. non-monetary items) are recognised in statement of comprehensive income and accumulated in the fair value reserve, together with the related currency translation differences.

**2.6.5 Impairment**

The Group assesses at each statement of financial position date whether there is objective evidence that a financial asset or a group of financial assets is impaired and recognises an allowance for impairment when such evidence exists.

Loans and receivables

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default or significant delay in payments are objective evidence that these financial assets are impaired.

The carrying amount of these assets is reduced through the use of an impairment allowance account which is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. When the asset becomes uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are recognised against the same line item in statement of comprehensive income.

The impairment allowance is reduced through statement of comprehensive income in a subsequent period when the amount of impairment loss decreases and the related decrease can be objectively measured. The carrying amount of the asset previously impaired is increased to the extent that the new carrying amount does not exceed the amortised cost had no impairment been recognised in prior periods.



## **2. Significant accounting policies (Cont'd)**

### **2.6 Financial assets (Cont'd)**

#### **2.6.5 Impairment (Cont'd)**

##### Available-for-sale financial assets

In addition to the objective evidence of impairment described above, a significant or prolonged decline in the fair value of an equity security below its cost is considered as an indicator that the available-for-sale financial asset is impaired.

The cumulative loss is measured as the difference between the acquisition cost (net of any principal repayments and amortisation) and the current fair value, less any impairment loss previously recognised as an expense. The impairment losses recognised as an expense on equity securities are not reversed through statement of comprehensive income.

#### **2.7 Impairment of non-financial assets**

Property, plant and equipment and investments in a subsidiary are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

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

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

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

An impairment loss for an asset other than goodwill 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. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset other than goodwill is recognised in statement of comprehensive income, unless the asset is carried at revalued amount, in which case, such reversal is treated as a revaluation increase. However, to the extent that an impairment loss on the same revalued asset was previously recognised as an expense, a reversal of that impairment is also recognised in statement of comprehensive income.

## **2. Significant accounting policies (Cont'd)**

### **2.8 Fair value estimation of financial assets and liabilities**

The fair values of financial instruments traded in active markets (such as exchange-traded and over-the-counter securities and derivatives) are based on quoted market prices at the statement of financial position date. The quoted market prices used for financial assets are the current bid prices; the appropriate quoted market prices used for financial liabilities are the current asking prices.

The fair values of financial instruments that are not traded in an active market are determined by using valuation techniques. The Group uses a variety of methods and makes assumptions based on market conditions that are existing at each statement of financial position date. Where appropriate, quoted market prices or dealer quotes for similar instruments are used. Valuation techniques, such as discounted cash flow analysis, are also used to determine the fair values of the financial instruments.

The fair values of currency forwards are determined using actively quoted forward exchange rates. The fair values of interest rate swaps are calculated as the present value of the estimated future cash flows discounted at actively quoted interest rates.

The fair values of current financial assets and liabilities carried at amortised cost approximate their carrying amounts.

### **2.9 Leases**

#### Operating leases

Leases where substantially all risks and rewards incidental to ownership are retained by the lessors are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessors) are recognised in statement of comprehensive income on a straight-line basis over the period of the lease. When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place. Rental on operating lease is charged to statement of comprehensive income. Contingent rents are recognised as an expense in statement of comprehensive income when incurred.

### **2.10 Trade and other payables**

Trade and other payables represent liabilities for goods and services provided to the Society prior to the end of the financial year that are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business, if longer). Otherwise, they are presented as non-current liabilities.

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

### **2.11 Provisions for other liabilities and charges**

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

### **2.12 Cash and cash equivalents**

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash on hand, deposits with financial institutions that are subject to an insignificant risk of change in value. Fixed deposits that are pledged to secure bank facilities are excluded as they are used by the Group for investing and financing activities.

## 2. Significant accounting policies (Cont'd)

### 2.13 Income taxes

Current income tax liabilities for current and prior periods are recognised at the amounts expected to be paid to the tax authorities, using the tax rates and tax laws that have been enacted or substantially enacted by the statement of financial position date.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiaries, associated companies and joint ventures, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Deferred income tax is measured:

- (i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the statement of financial position date; and
- (ii) based on the tax consequence that will follow from the manner in which the Group expects, at the statement of financial position date, to recover or settle the carrying amounts of its assets and liabilities except for investment properties. Investment property measured at fair value is presumed to be recovered entirely through sale.

Current and deferred income taxes are recognised as income or expense in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

The Group accounts for investment tax credits (for example, productivity and innovative credit) similar to accounting for other tax credits where deferred tax asset is recognised for unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax credit can be utilised.

### 2.14 Employee compensation

#### Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund ("CPF"), on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The Group's contribution to defined contribution plans are recognised as employee compensation expense when they are due.

