

ADVENTIST HOME FOR THE ELDERS
(Company Registration No.: S80SS0046B)

(Incorporated in Singapore)

Annual Report for the Year Ended
31 December 2024

JAYCE & CO
Public Accountants and
Chartered Accountants of Singapore

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ADVENTIST HOME FOR THE ELDERS

STATEMENT OF MANAGEMENT COMMITTEE FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

In the opinion of the Management Committee, the financial statements of Adventist Home for the Elders (the "Home") are drawn up so as to present fairly, in all material respects, the state of affairs of the Home as at 31 December 2024, and the results, changes in funds and cash flows of the Home for the financial year then ended.

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

The Management Committee, comprising the following, authorised the issue of these financial statements on 10 June 2025.

Wan Kwong Weng
Choong Loon@ Chong Kok Loon
Foo Chee Fah
Oi Keng Hunt
Yeang Ming Sheng
Seah Siew Beng Albert
Ong Ang Toh
Andrew Samuel Ing
Chow Teck Hwa David
Wong Wai Chong

Chairman
Vice Chairman
Vice Chairman
Secretary
Treasurer
Committee Member
Committee Member
Committee Member
Committee Member
Committee Member

For and on behalf of the Management Committee,



Wan Kwong Weng
Chairman



Yeang Ming Sheng
Treasurer

Singapore,

10 June 2025

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ADVENTIST HOME FOR THE ELDERS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Adventist Home for the Elders (the "Home") which comprise the statement of financial position as at 31 December 2024, and the statement of financial activities, statement of changes in funds and statement of cash flows for the financial year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Societies Act 1966 (the "Societies Act"), the Charities Act 1994 and other relevant regulations ("the Charities Act and Regulations") and Financial Reporting Standards in Singapore ("FRSs") so as to present fairly, in all material respects, the state of affairs of the Home as at 31 December 2024, and the results, changes in funds and cash flows of the Home 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 Home 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 Statement by the Management Committee (set out on page 1) but does not include the financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report, and the annual report, which is expected to be made available to us after that date.

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 ADVENTIST HOME FOR THE ELDERS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (Continued)

Responsibilities of Management and Director 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 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 Home'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 Home or to cease operations, or has no realistic alternative but to do so.

The Director's responsibilities include overseeing the Home'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 Home'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 ADVENTIST HOME FOR THE ELDERLY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (Continued)

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

- 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 Home'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 Home 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 those charged with governance 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.

Other matter

The financial statements of the Home for the financial year 31 December 2023 were audited by another auditor who expressed an unmodified opinion on those statements on 28 July 2024.

Report on Other Legal and Regulatory Requirements

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



JAYCE & CO
Public Accountants and
Chartered Accountants

Singapore,

10 June 2025

ADVENTIST HOME FOR THE ELDERS

STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

		2024						
		Restricted funds						
Note	General fund	Maintenance and development fund	Care and share fund	Adventist Active Centre @ Golden Peony	Adventist Active Centre @ Golden Clover	Adventist Active Centre @ Kallang Trivista	Total restricted fund	Total funds
	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$
Income								
Income from generating funds								
<u>Voluntary income</u>								
Donations								
-	45,905	-	-	865	880	520	2,265	48,170
-	125,324	-	-	-	-	-	-	125,324
4								
Grants and subsidies								
-	89,965	-	-	-	-	-	-	89,965
-	89,964	-	-	-	-	-	-	89,964
-	-	-	-	393,090	357,990	387,890	1,138,970	1,138,970
	351,158	-	-	393,955	358,870	388,410	1,141,235	1,492,393
Income from charitable activities								
	288,859	-	-	50	1,070	625	1,745	290,604
	1,128	-	-	6,571	6,359	4,945	17,875	19,003
	1,128	-	-	820	723	998	2,541	3,669
	291,115	-	-	7,441	8,152	6,568	22,161	313,276
Investment income								
	6,545	-	-	-	-	-	-	6,545
Other income								
	124	-	-	-	-	-	-	124
	3,768	-	-	-	-	-	-	3,768
	8,900	-	-	250	250	250	750	9,650
	12,792	-	-	250	250	250	750	13,542
Total income								
	661,610	-	-	401,646	367,272	395,228	1,164,146	1,825,756
EXPENDITURE								
Cost of charitable activities								
	26,843	-	-	25,948	19,586	26,131	71,665	98,508
	28,154	-	-	-	19,416	17,281	36,696	64,850
	138,080	-	-	61,858	51,333	86,247	199,439	337,519
5	193,077	-	-	87,806	90,335	129,659	307,800	500,877

