

Loving Heart Multi-Service Centre (Jurong)
(Unique Entity Number: T04SS0129D)

(Registered under the Societies Act, Chapter 311 and Charities Act, Chapter 37)

AUDITED FINANCIAL STATEMENTS
For the Financial Year Ended 31 March 2021



26 Eng Hoon Street Singapore 169776
Tel: 6533 7393 Fax: 6533 6831
www.tanchan-cpa.com

Loving Heart Multi-Service Centre (Jurong)

**AUDITED FINANCIAL STATEMENTS
For the Financial Year Ended 31 March 2021**

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Loving Heart Multi-Service Centre (Jurong)

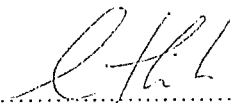
STATEMENT BY THE MANAGEMENT COMMITTEE
For the Financial Year Ended 31 March 2021

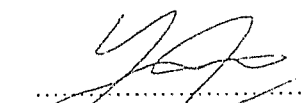
In the opinion of the Management Committee

- (a) the financial statements of Loving Hearth Multi-Service Centre (Jurong) (the "Centre") together with the notes thereto are properly drawn up in accordance with the provisions of the Societies Act, Chapter 311 (the "Societies Act"), the Charities Act, Chapter 37 and other relevant regulations (the "Charities Act and Regulations"), and Charities Accounting Standards in Singapore ("CASs") so as to present fairly, in all material respects, the state of affairs of the Centre as at 31 March 2021, and the results, and cash flows of the Centre for the financial year ended on that date;
- (b) at the date of this statement, there are reasonable grounds to believe that the Centre will be able to pay its debts as and when they fall due; and
- (c) there was no fundraising-appeal held by the Centre during the financial year.

The Management Committee authorised the issue of these financial statements.

For and on behalf of the Management Committee


.....
Mr. Karthik Sankaran
Chairman


.....
Mr. Chong Ying Ming Elvis
Treasurer

Singapore

Date: 08 June 2021

INDEPENDENT AUDITOR'S REPORT

To the Members of
Loving Heart Multi-Service Centre (Jurong)
For the Financial Year Ended 31 March 2021

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Loving Heart Multi-Service Centre (Jurong) (the "Centre"), which comprise the balance sheet of the Centre as at 31 March 2021, the statement of financial activities, and statement of cash flows of the Centre for financial the 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 Societies Act, Chapter 311 (the "Societies Act"), the Charities Act, Chapter 37 and other relevant regulations (the "Charities Act and Regulations"), and Charities Accounting Standard in Singapore ("CASs") so as to present fairly, in all material respects, the state of affairs of the Centre as at 31 March 2021, and of the results, and cash flows of the Centre 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 Centre 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 matter

The financial statement of the Centre for the financial year ended 31 March 2020 was audited by another firm of auditors who expressed an unmodified opinion on those financial statements in their report date 04 August 2020.

Other Information

Management is responsible for the other information. The other information comprise the Statement by the Management Committee, but does not include 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, 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
Loving Heart Multi-Service Centre (Jurong)
For the Financial Year Ended 31 March 2021**

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

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

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

Those charged with governance are responsible for overseeing the Centre'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 Centre'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
Loving Heart Multi-Service Centre (Jurong)
For the Financial Year Ended 31 March 2021**

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

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also: (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 Centre'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 Centre 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 Management Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required to be kept by the Centre have been properly kept in accordance with the provisions of the Societies Regulations enacted under the Societies Act, and 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 Centre 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 Centre has not complied with the requirements of Regulation 15 of the Charities (Institutions of a Public Character) Regulations.



