CARE CORNER SENIORS SERVICES LTD.
(Co. Reg. No. 201533890R)

FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

CONTENTS

CARE CORNER SENIORS SERVICES LTD.
(A company limited by guarantee and not having share capital)

DIRECTORS' STATEMENT

The directors present their statement to the members together with the audited financial statements for the financial year ended 31 March 2020.

In the opinion of the directors:

a) the financial statements as set out on pages 6 to 27, are drawn up so as to give a true and fair view of the financial position of the Company at 31 March 2020, and the financial performance, changes in funds and cash flows of the Company for the financial year ended 31 March 2020 in accordance with the provisions of the Companies Act, Chapter 50, the Charities Act, Chapter 37 and other relevant regulations and Financial Reporting Standards in Singapore; and

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

Directors

The directors of the Company in office at the date of this statement are as follows:

Yew Hock Meng
Koh Him Leong
Gan Fong Jek
Ng Keng Kwee
Wong Poon Chee
Wong Toon Suan Philip
Yang Sik Horng
Gwendoline Tan-Kuick Ching Li
Trent Ng Yong En
Yam Fo Lai Lydia
Yong Mo Juin

Arrangements to enable directors to acquire benefits

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object is to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Other matters

As the Company is limited by guarantee, matters relating to interest in shares, debentures or share options are not applicable.

Independent auditor

The independent auditor, Baker Tilly TFW LLP, has expressed its willingness to accept re-appointment.

On behalf of the directors

Yew Hock Meng
Director

Gan Fong Jek
Director

20 August 2020

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
CARE CORNER SENIORS SERVICES LTD.
(A company limited by guarantee and not having share capital)

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Care Corner Seniors Services Ltd. (the "Company") as set out on pages 6 to 27, which comprise the statement of financial position as at 31 March 2020, and the statement of comprehensive income, statement of changes in funds and statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Act"), the Charities Act, Chapter 37 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 Company as at 31 March 2020 and of the financial performance, changes in funds and cash flows of the Company for the financial year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority (ACRA) *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement as set out on pages 1 and 2, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CARE CORNER SENIORS SERVICES LTD. (cont'd)
(A company limited by guarantee and not having share capital)

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

Responsibilities of the Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act, the Charities Act and Regulations and FRSs, 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.

In preparing the financial statements, management is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CARE CORNER SENIORS SERVICES LTD. (cont'd)
(A company limited by guarantee and not having share capital)

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

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

- Conclude on the appropriateness of 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act, the Charities Act and Regulations:

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

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

Baker Tilly

Baker Tilly TFW LLP
Public Accountants and
Chartered Accountants
Singapore

20 August 2020

CARE CORNER SENIORS SERVICES LTD.
(A company limited by guarantee and not having share capital)

STATEMENT OF COMPREHENSIVE INCOME
For the financial year ended 31 March 2020

	Note	Unrestricted fund $	Restricted funds $	Restricted funds held in trust $	Total 2020 $	Total 2019 $
Income						
MSF funding		–	66,182	–	66,182	271,985
Tote Board funding		–	534,197	–	534,197	646,390
MOH funding		–	3,157,103	–	3,157,103	2,626,471
Other grants	3	–	381,500	1,176,094	1,557,594	572,670
Donations		2,568	273,507	260,600	536,675	221,464
Care and supervision fee		–	293,217	–	293,217	223,849
Interest income		50,194	–	–	50,194	38,075
Other income		–	47,778	–	47,778	23,432
Total income		52,762	4,753,484	1,436,694	6,242,940	4,624,336
Expenditure						
Administration fee	12	–	522,021	–	522,021	377,710
Amortisation of assets capitalisation reserves		–	(270,569)	270,569	–	–
Auditors' remuneration		–	12,799	–	12,799	10,104
Depreciation	4	–	317,901	–	317,901	212,327
Property, plant and equipment written off		–	660	–	660	1,358
Food and refreshments		–	129,328	–	129,328	87,536
General expenses		–	34,380	–	34,380	39,735
Low value assets expensed off		–	93,701	–	93,701	192,522
Maintenance		–	134,811	–	134,811	95,478
Manpower contract service and recruitment expenses		–	92,128	–	92,128	120,884
Printing, postage and stationery		–	14,629	–	14,629	20,213
Professional fee		–	1,236	–	1,236	1,226
Programme expenses		–	159,872	–	159,872	73,148
Rental		–	124,694	–	124,694	110,984
Specific assistance to clients		–	22,255	–	22,255	22,520
Staff costs						
- CPF and SDL contributions		–	382,071	–	382,071	301,505
- Salaries and bonus		–	2,782,208	–	2,782,208	2,244,532
- Staff welfare		–	143,255	–	143,255	58,485
Telephone charges		–	33,745	–	33,745	32,180
Transport		–	11,139	–	11,139	7,655
Utilities		–	73,176	–	73,176	58,506
Volunteer expenses		–	10,708	–	10,708	7,815
Total expenditure		–	4,826,148	270,569	5,096,717	4,076,423
Net surplus/(deficit) and total comprehensive income/(loss)		52,762	(72,664)	1,166,125	1,146,223	547,913