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

ADVENTIST HOME FOR THE ELDER'S

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

		2024							
		Restricted funds							
Note	General fund	Maintenance and development fund	Care and share fund	Adventist Active Centre @ Golden Peony	Adventist Active Centre @ Golden Clover	Adventist Active Centre @ Kallang Trivista	Total restricted fund	Total funds	
	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	
EXPENDITURE (CONT'D)									
Governance and administrative costs									
	Amortisation of intangible assets	357	-	-	357	357	357	1,071	1,428
	Audit fee	8,200	-	-	-	-	-	-	8,200
	Accounting fee	750	-	-	750	750	750	2,250	3,000
	Bank charges	268	-	-	-	-	-	-	268
	Cleaning charges	5,279	-	-	741	4,446	3,899	9,086	14,365
	Depreciation	32,959	2,972	41,429	26,192	32,099	31,354	134,046	167,005
	Insurance	1,246	-	-	-	1,731	112	1,843	3,089
	Interest expense on lease liabilities	2,399	-	-	1,854	1,688	1,536	5,078	7,477
	Lease expense- short term lease	14,950	-	-	-	-	-	-	14,950
	Minor fixed assets	487	1,060	-	1,062	396	170	2,688	3,175
	Miscellaneous expenses	5,929	-	-	1,069	1,208	1,016	3,293	9,222
	Printing and stationery	974	-	-	914	1,188	685	2,787	3,761
	Recruitment expenses	60	-	-	-	-	-	-	60
	Repair and maintenance	3,525	-	-	1,638	8,038	2,203	11,879	15,404
	Staff costs	70,452	-	-	78,360	72,977	66,499	217,836	288,288
	Sub contract and consultant work	2,631	-	-	316	555	222	1,093	3,724
	Subscription fee	492	-	-	342	342	342	1,025	1,518
	Telecommunication	4,889	-	-	1,691	1,471	1,521	4,683	9,572
	Town council expenses	3,467	-	-	1,274	814	4,206	6,294	9,761
	Transportation fee	708	-	-	43	37	67	147	855
	Upkeep of motor vehicle	113	-	-	-	-	-	-	113
	Water and electricity	23,521	-	-	5,599	3,218	4,201	13,018	36,539
		183,656	4,032	41,429	122,202	131,315	119,140	418,118	601,774
	Total expenditure	376,733	4,032	41,429	210,008	221,650	248,799	725,918	1,102,651
	Net income / (expenditure) for the financial year	284,877	(4,032)	(41,429)	191,638	145,622	146,429	438,228	723,105
	Total funds brought forward	1,644,989	41,874	68,672	-	-	-	110,546	1,755,535
	Transfer of funds	(24,806)	-	24,806	-	-	-	24,806	-
	Total funds carried forward	1,905,060	37,842	52,049	191,638	145,622	146,429	573,580	2,478,640

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

ADVENTIST HOME FOR THE ELDERS

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

		2023				
		Restricted funds				
Note	General fund	Maintenance and development fund	Care and share fund	Total restricted funds	Total funds	
	S\$	S\$	S\$	S\$	S\$	
Income						
Income from generating funds						
<u>Voluntary income</u>						
Donations						
- Non-tax deductible	13,870	-	-	-	13,870	
- Tax deductible	129,612	-	-	-	129,612	
Grants and subsidies						
- MOH- transition grant	389,847	-	-	-	389,847	
- MOH- covid rental relief grant	29,336	-	-	-	29,336	
- AIC grant	-	-	-	-	-	
	562,665	-	-	-	562,665	
Income from charitable activities						
Contribution from residents	240,191	-	-	-	240,191	
Investment income						
Interest income – Fixed Deposits	683	-	-	-	683	
Other income						
Collaboration fee	27,200	-	-	-	27,200	
Interest income – Bank accounts	124	-	-	-	124	
Miscellaneous sales and income	27,340	-	-	-	27,340	
Other government grants	19,446	-	-	-	19,446	
	74,110	-	-	-	74,110	
Total income	877,649	-	-	-	877,649	
EXPENDITURE						
Cost of charitable activities						
Event and outing expenses	87,042	-	-	-	87,042	
Food expenses	21,178	-	-	-	21,178	
Staff costs	109,865	-	-	-	109,865	
	218,085	-	-	-	218,085	

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

ADVENTIST HOME FOR THE ELDERS

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

		2023				
		Restricted funds				
Note	General fund	Maintenance and development fund	Care and share fund	Total restricted funds	Total funds	
	S\$	S\$	S\$	S\$	S\$	
EXPENDITURE (CONT'D)						
Governance and administrative costs						
	1,427	-	-	-	1,427	
	5,698	-	-	-	5,698	
	-	-	-	-	-	
	282	-	-	-	282	
	-	-	-	-	-	
7	121,351	-	41,429	41,429	162,780	
	7,705	-	-	-	7,705	
	12,564	-	-	-	12,564	
	14,676	-	-	-	14,676	
	1,446	-	-	-	1,446	
	15,811	-	-	-	15,811	
	3,016	-	-	-	3,016	
	70	-	-	-	70	
	12,803	-	-	-	12,803	
5	311,549	-	-	-	311,549	
	3,916	-	-	-	3,916	
	2,184	-	-	-	2,184	
	8,488	-	-	-	8,488	
	7,459	-	-	-	7,459	
	1,481	-	-	-	1,481	
	112	-	-	-	112	
	30,646	-	-	-	30,646	
	9,630	-	-	-	9,630	
	572,314	-	41,429	41,429	613,743	
	790,399	-	41,429	41,429	831,828	
	87,250	-	(41,429)	(41,929)	45,821	
	1,557,739	41,874	110,101	151,975	1,709,714	
	-	-	-	-	-	
	1,644,989	41,874	68,672	110,546	1,755,535	