Tan, Chan & Partners
*Public Accountants and
Chartered Accountants*

Singapore
Date: 08 June 2021

Loving Heart Multi-Service Centre (Jurong)

BALANCE SHEET
As at 31 March 2021

	Note	2021 \$	2020 \$
Fund			
Accumulated Fund - Unrestricted	4	<u>2,999,441</u>	<u>2,960,763</u>
Non-current asset			
Plant and equipment	5	<u>37,125</u>	<u>43,694</u>
Current assets			
Other receivables	6	<u>127,713</u>	<u>156,552</u>
Fixed deposits	7	<u>2,400,000</u>	<u>2,450,000</u>
Cash and bank balances	8	<u>461,821</u>	<u>383,946</u>
		<u>2,989,534</u>	<u>2,990,498</u>
Current liabilities			
Other payables	9	<u>27,218</u>	<u>73,429</u>
Net current assets		<u>2,962,316</u>	<u>2,917,069</u>
Net assets		<u>2,999,441</u>	<u>2,960,763</u>

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

Loving Heart Multi-Service Centre (Jurong)
STATEMENT OF FINANCIAL ACTIVITIES
For the Financial Year Ended 31 March 2021

	Note	2021 \$	2020 \$
Income			
Income from generated fund			
-Voluntary income:			
Donations		-	
-Tax deductible		119,242	217,325
-Non-Tax deductible		51,668	175,596
Grant received		591,662	95,269
Sponsorship		-	480
-Investment income:			
Fixed deposits interest		25,951	43,098
Other income			
Miscellaneous income		761	2,976
Total income		789,284	534,744
Less: Expenditures			
Costs of generating fund			
Voluntary income:			
Pledge cards		-	58,102
		-	58,102
Cost of charitable activities			
Pupil Breakfast Scheme		106,506	123,098
STAMP programme		7,949	20,405
Project big heart		-	4,067
Free TCM clinic		1,971	1,036
Free tuition service		10,456	3,345
Food gift		31,450	7,086
Promoting Healthy Lifestyle		4,415	143
Civic dinner		-	18,413
Appreciation dinner		876	13,669
Other activities		22,272	16,664
Support costs	10	370,277	355,311
		556,172	563,237
Governance and administrative costs			
Auditor's remuneration		5,660	5,404
Depreciation of plant and equipment		15,674	13,796
General insurance		8,484	7,094
Other professional fees		5,926	-
Support costs	10	158,690	152,276
		194,434	178,570
Surplus/(deficit) for the financial year		38,678	(265,165)
Total fund brought forward		2,960,763	3,225,928
Total fund carried forward		2,999,441	2,960,763

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

Loving Heart Multi-Service Centre (Jurong)

STATEMENT OF CASH FLOWS
For the Financial Year Ended 31 March 2021

	Note	2021 \$	2020 \$
Operating activities			
Surplus/(Deficit) for the financial year		38,678	(265,165)
<u>Adjustments for:</u>			
Interest income		(25,951)	(43,098)
Depreciation of plant and equipment	5	15,674	13,796
Operating surplus / (deficit) before working capital changes		28,401	(294,467)
<u>Adjustments for changes in working capital:</u>			
Other receivables		28,839	249,883
Other payables		(46,211)	(2,667)
Net cash flows generated from/(used) operating activities		11,029	(47,251)
Investing activities			
Interest received - fixed deposits		25,951	43,098
Fixed deposits		50,000	50,000
Acquisition of plant and equipment	5	(9,105)	(22,349)
Net cash flows generated from investing activities		66,846	70,749
Net changes in cash and cash equivalents		77,875	23,498
Cash and cash equivalents at beginning of financial year		383,946	360,448
Cash and cash equivalents at end of financial year	8	461,821	383,946

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

Loving Hearth Multi-Service Centre (Jurong)

NOTES TO THE FINANCIAL STATEMENTS For the Financial Year Ended 31 March 2021

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

1. GENERAL INFORMATION

Loving Heart Multi-Service Centre (Jurong) (the “Centre”) is registered under the Societies Act, Chapter 311 and the Charities Act, Chapter 37 and is domiciled in the Republic of Singapore. It is an approved Institution of Public Character (IPC) from 01 November 2020 to 30 April 2023.

The registered address of the Centre is located at Block 316 Jurong East Street 32, #01-279, Singapore 600316.