#### Employee leave entitlement

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

## 2. Significant accounting policies (Cont'd)

### 2.15 Financial liabilities

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

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

### 2.16 Related parties

A related party is defined as follows:

- (a) A person or a close member of that person's family is related to the Group if that person:
  - (i) Has control or joint control of the Group;
  - (ii) Has significant influence over the Group; or
  - (iii) Is a member of the key management personnel of the Group or of a parent of the Group.
- (b) An entity is related to the Group if any of the following conditions applies:
  - (i) The entity and the Group 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 Group or an entity related to the Group. If the Group is itself such a plan, the sponsoring employers are also related to the Group.
  - (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).
  - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

### 2.17 Currency translation

Transactions denominated in a currency other than Singapore Dollar ("foreign currency") are translated into Singapore Dollar using the exchange rates prevailing at the dates of the transactions. Currency translation gains and losses resulting from the settlement of such transactions and from the translation at the closing rate at the statement of financial position date of monetary assets and liabilities denominated in foreign currencies are recognised in statement of comprehensive income.

### 3. Critical accounting estimates and assumptions

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

#### Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

#### *Income taxes*

Significant judgment is required in determining the capital allowances and deductibility of certain expenses during the estimation of the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Society recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred income tax provisions in the period in which such determination is made.

#### Critical judgements in applying the entity's accounting policies

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

#### *Estimated useful lives of property, plant and equipment*

The Group reviews annually the estimated useful lives of property, plant and equipment based on factors such as business plans and strategies, expected level of usage and future technological developments. It is possible that future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned.

#### *Impairment of non-financial assets*

Non-financial assets are reviewed for impairment whenever there is any indication that the assets are impaired. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and value in use) of the assets is estimated to determine the impairment loss. The key assumptions for the value in use calculation are those regarding the growth rates, and expected change to selling price and direct costs during the year and a suitable discount rate.

#### *Allowance for impairment of receivables*

The Group reviews the adequacy of allowance for impairment of receivables at each closing by reference to the ageing analysis of receivables, and evaluate the risks of collection according to the credit standing and collection history of individual customer. If there are indications that the financial position of a customer has deteriorated resulting in an adverse assessment of his risk profile, an appropriate amount of allowance will be provided.

**4. Revenue**

	2016	Group 2015 Restated
	S\$	S\$
<u>General Fund</u>		
Ageing in Place	0	9,422
Changi Senior Ambassador Programme	86,067	119,565
Corporate and Marketing Communications Committee	2,273	66,080
Enriching Lives of Seniors	33,627	23,190
Flag Day	64,483	0
Fund Development Committee	193,195	494,684
Gala Charity Dinner	274,242	0
Mentoring Programme	27,276	8,787
Miscellaneous Program	0	4,900
My Buddy Program	21,729	13,584
National Senior Volunteer	269,086	0
Partnership Management Committee	0	35,764
Senior guiding Programme	104,334	19,873
Senior Volunteer Week	0	33,260
Silver IT Care	6,044	14,780
Volunteer Management Committee	32,599	85,263
Membership fees	19,348	19,894
Consulting Fees	69,955	77,700
Learning Journey Programme and others	0	1,094
Training Fees	237,995	24,440
	<u>1,442,253</u>	<u>1,052,280</u>
 <u>RSVP SINGAPORE (Restricted Fund)</u>		
Cyberguide Programme	194,656	184,258
Mentally Disadvantaged Outreach Programme	114,834	110,315
Mentoring Programme	79,577	94,058
Senior guiding Programme	0	96,240
Senior Volunteer Training Centre	229,736	273,109
Silver IT Care	0	68,408
	<u>618,803</u>	<u>826,388</u>
	<u>2,061,056</u>	<u>1,878,668</u>

**5. Other Income**

	2016	Group 2015
	S\$	S\$
Interest income	27,315	20,680
Gain on disposal of available-for-sale financial assets	0	3,163
Other income	3,173	29,068
Special employment credit	51,945	25,104
	<u>82,433</u>	<u>78,015</u>