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

ADVENTIST HOME FOR THE ELDERS

**STATEMENT OF FINANCIAL POSITION
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

	Note	2024 S\$	2023 S\$
ASSETS			
Non-current assets			
Property, plant and equipment	7	219,303	326,417
Intangible assets	8	-	1,426
Financial assets, at FVOCI	9	2	2
		<u>219,305</u>	<u>327,845</u>
Current assets			
Cash and cash equivalents	10	1,902,121	1,052,093
Fixed deposits	11	581,321	576,716
Other receivables	12	24,636	104,193
		<u>2,508,078</u>	<u>1,733,002</u>
Total assets		<u><u>2,727,383</u></u>	<u><u>2,060,847</u></u>
LIABILITIES			
Current liabilities			
Other payables	13	152,964	97,471
Lease liabilities	14	92,896	112,062
		<u>245,860</u>	<u>209,533</u>
Non-current liabilities			
Lease liabilities	14	2,883	95,779
		<u>2,883</u>	<u>95,779</u>
Total liabilities		248,743	305,312
Net assets		<u>2,478,640</u>	<u>1,755,535</u>
FUNDS			
Unrestricted fund			
General Fund	15	1,905,060	1,644,989
Restricted funds			
Care and Share Fund	15	52,049	68,672
Maintenance and Development Fund	15	37,842	41,874
Adventist Active Centre @ Golden Peony	15	191,638	-
Adventist Active Centre @ Golden Clover	15	145,622	-
Adventist Active Centre @Kallang Trivista	15	146,429	-
		<u>573,580</u>	<u>110,546</u>
Total funds		<u>2,478,640</u>	<u>1,755,535</u>

The accompanying notes form an integral part of these financial statements

ADVENTIST HOME FOR THE ELDERS

**STATEMENT OF CHANGES IN FUNDS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

	Unrestricted fund		Restricted funds				Total funds S\$
	General Fund S\$	Care and Share Fund S\$	Maintenance and Development Fund S\$	Adventist Active Centre @ Golden Peony S\$	Adventist Active Centre @ Golden Clover S\$	Adventist Active Centre @ Kallang Trivista S\$	
2024							
At beginning of the financial year	1,644,989	68,672	41,874	-	-	-	1,755,535
Net income / (expenditure)	284,877	(41,429)	(4,032)	191,638	145,622	146,429	723,105
Transfer of funds	(24,806)	24,806	-	-	-	-	-
At end of the financial year	<u>1,905,060</u>	<u>52,049</u>	<u>37,842</u>	<u>191,638</u>	<u>145,622</u>	<u>146,429</u>	<u>2,478,640</u>
2023							
At beginning of the financial year	1,557,739	110,101	41,874	-	-	-	1,709,714
Net income / (expenditure)	87,250	(41,426)	-	-	-	-	45,821
At end of the financial year	<u>1,644,989</u>	<u>68,672</u>	<u>41,874</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,755,535</u>

The accompanying notes form an integral part of these financial statements

ADVENTIST HOME FOR THE ELDERS

STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	2024 S\$	2023 S\$
Cash flows from operating activities:			
Net income for the financial year		723,105	45,821
Adjustments for:			
Amortisation of intangible assets	8	1,426	1,427
Depreciation of property, plant and equipment	7	167,005	162,780
Interest income		(6,670)	(807)
Interest expense on lease liabilities	14	7,477	12,564
Loss on written off of intangible assets		-	9,630
		<u>892,343</u>	<u>231,415</u>
Changes in working capital:			
Other receivables		79,557	(79,435)
Other payables		55,493	(4,647)
Cash generated from operations		<u>1,027,393</u>	<u>147,333</u>
Interest received		124	124
Net cash generated from operating activities		<u>1,027,517</u>	<u>147,457</u>
Cash flows from investing activities:			
Interest received		6,545	600
Decrease in fixed deposits		(4,605)	(599)
Purchases of property, plant and equipment	7	<u>(59,891)</u>	<u>(16,575)</u>
Net cash used in from investing activities		<u>(57,951)</u>	<u>(16,574)</u>
Cash flows from financing activities:			
Interest paid on lease liabilities		(7,477)	(12,564)
Principal payment of lease liabilities		<u>(112,061)</u>	<u>(105,851)</u>
Net cash used in financing activities		<u>(119,538)</u>	<u>(118,415)</u>
Net increase in cash and cash equivalents		850,028	12,468
Cash and cash equivalents at 1 Jan		<u>1,052,093</u>	<u>1,039,625</u>
Cash and cash equivalents at 31 Dec	10	<u>1,902,121</u>	<u>1,052,093</u>

The accompanying notes form an integral part of these financial statements

ADVENTIST HOME FOR THE ELDERS

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

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

1. General

Adventist Home for the Elders (the “Home”) was registered on 21 August 1980 under the Societies Act, 1966 (the “Societies Act”). The Home is a charity registered under the Charities Act 1996 (the “Charities Act”) since 28 July 1986. The sector administrator of the Home is Ministry of Social and Family Development (“MSF”).

The Home’s registered address and principal place of operation is located at Block 195 Kim Keat Avenue, #01-294, Singapore 310195.

The Home has been accorded an Institution of a Public Character (“IPC”) status for the period from 1 August 2021 to 31 October 2023 and subsequently renewed from 1 March 2025 to 28 February 2027.

On 1 April 2024, three Senior Activity Centers were formally conferred the status of Active Ageing Centers under the national initiative by Ministry of Health.