The principal activities of the Centre are to provide social and welfare services to families, elderly residents and students living or studying in the South West CDC area. The Centre is a joint project between Jurong Central and Jurong Spring Citizen’s Consultative Committee and funded by private donors and organisations.

The financial statements of the Centre for the financial year ended 31 March 2021 were authorised for issue by the Management Committee on the date of the Statement by the Management Committee.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements have been prepared in accordance with the provision of the Societies Act, Chapter 311, the Charities Act, Chapter 37 and Charities Accounting Standards in Singapore (“CASs”). The accounting policies of the Centre are consistent with the requirements of the CASs and are applied consistently to similar transactions, other events and conditions. The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of the financial statements in conformity with CASs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and significant judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in Note 3.

2.2 Functional and presentation currency

Items included in the financial statements of the Centre are measured using the currency of the primary economic environment in which the entity operates (the “functional currency”). The financial statements of the Centre are presented in Singapore Dollars (“\$”) which is the Centre’s functional currency.

Loving Hearth Multi-Service Centre (Jurong)

NOTES TO THE FINANCIAL STATEMENTS
For the Financial Year Ended 31 March 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.3 Offsetting of financial assets and liabilities

The Centre shall not offset assets and liabilities, or income and expenditure, unless required or permitted by the CAS.

2.4 Plant and equipment

Plant and equipment are initially stated at cost. Subsequently, plant and equipment are stated at cost less accumulated depreciation. The cost of an item of plant and equipment 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. The initial estimate of the costs of dismantlement, removal or restoration is also included as part of the cost of plant and equipment if the obligation for the dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset.

Plant and equipment shall not be revalued and are not required to be assessed for impairment.

Subsequent expenditure relating to 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 Centre and the cost of the item can be measured reliably. The cost of day-to-day servicing of an item of plant and equipment are recognised as expenditure in the statements of financial activities in the period in which the costs are incurred.

Gains or losses arising from the retirement or disposal of plant and equipment are determined as the difference between the estimated net disposal proceeds and the carrying amount of the asset and are recognised in statement of financial activities on the date of retirement or disposal.

Depreciation is computed on the straight-line method to write-off the cost of the plant and equipment over its estimated useful life. The estimated useful lives of the plant and equipment are as follows:

	<u>Useful lives</u>
Office equipment	5 years
Furniture and fitting	5 years
Computers	3 years
Renovation	10 years
Other assets	3 years

Fully depreciated plant and equipment are retained in the financial statements until they are no longer in use and no further charge for depreciation is made in respect of these assets.

The residual value, estimated useful life and depreciation method are reviewed at each reporting date and adjusted prospectively, if appropriate.

Loving Hearth Multi-Service Centre (Jurong)

NOTES TO THE FINANCIAL STATEMENTS For the Financial Year Ended 31 March 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.5 Financial assets

The Centre has its financial assets in the following categories: cash and cash equivalents and other receivables. The classification depends on the purpose for which the assets were acquired.

Receivables

Receivables are presented as current assets, except those maturing later than twelve months after the balance sheet date which are classified as non-current assets.

Receivables (excluding prepayments) are recognised at their transaction price excluding transaction costs, if any. Transaction costs are recognised as expenditure in the statement of financial activities as incurred. Prepayments are initially recognised at the amount paid in advance for the economic resources expected to be received in the future.

After initial recognition, other receivables are subsequently measured at cost less any accumulated impairment losses. Prepayments are subsequently measured at the amount paid less the economic resources received or consumed during the financial year.

Financial assets are derecognised when the contractual rights to receive cash flows from the assets have expired or have been transferred and the Centre has transferred substantially all risks and rewards of ownership. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received is recognised in statements of financial activities. The amount of the allowance is the difference between the asset's carrying amount and the undiscounted future cash flows, excluding unearned interest of interest-bearing assets that the Centre expects to receive from the assets. The amount of the allowance for impairment is recognised in the statement of financial activities.

2.6 Impairment of financial assets

The Centre assesses at each reporting date whether there is any objective evidence that a financial asset is impaired.