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

CARE CORNER SENIORS SERVICES LTD.
(A company limited by guarantee and not having share capital)

STATEMENT OF FINANCIAL POSITION
At 31 March 2020

	Note	**2020** **$**	2019 $
ASSETS			
Non-current asset			
Property, plant and equipment	4	**808,124**	763,171
Current assets			
Trade and other receivables	5	**691,865**	373,193
Cash and cash equivalents	6	**4,952,070**	4,103,387
		5,643,935	4,476,580
Total assets		**6,452,059**	5,239,751
LIABILITIES			
Current liabilities			
Trade and other payables	7	**612,386**	546,301
Net assets		**5,839,673**	4,693,450
Funds			
Unrestricted fund			
General fund	8	**573,305**	520,543
Restricted funds			
Restricted funds	9	**3,096,828**	2,760,653
Restricted funds held in trust	10	**2,169,540**	1,412,254
		5,266,368	4,172,907
Total funds		**5,839,673**	4,693,450

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

CARE CORNER SENIORS SERVICES LTD.
(A company limited by guarantee and not having share capital)

STATEMENT OF CHANGES IN FUNDS
For the financial year ended 31 March 2020

	Unrestricted funds $	Restricted funds $	Restricted funds held in trust $	Total $
Balance at 1 April 2018	450,960	2,368,154	1,326,423	4,145,537
Surplus and total comprehensive income for the financial year	69,583	272,550	205,780	547,913
Inter fund transfer	–	119,949	(119,949)	–
Balance at 31 March 2019	520,543	2,760,653	1,412,254	4,693,450
Surplus/(deficit) and total comprehensive income/(loss) for the financial year	52,762	(72,664)	1,166,125	1,146,223
Inter fund transfer	–	408,839	(408,839)	–
Balance at 31 March 2020	**573,305**	**3,096,828**	**2,169,540**	**5,839,673**

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

CARE CORNER SENIORS SERVICES LTD.
(A company limited by guarantee and not having share capital)

STATEMENT OF CASH FLOWS
For the financial year ended 31 March 2020

	Note	**2020** **$**	2019 $
Cash flows from operating activities			
Net surplus		**1,146,223**	547,913
Adjustments for:			
Depreciation	4	**317,901**	212,327
Property, plant and equipment written off		**660**	1,358
Interest income		**(50,194)**	(38,075)
Operating cash flow before working capital changes		**1,414,590**	723,523
Trade and other receivables		**(318,672)**	(162,876)
Trade and other payables		**66,085**	118,970
Net cash generated from operating activities		**1,162,003**	679,617
Cash flows from investing activities			
Interest received		**50,194**	38,075
Purchases of property, plant and equipment	4	**(363,514)**	(518,575)
Net cash used in investing activities		**(313,320)**	(480,500)
Net increase in cash and cash equivalents		**848,683**	199,117
Cash and cash equivalents at beginning of financial year		**4,103,387**	3,904,270
Cash and cash equivalents at end of financial year	6	**4,952,070**	4,103,387

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

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2020

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

1. General information

Care Corner Seniors Services Ltd. (the "Company") is registered as a company limited by guarantee, on 7 September 2015, under the Companies Act, Chapter 50. The Company is a charity registered under the Charities Act, Chapter 37 since 3 November 2015.

The Company's registered office and principal place of operation is located at 62B Lorong 4 Toa Payoh, #02-121 Golden Lotus, Singapore 312062. The Company commenced its operations on 1 January 2016.