The objective of the Home is to serve with kindness and compassion.

At the reporting date, there are three Active Ageing Centres (2023: 3) managed by the Home:

- Adventist Ageing Centre @Golden Peony at Block 530A Jurong West Avenue 1, #01-907, Singapore 641530;
- Adventist Ageing Centre @Golden Clover at Block 196, Kim Keat Avenue, #01-506, Singapore 310196; and
- Adventist Ageing Centre @Kallang Trivista at Block 8 Upper Boon Keng Road, #01-02, Singapore 380008.

2. Material accounting policy information

2.1 Basis of preparation

The financial statements have been prepared in accordance with Financial Reporting Standards in Singapore (“FRSs”) and the disclosure requirements of the Societies Act 1966, the Charities Act 1994 and other relevant regulations. The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

These financial statements are presented in Singapore Dollar (S\$), which is the Home’s functional currency.

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

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significance to the financial statements are disclosed in Note 3.

ADVENTIST HOME FOR THE ELDERS

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. Material accounting policy information (Continued)

2.2 Adoption of new and amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Home has adopted all the new and amended standards which are relevant to the Home and are effective for annual financial periods beginning on or after 1 January 2024. The adoption of these standards did not have any material effect on the financial performance or position of the Home.

2.3 Standards issued but not yet effective

A number of new standards and amendments to standard that have been issued are not yet effective and have not been applied in preparing these financial statements.

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

Description	Effective date (annual periods beginning on or after)
Amendments to FRS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability	1 January 2025
Amendments to FRS 109 Financial Instruments and FRS 107 Financial Instruments: Disclosures: Amendments to the Classification and Measurement of Financial Instruments	Date to be determined
Annual Improvement to FRSs Volume 11	1 January 2026
FRS 118 Presentation and Disclosure in Financial Statements	1 January 2027

ADVENTIST HOME FOR THE ELDERS

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. Material accounting policy information (Continued)

2.4 Property, plant and equipment

a) Measurement

All plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation.

The cost of an item of plant and equipment 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.

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

	<u>Useful lives</u>
Furniture and fittings	3-10 years
Motor vehicle	10 years
Leasehold improvement	5 - 10 years
Right-of-use ("ROU") assets – office units	Over the remaining lease

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease.

The residual values and useful lives of plant and equipment are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision of the residual values and useful lives are included in the statement of financial activities for the financial year in which the changes arise.

Fully depreciated assets still in use are retained in the financial statements.

b) Subsequent Expenditure

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 Home and the cost of the item can be measured reliably. Other subsequent expenditure is recognized as repair and maintenance expenses in the statement of financial activities during the financial year in which it is incurred.

c) Disposal

On disposal of an item of plant and equipment, the difference between the net disposal proceeds and its carrying amount is taken to the statement of financial activities.

ADVENTIST HOME FOR THE ELDERS

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. Material accounting policy information (Continued)

2.5 Intangible assets

Intangible assets acquired separately are measured initially at cost. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition. Following initial acquisition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding development costs, are not capitalised expenditure and is reflected in profit or loss in the financial year in which the expenditure is incurred.

The Home do not have other intangible asset with indefinite useful life.

Intangible assets with finite useful life are amortised over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least at each reporting date. Changes in the expected useful life or the expected pattern of consumption of future economic benefit embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Gain or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and recognised in profit or loss when the asset is de-recognised.

Software

Software is stated at cost less accumulated amortisation and impairment losses, if any

2.6 Impairment of non-financial assets

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

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

Impairment losses are recognised in profit or loss.

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

ADVENTIST HOME FOR THE ELDERS

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. Material accounting policy information (Continued)

2.7 Financial instruments

(a) Financial assets

Initial recognition and measurement

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

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

Subsequent measurement

Debt instruments

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

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

Derecognition

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

(b) Financial liabilities

Initial recognition and measurement

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

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

ADVENTIST HOME FOR THE ELDERS

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. Material accounting policy information (Continued)

2.7 Financial instruments (Continued)

(b) Financial liabilities (Continued)

Subsequent measurement

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

Derecognition

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

2.8 Impairment of financial assets

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

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

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

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

ADVENTIST HOME FOR THE ELDERS

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. Materials accounting policy information (Continued)

2.9 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank which are subject to an insignificant risk of changes in value.

2.10 Provisions

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

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

2.11 Government grants

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

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

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

2.12 Borrowing costs

All borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss in the period in which they are incurred.

ADVENTIST HOME FOR THE ELDERS

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. Material accounting policy information (Continued)

2.13 Employee benefits

(a) Defined contribution plans

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

(b) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Home has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

2.14 Leases

The Home 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.

(a) As lessee

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

Right-of-use assets

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

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

2. Material accounting policy information (Continued)

2.14 Leases (Continued)

(a) As lessee (Continued)

Lease liabilities

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

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

Short-term leases and leases of low-value assets

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

(a) As lessor

Leases in which the Home does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising from operating leases on the Home's investment properties is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

ADVENTIST HOME FOR THE ELDERS

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. Material accounting policy information (Continued)

2.15 Revenue

Revenue is measured based on the consideration to which the Home expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties. Revenue is recognised when the Home satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

Donations

Donations are taken up and accrued as and when they are committed. Those uncommitted donations are recognised on receipt basis.