If there is objective evidence that a receivable is impaired, the carrying amount of the asset is reduced through the use of an allowance account. The amount of the loss is recognised in the statement of financial activities.

If, in a subsequent period, the amount of the impairment loss decreases, and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in the statement of financial activities.

Loving Hearth Multi-Service Centre (Jurong)

**NOTES TO THE FINANCIAL STATEMENTS
For the Financial Year Ended 31 March 2021**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.7 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash at bank and fixed deposits that are subject to an insignificant risk of changes in value.

2.8 Financial liabilities

Financial liabilities are recognised on the balance sheet when, and only when, the Centre becomes a party to the contractual provisions of the financial instrument. A financial liability is derecognised when, and only when, the obligations under the liabilities are discharged, cancelled or they expired.

Payable excluding accruals are recognised at their transactions price, excluding transaction costs, if any, both at initial recognition and at subsequent measurement. Transactions costs are recognised as expenditure in the statement of financial activities as incurred. Accruals shall be recognised as the best estimates of the amount payable.

2.9 Provisions

Provisions are recognised when the Centre has a present obligation (legal or constructive) as a result of a past event, it is probable that a transfer of economic benefits in settlement will be required and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, any adjustment to the amounts previously recognised shall be recognised as expenditure in the statement of financial activities unless the provision was originally recognised as part of the cost of an asset.

2.10 Key management personnel

Key management personnel of the Centre are those persons having authority and responsibility for planning, directing and controlling activities of the Centre, directly or indirectly.

2.11 Related parties

CAS defines a related party as a person or entity that is related to the reporting entity and it includes a person or a close member of that person's family if that person:

- (i) has control or joint control over the reporting entity;
- (ii) has significant influence over the reporting entity; or
- (iii) is a member of the key management personnel of the reporting entity or of a related entity.

Loving Hearth Multi-Service Centre (Jurong)

NOTES TO THE FINANCIAL STATEMENTS For the Financial Year Ended 31 March 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.11 Related parties (cont'd)

For the purpose of the financial statements related parties are considered to be related to the Centre if the Centre has the ability, directly or indirectly, to control or exercise significant influence over the party in making financial and operating decisions or vice versa, or where the Centre and the party are subject to common control or common significant influence. Related parties include related corporations, associates, joint control entities, joint ventures and individuals who are key management personnel or close member of their families.

Included under related parties are the key management personnel. The Management Committee is considered as key management personnel of the Centre.

2.12 Income taxes

The Centre, being a registered charity is exempted from paying taxes as stated under Section 13(1) (zm) of the Singapore Income Tax Act.

2.13 Revenue recognition

Income is recognised in the statement of financial activities when the effect of a transaction or other event results in an increase in the Centre's net assets. Income is recognised when the following three factors are met:

(i) Entitlement

The Centre has control over the rights or other access to the resource, enabling the Centre to determine its future application;

(ii) Certainty

It is probable that the income will be received; and

(iii) Measurement

The amount of the income can be measured by the Centre with sufficient reliability.

The following specific recognition criteria must also be met before income is recognised:

Voluntary income and miscellaneous income

Voluntary income includes donations, grants and sponsorship which are recognised upon receipt. Miscellaneous income are recognised on receipt basis.

Investment income

Interest income is recognised on accrual basis using the effective interest rate method.

Loving Hearth Multi-Service Centre (Jurong)

**NOTES TO THE FINANCIAL STATEMENTS
For the Financial Year Ended 31 March 2021**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.14 Recognition of expenditures

Expenditures are recognised in the statement of financial activities once the goods or services have been received unless the expenditure qualifies for capitalisation as assets such as inventory and property, plant and equipment. Expenditure on performance-related grants are recognised to the extent the specified service or goods have been provided. Expenditures in the statement of financial activities are classified under the cost of generating funds, cost of charitable activities and governance costs.

Cost of generating funds

All cost associated with generating income from all sources other than from undertaking charitable activities are included under cost of generating funds.

Cost of charitable activities

All resources applied in undertaking activities to meet the Centre's charitable objectives are classified under cost of charitable activities.