**6. Total Expenses**

	2016	Group	
	S\$		2015
			S\$
<u>General Fund</u>			
Accounting fee	9,439		9,392
Ageing in Place	0		15,115
Audit fee	3,210		2,996
Bank charges	139		101
Books and publications	11,142		1,965
Casual Labour	12,504		70
Changi Senior Ambassador Programme	105,295		104,438
Commission	26,181		9,334
Consulting expenses	35,761		34,211
Corporate and Marketing Communications Committee	101,646		84,293
CPF Contribution	11,513		8,111
Depreciation expenses	1,049		1,391
Donation	3,000		0
Enriching Lives of Seniors	43,803		35,998
Fair value loss on available-for-sale financial assets	2,972		3,725
Flag Day	3,432		0
Fund Development Committee	167,318		170,572
Gala Charity Dinner	48,215		0
General expense	1,127		80
Insurance	776		883
Learning journey expenses	0		824
Lunch and refreshment	622		195
Medical Expenses	586		429
Mentoring Programme	27,953		26,687
Miscellaneous Program	0		3,490
My Buddy Program	24,595		12,456
National Senior Volunteer	269,086		0
Other Expenses	585		169
Out of pocket expenses	5,422		320
Partnership Management Committee	0		45,293
Postage and delivery	61		541
Printing and stationery	744		550
Provision for unutilised leave	1,906		3,619
Salaries and bonus	62,635		57,169
Secretariat	(22)		0
Secretarial fee	600		1,402
Senior Guiding Programme	119,597		24,911
Senior Volunteer Week	0		25,590
Silver IT Care	26,013		21,705
Subscriptions	902		1,443
Tax and collation fee	1,854		(165)
Telephone	0		143
Training and development	1,412		180
Training costs	47,899		3,411
Transport	328		574
Volunteer Management Committee	78,033		108,966
Website expenses	440		495
	1,259,773		823,072
<u>Restricted Fund</u>			
Cyberguide Programme	257,163		259,169
Mentally Disadvantaged Outreach Programme	104,825		106,288
Mentoring Programme	56,857		73,994
Senior Guiding Programme	0		103,418
Senior Volunteer Training Centre	282,501		287,891
Silver IT Care	0		106,607
	701,346		937,367
	1,961,119		1,760,439

**7. Income tax**

The Society is a charity registered under the Charities Act since 28 October 1999. Consequently, the income of the Society is exempt from tax under the provisions of Section 13 of the Income Tax Act Cap. 134.

The Group income tax solely include the profit before income tax attributable to its subsidiary.

	Group	
	2016 S\$	2015 S\$
Tax expense attributable to profits is made up of:		
- Current income tax	0	0
Over-provision in prior financial year:		
- Current income tax	0	(290)
	0	(290)

The income tax expense varies from the amount of income tax determined by applying the Singapore income tax rate to profit before income tax as a result of the following:

	2016 S\$	2015 Restated S\$
Profit before income tax	182,370	196,244
Tax calculated at a tax rate of 17%	31,003	33,362
Effects of:		
- Non-deductible Expenses	324	616
- Enhanced tax deduction on donation	(1,275)	0
- Over-provision of taxation in prior year	0	(290)
- Deferred tax benefit not recognised	(10,530)	5,409
- Tax exemption	(19,522)	(39,387)
Tax charge	0	(290)

	2016 S\$	2015 S\$
<b><i>Movement in current income tax liabilities</i></b>		
Balance at beginning of the year	0	290
Tax expense on profit for current financial year	0	0
Over provision in prior financial year	0	(290)
Balance at end of the year	0	0

At the reporting date, the Group has unabsorbed tax losses amounting to approximately S\$314,000 (2015: S\$376,000). The availability of the tax losses for offset against future taxable income is subject to agreement by the Singapore Comptroller of Income Tax and the requirement under Section 37 of Singapore Income Tax Act.

Deferred tax benefits are not recognised unless there is reasonable expectation of their realisation in the foreseeable future.



## 8. Tax Deductible Donations

During the financial year, the Society issued tax-deductible receipts for donations totalling S\$722,722 (2015: S\$229,063) pursuant to its Institution of a Public Character ("IPC") status. They are recorded as follows:

	2016 S\$	2015 S\$
Statement of comprehensive income		
General fund:		
- Gala Charity Dinner	205,920	0
- General	63,008	89,458
- Senior Volunteer week	0	7,000
- Donation Draw	0	24,650
- Mentoring Programme	0	28,000
- National Senior Volunteer	35,439	0
- Planned Giving	48,025	0
- RSVP Flag Day	28,330	18,400
- Others	0	400
- Supported Events	2,700	52,155
	383,422	220,063
Statement of Financial Position		
General fund:		
- Deferred income	339,300	9,000
	722,722	229,063

## 9. Income

Included in the following programmes are grants from National Council of Social Service (NCSS), Council for Third Age, Infocomm Development Authority of Singapore (IDA), Tote Board and SATS Foundation:

	Group and Society				
	NCSS S\$	IDA S\$	Tote Board S\$	SATS Foundation S\$	Council for Third Age S\$
<b>2016</b>					
Cyberguide Programme	57,273	0	0	0	0
Mentoring Programme	0	0	32,500	0	0
Mentally Disadvantage Outreach Programme	107,376	0	0	0	0
Senior Volunteer Training Centre	0	0	0	0	193,647
Silver IT Care	0	2,252	0	0	0
	57,273	2,252	32,500	0	193,647
<b>2015</b>					
Cyberguide Programme	54,703	0	0	0	25,086
Mentoring Programme	0	0	32,500	0	0
Senior Guiding	0	0	0	0	31,840
Mentally Disadvantage Outreach Programme	101,297	0	0	0	0
Senior Volunteer Training Centre	0	0	0	105,000	122,132
Silver IT Care	0	23,650	0	0	39,032
	155,999	23,650	32,500	105,000	286,049

**10. Staff Costs**

	Group		Society	
	2016 S\$	2015 S\$	2016 S\$	2015 S\$
Staff costs (including key personnel compensation)				
- Salaries and bonus	817,365	788,369	728,549	721,866
- CPF and SDF contribution	116,463	99,963	104,950	91,852
	<u>933,828</u>	<u>888,332</u>	<u>833,499</u>	<u>813,718</u>

**11. Net (expenditure) / income for the year**

The following items have been allocated to various programmes' expenses in arriving at net surplus for the year.

	Group		Society	
	2016 S\$	2015 S\$	2016 S\$	2015 S\$
Depreciation	138,039	188,747	136,990	187,356
Staff costs	933,778	888,332	833,499	813,718
Rental of premises	123,032	124,182	123,032	124,182

**12. Cash and cash equivalents**

	Group		Society	
	2016 S\$	2015 S\$	2016 S\$	2015 S\$
Cash on hand	2,311	2,312	2,250	2,250
Cash at bank	1,289,831	920,303	1,020,841	726,058
Fixed deposits	1,300,000	500,000	1,300,000	500,000
	<u>2,592,142</u>	<u>1,422,615</u>	<u>2,323,091</u>	<u>1,228,308</u>

Fixed deposits of the Group and the Society at the reporting date had a maturity of 4.8 months (2015: 2.5 months) and had a weighted average effective interest rate of 1% (2015: 1.2%) per annum.

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

**13. Trade and other receivables**

	Group		Society	
	2016	2015 Restated	2016	2015 Restated
	S\$	S\$	S\$	S\$
Trade receivables				
- Third parties	57,051	65,693	11,351	18,014
- Accrued income receivable	16,627	32,522	16,627	32,522
	<u>73,678</u>	<u>98,215</u>	<u>27,978</u>	<u>50,536</u>
Other receivables				
- Deposits	30,544	30,544	30,544	30,544
- Prepayments	15,382	59,333	12,957	56,489
- Accrued income from Care & Share	0	203,725	0	203,725
- Accrued interest	25,159	4,853	20,904	4,353
- Amount due from a subsidiary	0	0	665	665
- Donation receivables	49,137	74,393	49,137	74,393
- Grant receivables	41,744	140,119	41,744	140,119
- Third parties	235	4,756	235	4,756
	<u>162,201</u>	<u>517,723</u>	<u>156,186</u>	<u>515,044</u>
Total	<u>235,879</u>	<u>615,938</u>	<u>184,164</u>	<u>565,580</u>

Amount due from subsidiary is non-trade, interest free, unsecured and repayable on demand.

At the reporting date, the carrying amounts of trade and other receivables approximated their fair values.

**14. Available-for-sale financial assets**

	Group and Society	
	2016 S\$	2015 S\$
Beginning of financial year	254,650	272,662
Additions	255,000	258,375
Fair value loss	(2,972)	(3,725)
Gain on disposal	0	3,163
Disposals	0	(275,825)
End of financial year	<u>506,678</u>	<u>254,650</u>

Available-for-sale financial assets are analysed as follow:

	Group and Society	
	2016 S\$	2015 S\$
<u>Listed securities</u>		
SGD bond of 4.1% p.a. due 25 January 2019	255,793	254,650
SGD bond of 3.95% due 7 October 2021	250,885	0
	<u>506,678</u>	<u>254,650</u>