The objects for which the Company is established are:

a) To promote the well-being of seniors through the provision of services such as elder care support, day care for seniors, senior homes, respite care services, senior medical support and facilities, wellness programmes and others.

b) To render support, care-giver assistance, respite care services, training, and other forms of support to the family members guardians and care givers of seniors.

c) To promote active involvement in community work through recreational, sporting and other activities to support the activities of the Company.

The Company is granted Institution of a Public Character ("IPC") status for the period from 1 November 2017 to 31 October 2020.

2. Significant accounting policies

(a) Basis of preparation

The financial statements have been prepared in accordance with the provisions of the Companies Act, Chapter 50, the Charities Act, Chapter 37 and other regulations ("Charities Act and Regulations") and Singapore Financial Reporting Standards in Singapore ("FRSs"). The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The Company adopts fund accounting in these financial statements. The financial activities of the Company are organised by separate individual funds for accounting purposes, each of which is a separate account segregated to carry on specific activities or attain certain objectives in accordance with specific regulations, restrictions, or limitations. Each fund has its own income and expenditure. Each fund is also independently maintained from other funds. Income and expenditure relating to the funds are accounted for directly in the funds to which they relate.

The financial statements are presented in Singapore dollar ("$"), which is the Company's functional currency.

The preparation of these financial statements in conformity with FRSs requires management to exercise its judgement in the process of applying the Company's accounting policies. It also requires the use of certain critical accounting estimates and assumptions that affects the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of income and expenses during the financial period. Although these estimates are based on Management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

2. Significant accounting policies (cont'd)

(a) Basis of preparation (cont'd)

Use of estimates and judgements

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. There are no areas requiring significant accounting judgement and key sources of estimation uncertainty.

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

New and revised standards

In the current financial year, the Company has adopted all the new and revised FRSs and Interpretations of FRSs ("INT FRSs") that are relevant to its operations and effective for the current financial year. Changes to the Company'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/revised FRSs and INT FRSs did not have any material effect on the financial statements of the Company.

New standards, amendments to standards and interpretations that have been issued at the reporting date but are not yet effective for the financial year ended 31 March 2020 have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Company.

(b) Income recognition

Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions. Government grants, relating to costs are recognised in the profit or loss over the period necessary to match them with the costs they are intended to compensate. Where the grant relates to an asset, the fair value is recognised as income in the asset capitalisation reserve and is amortised to the profit or loss over the expected useful lives of the relevant assets by equal annual instalments.

Donations

Donation income are recognised on receipt basis. Donations-in-kind are recognised at the fair value of the donated assets when the fair value of the assets received can be reasonably ascertained.

Care and Supervision fees

The Company provides services such as elder care support, day care for seniors, senior homes, respite care services, senior medical support and facilities, wellness programmes and others. Care and supervision fees are recognised as income over time as the Company provides the services. The Company has the right to care and supervision fee from the elders in an amount that corresponds directly with the provision of services on a monthly basis or per visit.

2. Significant accounting policies (cont'd)

(b) Income recognition (cont'd)

Interest income

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

(c) Income taxes

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

(d) Expenditure recognition

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

(e) Property, plant and equipment

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 costs that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Dismantlement, removal or restoration costs are included as part of the cost of 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.

Depreciation

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

	Useful lives
Air-conditioner	5 years
Furniture and fittings	5 years
IT equipment	3 years
Motor vehicle	5 years
Office and rehab equipment	5 years
Renovation	5 years

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each reporting date. The effects of any revision are recognised in profit or loss when the changes arise. Fully depreciated assets are retained in the financial statements until they are no longer in use.

Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that have 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 Company and the cost of the item can be measured reliably. Other subsequent expenditure is recognised as repair and maintenance expenses in profit or loss during the financial year in which it is incurred.

2. Significant accounting policies (cont'd)

(e) Property, plant and equipment (cont'd)

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 profit and loss.

(f) Impairment of non-financial assets

Non-financial assets are reviewed for impairment at each reporting date or whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognised in profit or loss.

Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the asset no longer exist or have decreased. The reversal is recorded in income. However, the increased carrying amount of an asset due to a reversal of an impairment loss is recognised to the extent it does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for that asset in prior years.

(g) Financial assets

Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date - the date on which the Company 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 Company has transferred substantially all risks and rewards of ownership.

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial assets (other than financial assets at fair value through profit or loss) are added to the fair value of the financial assets on initial recognition. Transaction costs directly attributable to acquisition of financial assets at fair value through profit or loss are recognised immediately in profit or loss.