Contributions from residents

Contributions from residents are recognised on accrual basis.

Collections from classes

Collections from classes are recognised on a monthly basis at end of the month.

Collections from events

Collections from events are recognised at the end of the event.

Collaboration fee

Collaboration fees are recognised on a time proportion basis that takes into account the yield on the asset on a straight-line basis over the lease term.

Rendering of services

Revenue from services orders are recognised when the Home satisfies the performance obligation at a point in time generally when the significant acts have been completed and when transfer of control occurs or for services that are not significant transactions, revenue is recognised as the service is provided.

Interest income

Interest income is recognised on a time-proportion basis using the effective interest method, unless collectability is in doubt.

Other income

Other income is recognised when received.

ADVENTIST HOME FOR THE ELDERS

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. Material accounting policy information (Continued)

2.16 Expenditure recognition

All expenditure is 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.

i. Cost of charitable activities

Cost of charitable activities comprises all costs incurred in the pursuit of the charitable object of the Home. The total costs of charitable expenditure are apportioned of overhead and shared costs.

ii. Governance and administrative costs

Governance and administrative costs include the costs of governance arrangement, which relate to the general running of the Home, providing governance infrastructure and ensuring public accountability. These costs include costs related to constitutional and statutory requirements and an apportionment of shared costs.

2.17 Taxes

The Home is exempted from income tax on income and gains under Income Tax Act, Chapter 134 to the extent that these are applied to its charitable objects.

2.18 Funds

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

ADVENTIST HOME FOR THE ELDERS

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. Material accounting policy information (Continued)

2.19 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 Home if that person:
 - i) Has control or joint control over the Home;
 - ii) Has significant influence over the Home; or
 - iii) Is a member of the key management personnel of the Home or of a parent of the Home;
- b) An entity is related to the Home if any of the following conditions applies:
 - i) The entity and the Home 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) That entity is a post-employment benefit plan for the benefit of employees of either the Home or an entity related to the Home. If the Home is itself such a plan, the sponsoring employers are also related to the Home;
 - 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).

3. Significant accounting judgements and estimates

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

3.1 Key sources of estimation uncertainty

The Home 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.

(a) Estimated useful lives of property, plant and equipment and intangible assets

The Home reviews annually the estimated useful lives of property, plant and equipment and intangible assets 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. The carrying amount of property, plant and equipment, intangible assets and the depreciation charge for the financial year are disclosed in Note 8 and Note 9.

3. Significant accounting judgements and estimates (Continued)

3.1 Key sources of estimation uncertainty (Continued)

(b) Impairment of property, plant and equipment and intangible assets

Property, plant and equipment and intangible 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.

(c) Provision for expected credit losses of other receivables

The Home uses a provision matrix to calculate ECL for other receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns. The provision matrix is initially based on the Home's historical observed default rates. The Home will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed. The assessment of the correlation between historical observed default rates, forecast economic conditions and ECL is a significant estimate. The amount of ECL is sensitive to changes in circumstances and of forecast economic conditions. The Home's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

3.2 Critical judgements in applying the entity's accounting policies

In the process of applying the Home's accounting policies, the management has made certain judgements, apart from those including estimations which have significant effect on the amounts recognised in the financial statements.

Government grants

Government grants to meet operating expenses are recognised as income in the statement of financial activities on the accrual basis in the financial year these operating expenses were incurred and there is reasonable assurance that the Home will comply with the conditions attached to it. For certain grants, the government agencies reserve the right to withdraw, withhold or reduce the amount of any funds approved but not yet disbursed or to call for the refund of all funds which have been disbursed to the Home if the conditions are not met.

ADVENTIST HOME FOR THE ELDERS

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

4. Tax deductible receipts

	2024	2023
	S\$	S\$
Donations - Tax deductible	<u>125,324</u>	<u>129,612</u>

During the financial year, the Home issued tax-exempt receipts for donations collected amounting to S\$125,324 (2023: S\$129,612) pursuant to its Institutions of a Public Character ("IPC") status.

5. Staff costs

	2024	2023
	S\$	S\$
Salaries and bonuses	494,240	354,767
CPF contributions	64,775	41,772
Foreign worker levy	28,095	22,268
Unutilised leave	2,593	(4,368)
Staff welfare	30,292	4,764
Medical expenses	5,327	1,381
Training expenses	485	720
	<u>625,807</u>	<u>421,414</u>
Staff costs are allocated as follows:		
- Costs of charitable activities	337,519	109,865
- Governance and administrative	288,288	311,659
	<u>625,807</u>	<u>421,414</u>

6. Income tax expense

The Home is a registered charity under Charities Act 1994. As an approved charity, it is exempt from income tax under Section 13(1) of the Income Tax Act 1947.