**15. Property, Plant and Equipment**

<b>GROUP</b>	Beginning of year S\$	Additions S\$	(Disposals) S\$	End of year S\$
<b>2016</b>				
<b>At cost</b>				
Computers and Equipment	268,286	11,253	0	279,539
Renovation	511,315	0	0	511,315
Office equipment	4,773	0	(289)	4,484
	<u>784,374</u>	<u>11,253</u>	<u>(289)</u>	<u>795,338</u>
<b>Accumulated depreciation and impairment losses</b>				
	Beginning of year S\$	Depreciation charge S\$	(Written back/off) S\$	End of year S\$
Computers and Equipment	220,824	23,159	0	243,983
Renovation	396,816	113,831	0	510,647
Office equipment	3,571	1,049	(289)	4,331
	<u>621,211</u>	<u>138,039</u>	<u>(289)</u>	<u>758,961</u>
<b>Net book value</b>				
	Beginning of year S\$			End of year S\$
Computers and Equipment	47,462			35,556
Renovation	114,499			668
Office equipment	1,202			153
	<u>163,163</u>			<u>36,377</u>
<b>2015</b>				
<b>At cost</b>				
Computers and Equipment	236,738	31,548	0	268,286
Renovation	509,465	1,850	0	511,315
Office equipment	4,773	0	0	4,773
	<u>750,976</u>	<u>33,398</u>	<u>0</u>	<u>784,374</u>
<b>Accumulated depreciation and impairment losses</b>				
	Beginning of year S\$	Depreciation charge S\$	Acquisitions of subsidiary S\$	End of year S\$
Computers and Equipment	203,855	16,969	0	220,824
Renovation	226,429	170,387	0	396,816
Office equipment	2,180	1,391	0	3,571
	<u>432,464</u>	<u>188,747</u>	<u>0</u>	<u>621,211</u>
<b>Net book value</b>				
	Beginning of year S\$			End of year S\$
Computers and Equipment	32,883			47,462
Renovation	283,036			114,499
Office equipment	2,593			1,202
	<u>318,512</u>			<u>163,163</u>

**15. Property, Plant and Equipment (Cont'd)**

<b>SOCIETY</b>	Beginning of year S\$	Additions S\$	(Disposals) S\$	End of year S\$
<b>2016</b>				
<b>At cost</b>				
Computers and Equipment	268,286	11,253	0	279,539
Renovation	511,315	0	0	511,315
	<u>779,601</u>	<u>11,253</u>	<u>0</u>	<u>790,854</u>
<b>Accumulated depreciation and impairment losses</b>				
	Beginning of year S\$	Depreciation charge S\$	(Written back/off) S\$	End of year S\$
Computers and Equipment	220,824	23,159	0	243,983
Renovation	396,816	113,831	0	510,647
	<u>617,640</u>	<u>136,990</u>	<u>0</u>	<u>754,630</u>
<b>Net book value</b>				
	Beginning of year S\$			End of year S\$
Computers and Equipment	47,462			35,556
Renovation	114,499			668
	<u>161,961</u>			<u>36,224</u>
<b>2015</b>				
<b>At cost</b>				
Computers and Equipment	236,738	31,548	0	268,286
Renovation	509,465	1,850	0	511,315
	<u>746,203</u>	<u>33,398</u>	<u>0</u>	<u>779,601</u>
<b>Accumulated depreciation and impairment losses</b>				
	Beginning of year S\$	Depreciation charge S\$	(Written back/off) S\$	End of year S\$
Computers and Equipment	203,855	16,969	0	220,824
Renovation	226,429	170,387	0	396,816
	<u>430,284</u>	<u>187,356</u>	<u>0</u>	<u>617,640</u>
<b>Net book value</b>				
	Beginning of year S\$			End of year S\$
Computers and Equipment	32,883			47,462
Renovation	283,036			114,499
	<u>315,919</u>			<u>161,961</u>

Included in the renovation is restoration cost amounting to S\$72,225 (2015: S\$72,225) with carrying amount of Nil (2015: S\$16,050).

**16. Investment in subsidiary**

	Society	
	2016	2015
	S\$	S\$
<u>Unquoted equity investment, at cost</u>		
Beginning of financial year	231,000	231,000
Additions	2	0
End of financial year	231,002	231,000

Particulars of the Subsidiary:

<u>Name</u>	<u>Principal activities</u>	<u>Country of business/ incorporation</u>	2016		2015	
			<u>Percentage equity held</u> %	<u>Cost of investment</u> S\$	<u>Percentage equity held</u> %	<u>Cost of investment</u> S\$
RSVP Proguide Pte. Ltd.	Business and management consultancy services	Singapore	100	231,002	100	231,000

**17. Other payables**

	Group		Society	
	2016	2015	2016	2015
	S\$	S\$	S\$	S\$
Other payables	851	0	851	0
Deferred income	340,100	25,428	339,300	10,878
Grants fee received in advance	536,456	74,709	536,456	74,709
Accrued expenses	119,649	111,468	70,388	83,470
Membership fee received in advance	6,480	5,998	6,480	5,998
	1,003,536	217,603	953,475	175,055

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

The Grant fee received in advance consist of the following:

	Group and Society	
	2016	2015
	S\$	S\$
Balance at beginning of year	74,709	0
Add: Contribution received		
Care and Share	958,700	300,000
Council of Third Age	160,465	75,800
Tote Board Singapore Gold Cup	0	65,000
Ministry of Youth Community Culture	0	10,000
Less: Disbursement to beneficiaries		
Care and Share	(427,348)	(294,896)
Council of Third Age	(187,570)	(48,695)
Tote Board Singapore Gold Cup	(32,500)	(32,500)
Ministry of Youth Community Culture	(10,000)	0
Balance at end of year	536,456	74,709

**17. Other payables (Cont'd)**

Care and Share Grant

Care and Share Grant is a grant from Ministry of Social and Family Development ("MSF"), based on qualifying donations, to develop the charitable agency's capabilities and capacity in the provision of social services and programmes for its beneficiaries. The unused funds for projects that are withdrawn or terminated prematurely may be clawed back if the new proposed projects were not being approved by MSF.