Classification and measurement

All financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

The Company classifies its financial assets, which comprise trade and other receivables (excluding prepayments), cash and cash equivalents at amortised cost. The classification is based on the entity's business model for managing the financial asset and the contractual cash flow characteristics of the financial assets.

The Company reclassifies financial assets when and only when its business model for managing those assets changes.

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

2. Significant accounting policies (cont'd)

(g) Financial assets (cont'd)

Impairment

The Company recognises an allowance for expected credit losses ("ECLs") for financial assets carried at amortised cost. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate.

The impairment methodology applied depends on whether there has been a significant increase in credit risk. 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 required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables that do not have a significant financing component, the Company applies a simplified approach to recognise a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted as appropriate for current conditions and forward-looking factors specific to the debtors and the economic environment.

If the Company has measured the loss allowance for a financial asset at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Company measures the loss allowance at an amount equal to 12-month ECL at the current reporting date.

The Company recognises an impairment gain or loss in profit or loss for its financial assets with a corresponding adjustment to their carrying amount through a loss allowance account.

(h) Cash and cash equivalents in the statement of cash flows

For the purpose of the statement of cash flows, cash and cash equivalents include cash on hand and deposits with financial institutions which are subject to an insignificant risk of change in value.

(i) Financial liabilities

Financial liabilities include trade and other payables. Financial liabilities are recognised on the balance sheet when, and only when, the Company becomes a party to the contractual provisions of the financial instruments. Financial liabilities are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

A financial liability is derecognised when the obligation under the liability is extinguished. Gains and losses are recognised in profit or loss when the liabilities are derecognised and through the amortisation process.

2. Significant accounting policies (cont'd)

(j) Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past event, and it is probable that an outflow of economic resources will be required to settle that obligation and the amount can be estimated reliably. Provisions are measured at management's best estimate of the expenditure required to settle the obligation at every reporting date. Where the effect of the time value of money is material, the amount of the provision shall be discounted to present value using a pre-tax discount rate that reflects the current market assessment of the time value of money and risks specific to the obligation.

(k) Funds

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

Unless specifically indicated, fund balances are not represented by any specific assets, but are represented by all assets of the Company.

(l) Leases

The accounting policy for leases before 1 April 2019 are as follows:

Where the Company is the lessee:

Operating lease

Leases of assets in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are taken to profit or loss 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 profit or loss. Contingent rents are recognised as an expense in profit or loss in the financial year in which they are incurred.

The accounting policy for leases after 1 April 2019 are as follows:

The Company 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.

Where the Company is the lessee:

The Company applies a single recognition and measurement approach for all contracts that are, or contain, a lease, except for short-term leases (i.e. for leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option) and leases of low-value assets (e.g. leases of personal computers, small items of office equipment and telephones). For these exempted leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

2. Significant accounting policies (cont'd)

(l) Leases (cont'd)

The accounting policy for leases after 1 April 2019 are as follows (cont'd):

Where the Company is the lessee (cont'd):

Lease liabilities

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise fixed lease 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 Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The lease liability is presented as a separate line in the statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability using the effective interest method, and reducing the carrying amount to reflect the lease payments made.

The Company remeasures the lease liability and makes a corresponding adjustment to the related right-of-use asset whenever 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.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement date, initial direct cost, less any lease incentive received.

Whenever the Company incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under FRS 37. To the extent that the cost relates to a right-of-use asset, the costs are included in the related right-of-use asset.

Right-of-use assets are subsequently measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. Right-of-use assets are depreciated on a straight-line basis over the shorter period of the lease term and useful life of the underlying asset. If ownership of the leased asset transfers to the Company 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 depreciation starts at the commencement date of the lease.

2. Significant accounting policies (cont'd)

(l) Leases (cont'd)

The accounting policy for leases after 1 April 2019 are as follows (cont'd):

Where the Company is the lessee (cont'd):

Right-of-use assets (cont'd)

The right-of use assets (except for those which meets the definition of an investment property) are presented within "Property, plant and equipment".

The Company applies FRS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in Note 2(f).