ADVENTIST HOME FOR THE ELDERS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

7. Property, plant and equipment

	Furniture and equipment	Motor vehicle	Leasehold improvement	ROU assets- office units	Total
	S\$	S\$	S\$	S\$	S\$
Cost					
At 1 January 2023	239,703	56,417	575,669	385,677	1,257,466
Additions	16,575	-	-	95,971	112,546
At 31 December 2023	256,278	56,417	575,669	481,648	1,370,012
Additions	39,377	-	20,514	-	59,891
At 31 December 2024	295,655	56,417	596,183	481,648	1,429,903
Accumulated depreciation					
At 1 January 2023	190,314	33,828	486,538	170,135	880,815
Additions	18,961	5,642	27,704	110,473	162,780
At 31 December 2023	209,275	39,470	514,242	280,608	1,043,595
Additions	21,307	5,642	29,413	110,643	167,005
At 31 December 2024	230,582	45,112	543,655	391,251	1,210,600
Carrying amount					
At 31 December 2023	47,003	16,947	61,427	201,040	326,417
At 31 December 2024	65,073	11,305	52,528	90,397	219,303

Assets acquired under leasing arrangements

Right-of-use assets acquired under leasing arrangements are office units and presented under the category of "Right-of-use assets". Details of such leased assets are disclosed in Note 14.

The Home's cash outflow on acquisition of property, plant and equipment amounted S\$39,377 (2023: S\$16,575) was made to purchase property, plant and equipment.

ADVENTIST HOME FOR THE ELDERS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

7. Property, plant and equipment (Continued)

The following property, plant and equipment were purchased through restricted funds as disclosed in Note 15.

	Furniture and equipment S\$	Motor vehicle S\$	Leasehold improvement S\$	ROU assets- office units S\$	Total S\$
Cost					
At 1 January 2023	122,476	56,417	244,344	-	423,237
Additions	-	-	-	-	-
At 31 December 2023	122,476	56,417	244,344	-	423,237
Transfers	46,065	-	1,948	481,648	529,661
Additions	60,156	-	22,462	-	82,618
At 31 December 2024	228,697	56,417	268,754	481,648	1,035,516
Accumulated depreciation					
At 1 January 2023	87,935	33,828	166,567	-	288,330
Additions	11,353	5,642	24,434	-	41,429
At 31 December 2023	99,288	39,470	191,001	-	329,759
Transfers	7,600	-	1,319	280,608	289,527
Additions	19,083	5,642	26,338	110,643	161,706
At 31 December 2024	125,971	45,112	218,658	391,251	780,992
Carrying amount					
At 31 December 2023	23,188	16,947	53,343	-	93,478
At 31 December 2024	102,726	11,305	50,096	90,397	254,524

During the year, there was a transfer of property, plant and equipment which was previously purchase under general funds to three restricted funds.

ADVENTIST HOME FOR THE ELDERS

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

7. Property, plant and equipment (Continued)

Nature of the Home's leasing activities

The Home leases Activity Centres for the purpose of its activities.

(a) Carrying amount

ROU assets classified within property, plant and equipment

	2024	2023
	S\$	S\$
Office units	<u>90,397</u>	<u>201,040</u>
(b) Depreciation charged		
Office units	<u>110,643</u>	<u>110,473</u>
c) Interest expense on lease liabilities		
Office units	<u>7,477</u>	<u>12,564</u>
d) Lease expense not capitalised in lease liabilities		
Lease expense – short term lease (Home)	<u>14,950</u>	<u>14,676</u>

e) Total cash outflows for all leases in 2024 was S\$134,488 (2023: S\$133,091).

ADVENTIST HOME FOR THE ELDERS

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

8. Intangible assets

	Intangible assets	Software development in progress	Total
	S\$	S\$	S\$
Cost			
At 1 January 2023	4,280	9,630	13,910
Written off	-	(9,630)	(9,630)
At 31 December 2023	4,280	-	4,280
Additions	-	-	-
At 31 December 2024	4,280	-	4,280
Accumulated depreciation			
At 1 January 2023	1,427	-	1,427
Amortisation	1,427	-	1,427
At 31 December 2023	2,854	-	2,854
Amortisation	1,426	-	1,426
At 31 December 2024	4,280	-	4,280
Carrying amount			
At 31 December 2023	1,426	-	1,426
At 31 December 2024	-	-	-

9. Financial assets, at FVOCI

	2024	2023
	S\$	S\$
<u>Unquoted equity shares - Singapore</u>		
At beginning and end of financial year	2	2

The financial assets, at FVOCI represent unquoted equity investments in two companies, incorporated in Singapore, with principal activities of provision of dental services and provision of physiology services, respectively.

In accordance with Paragraph B5.2.3 of IFRS 9 "Financial Instruments", in limited circumstances, cost may be an appropriate estimate of fair value. That may be the case if insufficient more recent information is available to measure fair value, or if there is a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range. Therefore, the management estimates that cost represents the best estimate of fair value within that range in current financial year.

ADVENTIST HOME FOR THE ELDERS**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024****10. Cash and cash equivalents**

	2024	2023
	S\$	S\$
Cash on hand	5,000	5,000
Cash at bank	1,897,121	1,047,093
	<u>1,902,121</u>	<u>1,052,093</u>

11. Fixed deposits

	2024	2023
	S\$	S\$
Fixed deposits	<u>581,321</u>	<u>576,716</u>

Fixed deposits at the reporting date had an average maturity of 7 months (2023: 7 months) from the financial year end and had a weighted average effective interest rate of 0.80% (2023:0.12%) per annum.