The Care and Share Grant is restricted and utilised for the following purposes:

(a) Capability building

(i) Organisational development:

Examples include engaging consultants or developing training in areas of strategic planning, business contingency planning, business process re-design, workplace health, research, improving organisation models to ensure financial viability and fund raising capacity.

(ii) Manpower development:

Examples include the awarding of scholarships to the Agency's staff, manpower training, human resource management and development like leadership management, learning needs analysis for Agency staff and talent development.

(b) Capacity building

Examples include the purchase of additional equipment to enhance social service delivery (E.g. wheelchairs), investment in technology (E.g. the purchase of electronic devices for staff to boost productivity so as to better serve the Agency's beneficiaries) and physical infrastructure developments (e.g. renovation of the Agency's premises, expansion of physical space).

(c) New programmes to meet emerging or unmet needs and enhancements/ expansion of existing services. Examples include inter-agency projects to meet specific needs in the community or enhanced services to provide more upstream intervention.

(d) Critical existing needs

Examples include the Agency's recurring operating costs and costs that are crucial to the continued operations of the Agency.

Movement of this fund is as follows:

	2016 S\$	2015 S\$
Balance at beginning of financial year	(177,273)	0
Grants received	958,700	300,000
Less: Expenses to held programme	(221,998)	(477,273)
Balance at end financial year	559,429	(177,273)

**17. Other payables (Cont'd)**

Care and Share Grant (Cont'd)

The net assets of the Care and Share fund, had it been presented as a restricted fund would be as follows:

	2016 S\$	2015 S\$
<b>Total restricted fund</b>		
Care and Share Fund	559,429	(177,273)
<b>Represented by:</b>		
Cash and bank balances	536,456	(198,621)
Property, plant and equipment	22,973	21,348
	559,429	(177,273)

**18. Deferred capital grants / donation fund**

**Group and Society  
2016**

	Renovation S\$	Computers and Equipment S\$	Total S\$
<b>COST</b>			
Beginning of financial year	221,395	105,039	326,434
Received during the year			
- Care and Share	0	10,353	10,353
End of financial year	221,395	115,392	336,787
<b>Accumulated amortisation</b>			
Beginning of financial year	173,250	69,263	242,513
Amortisation for the year			
- Care and Share	0	8,728	8,728
- Other Grants	48,145	7,073	55,218
End of financial year	221,395	85,064	306,459
<b>Net carrying amount</b>	0	30,328	30,328



**18. Deferred capital grants / donation fund (Cont'd)**

<b>2015</b>		Computers and Equipment S\$	Total S\$
<b>COST</b>	Renovation S\$		
Beginning of financial year	221,395	71,641	293,036
Received during the year			
- Care and Shares	0	23,894	23,894
- Other Grants	0	9,504	9,504
End of financial year	<u>221,395</u>	<u>105,039</u>	<u>326,434</u>
<b>Accumulated amortisation</b>			
Beginning of financial year	101,032	61,228	162,260
Amortisation for the year			
- Care and Shares	0	2,546	2,546
- Other Grants	72,218	5,489	77,707
End of financial year	<u>173,250</u>	<u>69,263</u>	<u>242,513</u>
<b>Net carrying amount</b>	<u>48,145</u>	<u>35,776</u>	<u>83,921</u>

The amortisation of the deferred capital grant / donation fund are allocated and included as part of the income to the respective programmes that have benefited from the use of the plant and equipment that are funded by the grants/ donations.