(m) Employee compensation

Defined contribution plans

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

Employee leave entitlements

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

3. Other grants

	Total funds	
	2020	2019
	$	$
Employment Credit	**14,567**	8,590
Training	**–**	12,411
Wage Credit Scheme	**60,265**	50,654
Capital grants	**510,311**	430,645
Others	**174,836**	70,370
CST matching grant	**797,615**	–
	1,557,594	572,670

4. Property, plant and equipment

	At beginning of financial year $	Additions $	Disposals $	At end of financial year $
2020				
Cost				
Air conditioner	12,642	2,652	–	**15,294**
Furniture and fittings	54,804	–	(180)	**54,624**
IT equipment	212,048	43,596	(10,250)	**245,394**
Motor vehicle	247,447	118,389	–	**365,836**
Office and rehab equipment	516,918	112,237	(3,203)	**625,952**
Renovation	430,142	86,640	–	**516,782**
	1,474,001	363,514	(13,633)	**1,823,882**
Accumulated depreciation				
Air conditioner	8,990	2,037	–	**11,027**
Furniture and fittings	29,616	9,641	(162)	**39,095**
IT equipment	66,631	68,489	(10,250)	**124,870**
Motor vehicle	69,438	48,843	–	**118,281**
Office and rehab equipment	191,922	114,440	(2,561)	**303,801**
Renovation	344,233	74,451	–	**418,684**
	710,830	317,901	(12,973)	**1,015,758**
Net carrying value				
Air conditioner	3,652			**4,267**
Furniture and fittings	25,188			**15,529**
IT equipment	145,417			**120,524**
Motor vehicle	178,009			**247,555**
Office and rehab equipment	324,996			**322,151**
Renovation	85,909			**98,098**
	763,171			**808,124**

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

	At beginning of financial year $	Additions $	Disposals $	At end of financial year $
2019				
Cost				
Air conditioner	12,642	–	–	12,642
Furniture and fittings	40,354	16,772	(2,322)	54,804
IT equipment	75,439	143,058	(6,449)	212,048
Motor vehicle	125,217	122,230	–	247,447
Office equipment	282,872	236,515	(2,469)	516,918
Renovation	430,142	–	–	430,142
	966,666	518,575	(11,240)	1,474,001
Accumulated depreciation				
Air conditioner	7,395	1,595	–	8,990
Furniture and fittings	21,943	9,156	(1,483)	29,616
IT equipment	47,395	25,685	(6,449)	66,631
Motor vehicle	36,148	33,290	–	69,438
Office equipment	120,370	73,502	(1,950)	191,922
Renovation	275,134	69,099	–	344,233
	508,385	212,327	(9,882)	710,830
Net carrying value				
Air conditioner	5,247			3,652
Furniture and fittings	18,411			25,188
IT equipment	28,044			145,417
Motor vehicle	89,069			178,009
Office equipment	162,502			324,996
Renovation	155,008			85,909
	458,281			763,171

5. Trade and other receivables

	2020 $	2019 $
Trade receivables	**34,393**	17,497
Other receivables		
- Grants receivables	**529,376**	317,568
- Other receivable from a related party	**73,720**	1,659
- Deposits	**13,966**	13,205
- Prepayments	**12,953**	–
- Others	**27,457**	23,264
	691,865	373,193

The amount due from a related party is interest free and repayable on demand.

6. Cash and cash equivalents

	2020 $	2019 $
Cash on hand	–	1,196
Cash at bank	1,652,070	1,302,191
Fixed deposits	3,300,000	2,800,000
	4,952,070	4,103,387

The fixed deposits at the reporting date have maturity dates falling within 1 to 5 months (2019: 1 to 12 months) from the reporting date, and have interest rates ranging from 1.5% to 1.9% (2019: 0.90% to 1.78%) per annum.

7. Trade and other payables

	2020 $	2019 $
Trade payables		
- Non-related party	49,304	113,618
Other payables		
- Accrued salaries, bonus and CPF	201,756	317,046
- Accrued expenses	11,552	10,966
- Provision for unconsumed leave	64,932	70,738
- Deposit payable	18,140	13,490
- Other payables - related party[a]	–	6,217
- Others	13,882	14,226
Deferred grant income[b]	252,820	–
	612,386	546,301

(a) The amount due to a related party was interest free and repayable on demand.

(b) Deferred grant income of $252,820 pertains to Jobs Support Scheme ("JSS"). JSS was announced at Budget 2020, and further enhanced at Resilience, Solidarity and Fortitude Budgets. Under the JSS, the Government will co-fund between 25% to 75% of the first $4,600 of gross monthly wages paid to each local employee in a ten-month period through cash subsides with the objective of helping to retain local employees during the period of economic uncertainty of ten months. In determining the deferred grant income, Management estimated 25% of gross monthly salary of local employees for the months of October to December 2019 and February to March 2020. This will be recognised as grant income in financial year ending 31 March 2021.