Governance costs

This includes costs of governance arrangements that relate to the general running of the Centre as opposed to the direct management functions inherent in generating funds, service delivery and programme or project work. These activities provide the governance infrastructure, which allows the charity to operate, and to generate the information required for public accountability. They include the strategic planning processes that contribute to future development of the Centre.

Allocation of costs

Where appropriate, expenditures that are specifically identifiable to each cost classification are allocated directly to the type of costs incurred. Where apportionment between each costs classification is necessary, the following apportionment bases are applied:

- Usage;
- Head count i.e. on the number of people employed within an activity;
- Floor area occupied by an activity;
- On time basis; and
- Expenditure total.

2.15 Grants and donations

The recognition of a promised grant or donation is evidence of entitlement which normally exists when the grant is formally expressed in writing. Where the entitlement is demonstrable, and no conditions are attached, such promises are recognised as income once the criteria of certainty and measurability are met. When conditions are attached, they must be fulfilled before the Centre has unconditional entitlement to the income. The income is deferred as a liability where uncertainty exists as to whether the Centre can meet the conditions and are recognised as income when there is sufficient evidence that the conditions imposed can be met.

Loving Hearth Multi-Service Centre (Jurong)

**NOTES TO THE FINANCIAL STATEMENTS
For the Financial Year Ended 31 March 2021**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.16 Employee benefits

Defined contribution plan

The Centre makes contributions to the Central Provident Fund in Singapore. Contributions to the defined contribution plan are recognised as an expense in the period in which the related service is performed.

Short-term benefits

All short-term benefits including accumulating compensated absences are recognised in the statement of financial activities in the period in which the employees rendered their services to the Centre.

2.17 Contingencies

A contingent liability is:

- (a) a possible obligation that arises from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Centre; or
- (b) a present obligation that arises from past events but is not recognised because:
 - (i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - (ii) the amount of the obligation cannot be measured within sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Centre.

Contingent liabilities and assets are not recognised on the balance sheet of the Centre.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

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

No significant judgements were made by the management in the process of applying the Centre's accounting policies nor were there key sources of estimation uncertainty that have significant effect on the amounts recognised in the financial statements.

Loving Hearth Multi-Service Centre (Jurong)

NOTES TO THE FINANCIAL STATEMENTS
For the Financial Year Ended 31 March 2021

4. FUND

	Accumulated Fund \$
As at 01 April 2019	3,225,928
Deficit for the financial year	<u>(265,165)</u>
As at 31 March 2020	2,960,763
Surplus for the financial year	<u>38,678</u>
As at 31 March 2021	<u><u>2,999,441</u></u>

5. PLANT AND EQUIPMENT

	Office equipment \$	Furniture and fitting \$	Computers \$	Renovation \$	Other assets \$	Total \$
Cost						
As at 01.04.2019	34,520	63,149	17,766	270,526	1,582	387,543
Additions	-	6,084	16,265	-	-	22,349
Written off	(1,300)	-	(3,894)	-	-	(5,194)
As at 31.03.2020	<u>33,220</u>	<u>69,233</u>	<u>30,137</u>	<u>270,526</u>	<u>1,582</u>	<u>404,698</u>
Additions	-	2,557	6,548	-	-	9,105
As at 31.03.2021	<u><u>33,220</u></u>	<u><u>71,790</u></u>	<u><u>36,685</u></u>	<u><u>270,526</u></u>	<u><u>1,582</u></u>	<u><u>413,803</u></u>
Accumulated depreciation						
As at 01.04.2019	29,633	49,232	15,915	256,040	1,582	352,402
Depreciation for the year	2,656	6,748	2,479	1,913	-	13,796
Written off	(1,300)	-	(3,894)	-	-	(5,194)
As at 31.03.2020	<u>30,989</u>	<u>55,980</u>	<u>14,500</u>	<u>257,953</u>	<u>1,582</u>	<u>361,004</u>
Depreciation for the year	1,299	5,813	6,649	1,913	-	15,674
As at 31.03.2021	<u><u>32,288</u></u>	<u><u>61,793</u></u>	<u><u>21,149</u></u>	<u><u>259,866</u></u>	<u><u>1,582</u></u>	<u><u>376,678</u></u>
Net carrying amount						
As at 31.03.2021	<u><u>932</u></u>	<u><u>9,997</u></u>	<u><u>15,536</u></u>	<u><u>10,660</u></u>	<u><u>-</u></u>	<u><u>37,125</u></u>
As at 31.03.2020	<u>2,231</u>	<u>13,253</u>	<u>15,637</u>	<u>12,573</u>	<u>-</u>	<u>43,694</u>