**19. General Fund**

The General Fund represents accumulated surplus and is available to apply for general purpose of the Group. The General fund comprises of the retained profits of the subsidiary and the collection from the following activities:

- a) Gala charity dinner
- b) Corp communication
- c) Enriching lives of senior
- d) Flag day
- e) Fund development
- f) Mentoring
- g) My buddy programme
- h) National senior volunteer
- i) Secretarial
- j) Seniors guiding
- k) Silver IT care
- l) Volunteer management communication

**20. Restricted Fund**

	Balance at beginning of financial year S\$	Income S\$	Expenses S\$	Balance at end of financial year S\$
<b>2016</b>				
Cyberguide Programme	(170,969)	194,656	(257,163)	(233,476)
Mentally Disadvantaged Outreach Programme	(78,912)	114,834	(104,825)	(68,903)
Mentoring Programme	13,265	79,577	(56,857)	35,985
Senior Guiding Programme	(24,381)	0	0	(24,381)
Silver IT Care	(52,689)	0	0	(52,689)
Senior Volunteer Training Centre	156,661	229,736	(282,501)	103,896
	<u>(157,025)</u>	<u>618,803</u>	<u>(701,346)</u>	<u>(239,568)</u>
	Balance at beginning of financial year S\$	Income S\$	Expenses S\$	Balance at end of financial year S\$
<b>2015</b>				
Cyberguide Programme	(96,057)	184,258	(259,170)	(170,969)
Mentally Disadvantaged Outreach Programme	(82,939)	110,315	(106,288)	(78,912)
Mentoring Programme	(6,800)	94,058	(73,993)	13,265
Senior Guiding Programme	(17,203)	96,240	(103,418)	(24,381)
Silver IT Care	(14,490)	68,408	(106,607)	(52,689)
Senior Volunteer Training Centre	171,443	273,109	(287,891)	156,661
	<u>(46,046)</u>	<u>826,388</u>	<u>(937,367)</u>	<u>(157,025)</u>

Cyberguide Programme

This programme promotes IT skills among seniors with the help of volunteer seniors teaching other seniors through a number of IT courses.

Mentally Disadvantaged Outreach Programme

This programme, which is in partnership with the Institute of Mental Health (IMH), has volunteers who act as befrienders to rehabilitating mental patients helping them ease back into society.

Mentoring Programme

This programme involves volunteers who serve as mentors to primary school children from low income families and those who may lack parental support. It is a three hour programme held at the school premises, after-school hours.

Senior Guiding Programme

This programme provides guiding services at Science Centre Singapore, URA City gallery, Khoo Teck Puat Hospital, KK Women's and Children's Hospital, Changi Airport as CSA (Changi Service Ambassador)

Silver IT Care

This programme aims to impart basic skills and knowledge to seniors in carrying out routine housekeeping and general maintenance of computer.

Senior Volunteer Training Centre

It is to facilitate transformational learning where senior volunteers acquire new skills to serve the community.

**21. Conflict of interest**

The Society is governed by the Board Members, which is the final authority and has overall responsibility for policy making and determination of all activities.

The Society has in place a conflict of interest policy in its code of conduct. All members of the Board and senior management are required to declare their interest yearly.

**22. Operating lease commitments**

At the reporting date, the Group and the Society has commitments for future minimum lease payments under non-cancellable operating leases as follows:

	Group and Society	
	2016 S\$	2015 S\$
Within one year	4,083	4,083
After one year but not later than five years	340	2,042
	4,423	6,125

The above operating lease commitments are based on known rental rates as at the date of this report and do not include any revision in rates which may be determined by the lessor.

**23. Related party transactions**

i. Related party transactions

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Society and its related parties took place during the year on terms agreed between the parties:

	Group		Society	
	2016 S\$	2015 S\$	2016 S\$	2015 S\$
Administrative charges	0	0	9,439	9,392
Board of Management's honorarium	0	0	0	2,806

ii. Remuneration of key management personnel

The key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Society. The key management personnel for the reporting period is the Executive Director.

Key management personnel compensation for the financial year is as follows:

Remuneration band (S\$)	Society	
	2016 No. of personnel	2015 No. of personnel
S\$100,000 and above but below S\$200,000	0	1

**24. Financial Instruments**

The financial assets and liabilities of the Group and Society as at the financial reporting date are as follows:

	Group		Society	
	2016	2015 Restated	2016	2015 Restated
	S\$	S\$	S\$	S\$
<b>Financial assets</b>				
Cash and cash equivalents	2,592,142	1,422,615	2,323,091	1,228,308
Trade and other receivables	220,497	556,605	170,542	508,426
Available-for-sale financial assets	506,678	254,650	506,678	254,650
	<u>3,319,317</u>	<u>2,233,870</u>	<u>3,000,311</u>	<u>1,991,384</u>
<b>Financial Liabilities</b>				
Other payables	663,436	192,175	614,175	164,177
Provision for restoration costs	72,225	72,225	72,225	72,225
	<u>735,661</u>	<u>264,400</u>	<u>686,400</u>	<u>236,402</u>

**25. Financial risk management**

The Group and the Society is exposed to interest rate, liquidity, credit and foreign currency risks arising from its operations and the use of financial instruments. The Board of Management reviews and agrees on policies for managing each of these risks and they are summarised below:

(i) Interest rate risk

The Group and the Society's exposure to interest rate risk primarily from its fixed deposits placed with financial institutions. The Group and the Society constantly monitors movements in interest rates to ensure deposit is place with financial institutions offering optimal rates of return.