8. Unrestricted fund

General fund

	2020 $	2019 $
Balance at beginning of financial year	520,543	450,960
Surplus for the financial year	52,762	69,583
Balance at end of financial year	573,305	520,543

This fund represents accumulated income for meeting operating expenses by the Company.

9. Restricted funds

Fund balances restricted by outside sources are indicated and are distinguished from unrestricted funds allocated to specific purposes, if any, by action of the management. Externally restricted funds may only be utilised in accordance with the purposes established by the source of such funds or through the terms of an appeal and are in contrast with unrestricted funds over which management retains full control to use in achieving any of its institutional purposes.

Restricted funds comprise:

	Balance at beginning of year $	**Income $**	**Expenditure $**	**Net surplus/ (deficit) $**	**Transfer between funds $**	**Balance at end of year $**
2020						
CTP5	239,386	248,232	(205,148)	43,084	12,095	294,565
CTP62B	235,805	298,426	(275,924)	22,502	9,177	267,484
CTP106	194,151	236,449	(196,643)	39,806	5,766	239,723
CTP149	117,460	247,982	(253,802)	(5,820)	26,412	138,052
CTP170	143,252	234,554	(251,547)	(16,993)	56,644	182,903
CWL569A-SAC	101,577	200,721	(160,950)	39,771	9,131	150,479
TPSDC	649,680	334,575	(291,376)	43,199	–	692,879
TPCREST	(83,744)	231,184	(209,317)	21,867	–	(61,877)
TPGYM	–	24,645	(66,833)	(42,188)	42,188	–
TPTOPS	(61,886)	–	(722)	(722)	–	(62,608)
CTP	998,149	573,857	(522,823)	51,034	–	1,049,183
CWL	309,179	579,460	(651,012)	(71,552)	–	237,627
CWL569A-SGH	19,571	47,885	(55,709)	(7,824)	–	11,747
CWL180C-SGH	75,706	48,374	(44,343)	4,031	–	79,737
TPCBP-TPW-B	15,554	69,406	(68,640)	766	–	16,320
TPCBP-TPC	13,304	61,262	(64,277)	(3,015)	–	10,289
AAH-TPW	(151,595)	822,765	(1,087,512)	(264,747)	247,426	(168,916)
AAH-TPE	(4,073)	309,799	(300,393)	9,406	–	5,333
CWL16	(50,823)	183,908	(119,177)	64,731	–	13,908
	2,760,653	**4,753,484**	**(4,826,148)**	**(72,664)**	**408,839**	**3,096,828**
2019						
CTP5	229,112	198,019	(191,745)	6,274	4,000	239,386
CTP62B	190,189	291,680	(250,064)	41,616	4,000	235,805
CTP106	152,596	246,342	(208,787)	37,555	4,000	194,151
CTP149	93,040	248,549	(228,129)	20,420	4,000	117,460
CTP170	79,397	234,035	(216,132)	17,903	45,952	143,252
CWL569A-SAC	60,212	190,021	(149,200)	40,821	544	101,577
TPSDC	561,134	381,063	(292,517)	88,546	–	649,680
TPCREST	(92,844)	221,018	(211,918)	9,100	–	(83,744)
TPGYM	–	12,586	(57,439)	(44,853)	44,853	–
TPTOPS	(59,662)	200	(2,424)	(2,224)	–	(61,886)
CTP	810,418	610,161	(422,430)	187,731	–	998,149
CWL	231,609	601,297	(523,727)	77,570	–	309,179
CWL569A-SGH	59,901	50,019	(90,349)	(40,330)	–	19,571
CWL180C-SGH	45,918	45,159	(15,371)	29,788	–	75,706
TPCBP-TPW-B	11,450	58,405	(54,301)	4,104	–	15,554
TPCBP-TPC	7,420	70,831	(64,947)	5,884	–	13,304
AAH-TPW	(11,736)	728,937	(881,396)	(152,459)	12,600	(151,595)
AAH-TPE	–	126	(4,199)	(4,073)	–	(4,073)
CWL16	–	304	(51,127)	(50,823)	–	(50,823)
	2,368,154	4,188,752	(3,916,202)	272,550	119,949	2,760,653

9. Restricted funds (cont'd)

Senior Activity Centre ("CTP5", "CTP62B", "CTP106", "CTP149", "CTP170", "CWL569A-SAC" & "CWL16")

This fund is established for assistance to the centre to provide the programme such as elderly care that enhances the wellness of elderly.