Loving Hearth Multi-Service Centre (Jurong)

NOTES TO THE FINANCIAL STATEMENTS
For the Financial Year Ended 31 March 2021

6. OTHER RECEIVABLES

	2021	2020
	\$	\$
Fund receivables	3,908	5,899
Refundable deposit	4,569	4,569
Fixed deposit interest receivables	12,034	39,349
Prepayments	107,000	106,211
Sundry debtors	202	524
	127,713	156,552

7. FIXED DEPOSITS

	2021	2020
	\$	\$
Fixed deposits	2,400,000	2,450,000

Fixed deposits were placed with financial institutions for 12 months tenure (2020: 8 to 36 months). Effective interest rates on fixed deposits ranges from 0.23% to 0.90% (2020: 1.30% to 1.90%) per annum.

8. CASH AND BANK BALANCES

	2021	2020
	\$	\$
Cash at bank	461,321	383,446
Cash on hand	500	500
	461,821	383,946

Cash at bank earns interest at prevailing bank interest rate.

9. OTHER PAYABLES

	2021	2020
	\$	\$
Accrued operating expenses	25,998	68,656
Other creditors	1,220	4,773
	27,218	73,429

Loving Hearth Multi-Service Centre (Jurong)

**NOTES TO THE FINANCIAL STATEMENTS
For the Financial Year Ended 31 March 2021**

10. SUPPORT COSTS

	Cost of charitable activities	Governance and administrative costs	Total fund	Cost of charitable activities	Governance and administrative costs	Total fund
	2021	2021	2021	2020	2020	2020
	\$	\$	\$	\$	\$	\$
Advertisement	797	341	1,138	659	283	942
Bank charges	489	209	698	623	267	890
Cleaning services	5,389	2,309	7,698	4,880	2,092	6,972
Entertainment/ refreshment	542	233	775	1,634	700	2,334
General expenses	1,322	567	1,889	2,144	919	3,063
Maintenance fees	6,005	2,574	8,579	6,211	2,662	8,873
Member and licence fee	297	128	425	297	128	425
Office rental	9,956	4,267	14,223	14,638	6,273	20,911
Postage and courier	481	206	687	736	315	1,051
Printing and stationery	5,441	2,332	7,773	6,489	2,781	9,270
Transportation	1,061	455	1,516	2,204	944	3,148
Telephone and fax	6,796	2,912	9,708	4,038	1,730	5,768
Water and electricity	5,782	2,478	8,260	6,963	2,984	9,947
Staff costs	325,919	139,679	465,598	303,795	130,198	433,993
	<u>370,277</u>	<u>158,690</u>	<u>528,967</u>	<u>355,311</u>	<u>152,276</u>	<u>507,587</u>

None of our top three highest paid staff receives more than \$100,000 in annual remuneration and no board member receives remuneration for their board services.

11. INCOME TAX

The income of the Centre is exempted from tax under section 13(1)(zm) of the Singapore Income Tax Act as the Centre is registered as a Charity under the Charities Act.

12. FUNDS MANAGEMENT

The primary objective of the Centre's funds management is to ensure that the fundings from members and other sources are properly managed and used to support its operations.

The Centre manages its fund structure and makes adjustments to it, in light of changes in economic conditions. No changes were made to the objectives, policies or processes during the financial years ended 31 March 2021 and 31 March 2020 respectively.

The Centre is not subjected to externally imposed capital requirements.