12. Other receivables

	2024	2023
	S\$	S\$
Grant receivables - AIC	1,000	89,965
Advances to staffs	-	(100)
Deposits	13,661	13,661
Interest receivables	2,608	667
Other receivables	7,367	-
	<u>24,636</u>	<u>104,193</u>

There is no other class of financial assets that is past due and/or impaired.

13. Other payables

	2024	2023
	S\$	S\$
Accrued operating expenses	96,518	49,817
Deposits received from residents	46,300	40,100
Provision for unutilised leaves	10,146	7,554
	<u>152,964</u>	<u>97,471</u>

ADVENTIST HOME FOR THE ELDERS

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

14. Lease liabilities

	2024	2023
	S\$	S\$
Current	92,896	112,062
Non-current	2,883	95,779
	<u>95,779</u>	<u>207,841</u>

	<u>Non-cash changes</u>					
	Accretion					
	01.01.2024	Additions	Cashflows	of interests	Others	31.12.2024
	S\$	S\$	S\$	S\$	S\$	S\$
Lease liabilities						
-current	112,062	-	(119,538)	7,477	92,886	92,896
-non- current	95,779	-	-	-	(92,886)	2,883
	<u>207,841</u>	-	<u>(119,538)</u>	<u>7,477</u>	-	<u>95,779</u>

	Accretion					
	of interests					
	01.01.2023	Additions	Cashflows	of interests	Others	31.12.2023
	S\$	S\$	S\$	S\$	S\$	S\$
Lease liabilities						
-current	78,313	27,538	(118,415)	12,564	112,062	112,062
-non- current	139,408	68,433	-	-	(112,062)	95,779
	<u>217,721</u>	<u>95,971</u>	<u>(118,415)</u>	<u>12,564</u>	-	<u>207,841</u>

ADVENTIST HOME FOR THE ELDERS

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

15. Funds

Funds comprise of unrestricted and restricted fund.

a) Unrestricted fund

General fund

General fund is expendable at the discretion of the Management Committee for achieving of their overall objectives.

b) 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:

Care and Share Fund

This 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.

During the year, the Management Committee agreed to the transfer of S\$24,806 from General Fund of the Home to cover the cumulative operating deficits of the Care and Share Fund.

Maintenance and Development Fund

This fund is set up for future expansion of the Home.

Active Ageing Centres

With effect from April 2024, the Home’s existing centres at Golden Peony, Golden Clover, and Kallang Trivista are appointed as one of the Active Ageing Centres (AACs) by MOH and will serve as the go-to point for all seniors, regardless of frailty, housing type and income levels, in their community, providing a suite of services including Active Ageing, Befriending and Care referral services.

The Active Ageing Programmes will empower seniors in different areas of health including physical, social, cultural, emotional and financial health, so that the seniors can stay healthy and happy.

ADVENTIST HOME FOR THE ELDERS

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

15. Funds (Continued)

Net assets for restricted funds:

	Care and Share fund S\$	Maintenance and development fund S\$	Adventist Active Centre @ Golden Peony S\$	Adventist Active Centre @ Golden Clover S\$	Adventist Active Centre @ Kallang Trivista S\$	Total S\$
Total restricted funds as at 31 December 2024	52,049	37,842	191,638	145,622	146,429	573,580
Represented by:						
<u>Assets</u>						
Cash and bank balances	-	-	210,541	161,622	159,420	531,799
Property, plant and equipment	52,049	37,842	8,068	7,295	10,861	116,115
Right-of-use asset-office units	-	-	34,656	29,739	26,001	90,396
	52,049	37,842	42,724	37,034	36,862	206,511
<u>Liabilities</u>						
Accruals	-	-	16,044	15,126	14,355	45,525
Unutilised leave	-	-	3,596	1,933	3,378	8,907
CPF payables	-	-	5,571	4,511	4,438	14,520
Lease liabilities	-	-	36,516	31,580	27,682	95,778
	-	-	61,627	53,150	49,853	164,730
Total restricted funds as at 31 December 2023	68,672	41,874	-	-	-	110,546
Represented by:						
<u>Assets</u>						
Cash and bank balances	(24,806)	41,874	-	-	-	17,068
Property, plant and equipment	93,478	-	-	-	-	93,478
	68,672	41,874	-	-	-	110,546

ADVENTIST HOME FOR THE ELDERS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

16. Significant related party transactions

	2024 S\$	2023 S\$
<u>Related company- common control</u>		
Event and outing expenses	<u>65,575</u>	<u>66,868</u>
<u>Transaction with Management Committee</u>		
Donations received	<u>(17,206)</u>	<u>(66,696)</u>

The Management Committee members did not receive any remuneration from the Home during the financial year.

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

	2024 S\$	2023 S\$
Salaries, allowance and bonuses	237,505	201,842
CPF and SDL contributions	<u>33,415</u>	<u>30,195</u>
	<u>270,920</u>	<u>232,037</u>

	Number of staff	
	2024 S\$	2023 S\$
S\$50,001 to S\$100,000	4	3
S\$50,000 and below	<u>-</u>	<u>1</u>

The remuneration of key management personnel is determined by the Management Committee.

None of the three highest paid staff received remuneration exceeding S\$100,000.