Senior Day Care ("TPSDC")

This fund is established for assistance to the centre to provide programmes to support the needs of the busy families who are unable to care for their elderly.

Community Resource, Engagement and Support Team ("TPCREST")

This fund is established for assistance to the centre to provide a place to facilitate better integration of seniors with mental illness and families with the community.

Toa Payoh ("TPGYM")

Gym Tonic is a programme that improves the functional abilities of the elderly by adopting the exercise-as-medicine approach with the aid of using advanced equipment.

Toa Payoh Outreach programme for Senior ("TPTOPS")

This fund is established for giving assistance to the centre to provide the home visiting programme, block based activities and outreach for elderly.

Senior Activity Centre (Cluster Support) ("CTP", "CWL")

This fund is established for giving assistance to the centre to provide quality client centric care for vulnerable elderly with limited support from family in Toa Payoh and Woodlands area.

Senior Group Home ("CWL569A-SGH", "CWL180C-SGH")

The Senior Group Home model supports frail elderly in rental flats to age within the community, and delay premature institutionalisation of these seniors.

Community Befriending Programme ("TPCBP-TPW-B", "TPCBP-TPC")

This fund is established to reduce social isolation amongst seniors staying in purchased flats. Care Corner Seniors Services Ltd. ("CCSS") partners will residents in the community who volunteer as befrienders to visit these seniors regularly. They also help to act as eyes and ears so that seniors' needs can be better understood and supported.

Active Ageing Hub ("AAH-TPW", "AAH-TPE")

A new one-stop day centre to provide day care, rehabilitation and active ageing programmes for senior citizens. The Centre also serve homebound clients and provide care and rehabilitation in their homes.

10. Restricted funds held in trust

	Balance at beginning of year $	Income $	Expenditure $	Net surplus $	Transfer between funds $	Balance at end of year $
2020						
Asset Capitalisation Reserve	573,240	378,479	(270,569)	107,910	8,496	689,646
CST Matching Grants	375,057	797,615	–	797,615	(273,623)	899,049
Designated Project Funds						
- Lien Foundation	147,055	210,000	–	210,000	(66,214)	290,841
- Others	250,257	50,600	–	50,600	(77,498)	223,359
Seniors Enabling Fund	20,911	–	–	–	–	20,911
Poor and Needy Fund	37,693	–	–	–	–	37,693
Programme Development Fund	8,041	–	–	–	–	8,041
	1,412,254	**1,436,694**	**(270,569)**	**1,166,125**	**(408,839)**	**2,169,540**
2019						
Asset Capitalisation Reserve	372,811	229,751	(160,221)	69,530	130,899	573,240
CST Matching Grants	378,400	–	–	–	(3,343)	375,057
Designated Project Funds						
- Lien Foundation	332,608	–	–	–	(185,553)	147,055
- Others	138,548	136,250	–	136,250	(24,541)	250,257
Seniors Enabling Fund	20,911	–	–	–	–	20,911
Poor and Needy Fund	75,104	–	–	–	(37,411)	37,693
Programme Development Fund	8,041	–	–	–	–	8,041
	1,326,423	366,001	(160,221)	205,780	(119,949)	1,412,254

Asset Capitalisation Reserve

This reserve comprise transfers made from the CST Fund and Designated Project Funds and donations and grants received specifically for purchases of property, plant and equipment. Transfers are made to the Asset Capitalisation Reserve when amounts in restricted funds are utilised for purchases of property, plant and equipment. The reserve is amortised for the depreciation charge of the assets purchased with the related donations and grants over the useful lives of the related assets.

Community Silver Trust (CST) Matching Grants

This fund established by AIC serves to enhance the services of Voluntary Welfare Organisations (VWOs) in the Intermediate and Long-Term Care (ILTC) sector.

10. Restricted funds held in trust (cont'd)

Designated Project Funds

This fund is established for the purpose of positively impacting the lives of elderly and their family and caregivers through asset building and financial literacy.

Seniors Enabling Fund

This fund is established for the purpose of organising arts and music activities for senior citizens.