(ii) Liquidity risk

Liquidity risk is the risk that the Group and the Society will not be able to meet its financial obligations as they fall due. The Society manages its liquidity risk by matching the payment and receipt cycle and maintaining a level of cash and cash equivalents deemed adequate by the management to finance its on-going financial liabilities on a regular basis.

The following table analyses the Group and the Society's non-derivative financial liabilities into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date.

	Group Less than 1 year S\$	Society Less than 1 year S\$
<b>2016</b>		
Other payables	<u>663,436</u>	<u>614,175</u>
<b>2015</b>		
Other payables	<u>192,175</u>	<u>164,177</u>

**25. Financial risk management (Cont'd)**

(i) Liquidity risk (Cont'd)

The Group and the society maintains a sufficient level of cash and has made adequate funding arrangement from the Government and related agencies.

(ii) Credit risk

Credit risk is the potential financial loss resulting from the failure of debtors to settle its financial and contractual obligations to the Group and the Society, as and when they fall due.

Trade receivables are unsecured and the analysis of their aging is as follows:

	Group		Society	
	2016 S\$	2015 S\$	2016 S\$	2015 S\$
Not past due	56,331	62,639	10,631	16,774
Past due 0 to 30 days	720	674	720	360
Past due 31 to 60 days	0	2,380	0	880
Past due over 61 days	0	0	0	0
Carrying amount	<u>57,051</u>	<u>65,693</u>	<u>11,351</u>	<u>18,014</u>

The Group and the Society has no significant concentration of credit risk. The Group and the Society has policies in place to ensure that transactions are entered into only with counter parties that are of acceptable credit quality.

The maximum exposure to credit risk is represented by the net carrying amount of financial assets recorded in the financial statements.

(iii) Foreign currency risk

The Group and the Society is not exposed to foreign currency risk as all its financial assets and financial liabilities are denominated in Singapore dollars.

The responsibility for managing the above risks is vested in the Board of Management.

**Fair values**

The following table shows an analysis of each class of assets and liabilities measured at fair value at the end of the reporting period:

Group and Society	Fair value measurements at the end of the reporting period using			
	Quoted prices in active markets for identical instruments (Level 1) S\$	Significant observable inputs other than quoted prices (Level 2) S\$	Significant unobservable inputs (Level 3) S\$	Total S\$
<b>2016</b> Available-for-sale financial assets	506,678	0	0	506,678
<b>2015</b> Available-for-sale financial assets	254,650	0	0	254,650

**25. Financial risk management (Cont'd)**

**Fair values (Cont'd)**

Fair value hierarchy

The Group and Society classifies fair value measurement using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The fair value hierarchy has the following levels:

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

The financial assets and liabilities of the Group and Society comprise of trade and other receivables, prepayments, cash and cash equivalents, other payables and borrowing. The carrying values of the financial assets and liabilities as shown in the statement of financial position approximate their fair value amounts at the reporting date. The carrying values of these assets and liabilities are the nominal or cost values.

**26. Reserve policy**

The reserves of the Group comprise the General Fund. The ratio of General Fund to the annual operating expenditure is 1.28 (2015: 1.27). The Group's aim is to build up the reserves to 3 times of the annual operating expenditure. This will ensure that the Group's programmes and services can continue to be funded during lean years.

**27. Restatement of comparative figures**

The restatement was made to the prior year's financial statements due to the understatement of grant income as it was not recognised in last year to match them with the related costs that they are intended to compensate.

The effect of this restatement on prior year's financial statements is summarised as follows:

	Previously stated S\$	Adjustment S\$	Restated S\$
<b>Group</b>			
2015			
<u>Consolidated Statement of financial position</u>			
Trade and other receivables	412,213	203,725	615,938
General fund	<u>(1,878,892)</u>	<u>(203,725)</u>	<u>(2,082,617)</u>
<u>Consolidated Statement of Comprehensive income</u>			
Revenue			
- General fund	<u>848,555</u>	203,725	<u>1,052,280</u>

**27. Restatement of comparative figures (Cont'd)**

	Previously stated S\$	Adjustment S\$	Restated S\$
<b>Society</b>			
2015			
<u>Statement of financial position</u>			
Trade and other receivables	361,855	203,725	565,580
General fund	<u>(1,906,573)</u>	(203,725)	<u>(2,110,298)</u>
<u>Statement of Comprehensive income</u>			
Revenue			
- General fund	<u>745,321</u>	203,725	<u>949,046</u>

**28. Authorisation of financial statements**

These financial statements were authorised for issue in accordance with a resolution of the Board of Management of the Society on **07 OCT 2016**