ADVENTIST HOME FOR THE ELDERS

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

17. Fair value of assets and liabilities

(a) Fair value hierarchy

The Home categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- Level 1 – Quoted prices (unadjusted) in active market for identical assets or liabilities that the Home can access at the measurement date,
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and
- Level 3 – Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

(b) Assets and liabilities not measured at fair value

Cash and cash equivalents, other receivables and other payables

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

Lease liabilities

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

18. Financial risk management

The Home's activities expose it to a variety of financial risks from its operations. The key financial risks include credit risk, liquidity risk, interest risk.

The Management Committee reviews and agrees policies and procedures for the management of these risks, which are executed by the management team. It is, and has been throughout the current and previous financial year, the Home's policy that no trading in derivatives for speculative purposes shall be undertaken.

The following sections provide details regarding the Home's exposure to the abovementioned financial risks and the objectives, policies and processes for the management of these risks.

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

ADVENTIST HOME FOR THE ELDERS

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

18. Financial risk management (Continued)

(a) Credit risk

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

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

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

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

Exposure to credit risk

The Home has no significant concentration of credit risk. The Home has credit policies and procedures in place to minimise and mitigate its credit risk exposure.

Other receivables

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

(b) Liquidity risk

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

ADVENTIST HOME FOR THE ELDERS

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

18. Financial risk management (Continued)

(b) Liquidity risk (Continued)

Analysis of financial instruments by remaining contractual maturities

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

	Total	Within one	Within two
	S\$	year	to five
2024		S\$	years
			S\$
<u>Financial assets</u>			
Cash and cash equivalents	1,902,121	1,902,121	-
Fixed deposits	581,321	581,321	-
Other receivables	24,636	24,636	-
Total undiscounted financial assets	2,508,078	2,508,078	-
<u>Financial liabilities</u>			
Other payables	152,964	152,964	-
Lease liabilities	97,675	94,792	2,883
Total undiscounted financial liabilities	250,639	247,756	2,883
Total net undiscounted financial (liabilities)/assets	2,257,439	2,260,322	(2,883)
	Total	Within one	Within two
	S\$	year	to five
2023		S\$	years
			S\$
<u>Financial assets</u>			
Cash and cash equivalents	1,052,093	1,052,093	-
Fixed deposits	576,716	576,716	-
Other receivables	104,193	104,193	-
Total undiscounted financial assets	1,733,002	1,733,002	-
<u>Financial liabilities</u>			
Other payables	97,471	97,471	-
Lease liabilities	217,213	119,538	97,675
Total undiscounted financial liabilities	314,684	217,009	97,675
Total net undiscounted financial (liabilities)/assets	1,418,318	1,515,993	(97,675)

ADVENTIST HOME FOR THE ELDERS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

18. Financial risk management (Continued)

c) Interest rate risk

The Home's exposure to interest rate risk is primarily from its fixed deposits placed with financial institutions. The Home constantly monitors movements in interest rates to ensure deposits are placed with financial institutions offering optimal rates of return.

The interest rates and terms of maturity of fixed deposits of the Home are disclosed in Note 11.

Changes in interest rates do not have a material impact on the Home as it does not have any interest-bearing liabilities.

The following table sets out the carrying amount, by maturity, of the Home's financial instruments, that are exposed to interest rate risk.

	2024	2023
	S\$	S\$
<u>Within one year – fixed rates</u>		
Fixed deposits	<u>581,321</u>	<u>576,716</u>

19. Financial instruments by category

At the reporting date, the aggregate carrying amounts of financial assets at amortised cost and financial liabilities at amortised cost were as follows:

	2024	2023
	S\$	S\$
Financial assets measured at amortised cost		
Cash and cash equivalents	1,902,121	1,052,093
Fixed deposits	581,321	576,716
Other receivables (excluding prepayments)	24,636	104,193
	<u>2,508,078</u>	<u>1,733,002</u>
Financial assets measured at fair value through other comprehensive income	2	2
Total financial assets measured at amortised cost	<u>2,508,080</u>	<u>1,733,004</u>
Financial liabilities measured at amortised cost		
Other payables (excluding provision for unutilised leave)	142,818	89,917
Lease liabilities	95,779	207,841
Total financial liabilities measured at amortised cost	<u>238,597</u>	<u>297,758</u>

ADVENTIST HOME FOR THE ELDERS

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

20. Reserve position and policy

The Home's reserve position for financial year ended 31 December 2024 and 2023 are as follows:

		2024	2023	Variance
		S\$'000	S\$'000	%
A	Unrestricted fund			
	General Fund	1,905	1,645	16%
B	Restricted funds			
	Care and Share Fund	52	69	-25%
	Maintenance and Development Fund	38	42	-10%
	Golden Peony	192	-	100%
	Golden Clover	146	-	100%
	Kallang Trivista	146	-	100%
C	Total funds	2,479	1,756	41%
D	Total annual operating expenditure	1,102	832	32%
E	Ratio of funds to annual operating expenditure (A/D)	1.72	1.98	-13%

Reference:

- C. Total funds include unrestricted and restricted funds.
- D. Total annual operating expenditure includes expenses related to cost of charitable activities and governance and administrative expenses.

The Home's reserve policy is to build up reserves to meet up to 3 years' of operating expenditure.

21. Management of conflict of interest

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

22. Authorisation of financial statements for issue

The financial statements for the year ended 31 December 2024 were authorised for issue in accordance with a resolution of the Management Committee.