Poor and Needy Fund

This fund is established for the purpose of giving financial assistance to the poor and needy families.

Programme Development Fund

This fund is established for the purpose of organising arts and music activities for senior citizens.

11. Tax deductible receipts

Tax deductible receipts issued by the Company for donations received during the financial year amounted to $484,190 (2019: $150,307).

12. Related party transactions

In addition to the related party information disclosed elsewhere in the financial statements, the following transactions with related parties took place at terms agreed between the parties during the financial year:

	2020	2019
	$	$
Administration fee	**522,021**	377,710
Training fee expense	**–**	2,078
Payment made on behalf for related party	**8,828**	10,271
Payment on behalf by related party	**25,873**	99,765
Receipt on behalf by related party	**–**	37,871

Related party refers to Care Corner Singapore Ltd. where certain directors in the Company are also directors of this related party.

13. Management of conflict of interest

None of the members of the Board of Directors and their close family members have received any remuneration, benefits, allowances or any other manner of compensation from the Company.

14. Staff remuneration matters

(a) Remuneration of key management personnel and highest paid staff

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

	2020	2019
	$	$
Post-employment benefits	**–**	9,180
Salaries, allowance and bonuses	**156,061**	51,617
CPF contributions	**12,742**	3,402

Key management staff are personnel having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management staff comprise of the Executive Management Team.

The annual remuneration of the highest paid staff who each has received remuneration exceeding $100,000 during the financial year (including key management personnel) are classified as follows:

	2020	2019
Remuneration band		
Between $100,001 to $200,000	**1**	–

(b) Declaration of any staff, being a close member of the family of the Senior Group Director or Board of Director

There is no paid staff, being a close member of the family belonging to the Senior Group Director (ie. Executive Director equivalent) or members of the Board of Directors of the Company, who has received remuneration exceeding $50,000 during the financial year.

15. Lease commitments

As at the reporting date, the Company has commitments for future minimum lease payments under non-cancellable operating leases as follows:

	2019
	$
Not later than one year	8,160
Later than one year but not later than five years	9,279
	17,439

The Company has adopted FRS 116 on 1 April 2019. These lease payments have been considered in the Company's adoption of FRS 116.

16. Financial instruments

(a) Categories of financial instruments

The financial assets and liabilities at their carrying amounts at their reporting date are as follows:

	2020	2019
	$	$
Financial assets		
Financial assets at amortised costs	**5,378,162**	4,476,580
Financial liabilities		
Trade and other payables at amortised cost	**294,634**	475,563

(b) Financial risk management

The Company's activities expose it to minimal financial risks and overall risk management is determined and carried out by the Directors on an informal basis.

Credit risk

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

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

Credit risk exposure in relation to financial assets at amortised costs is insignificant, and accordingly no credit loss allowance is recognised as at 31 March 2020 and 31 March 2019.

Liquidity risk

Liquidity risk reflects the risk that the Company will have insufficient resources to meet its financial liabilities as and when they fall due.

The Company manages its liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate by the Directors to fund the Company's activities. It places its cash with creditworthy institutions.

The Company's liabilities at the reporting date are all payable within one year based on contractual undiscounted payments.

Interest rate risk

The Company's exposure to interest rate risk is minimal as the impact of interest rate fluctuations on its fixed deposits are insignificant (Note 6) and the Company has no liabilities or other significant assets that are interest-bearing or earning, respectively.

Foreign exchange risk

The Company has minimal exposure to foreign exchange risk.

16. Financial instruments (cont'd)

(c) Fair value

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

17. Fund management

The Company's objectives when managing its funds are to safeguard and maintain adequate working capital to continue as a going concern and to develop its principal activities over the longer term from donations and government grants. The Company's funds comprise its unrestricted and restricted funds.

18. Impact of Covid-19 outbreak

The COVID-19 outbreak has hindered our abilities to fully serve the needs of our service users due to the safe distancing measures. The Company is taking the necessary precautionary measures to continue operations while adhering to the advisories issued by the relevant authorities. Management expects general donations to be reduced due to the economic uncertainty as well as a decline in service users' enrolment and staff productivity. However, funding support from the funding agencies and donations from foundations remain stable and will ensure Company's overall sustainability for the next financial year.

19. Authorisation of financial statements

The financial statements of the Company for the financial year ended 31 March 2020 were authorised for issue in accordance with directors' resolution dated 20 August 2020.