

SPD

UEN Number: S64SS0052D

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

FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
31 MARCH 2018

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SPD

UEN Number: S64SS0052D

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

STATEMENT BY THE BOARD OF MANAGEMENT

For the financial year ended 31 March 2018

In the opinion of the Board of Management,

- (a) the financial statements of SPD (the "Society") are drawn up in accordance with the provisions of the Charities Act, Chapter 37 and other relevant regulations (the "Charities Act and Regulations") and Charities Accounting Standards in Singapore ("CAS") so as to give a true and fair view of the state of affairs of the Society as at 31 March 2018 and the results and cash flows of the Society for the financial year then ended;
- (b) at the date of this statement, there are reasonable grounds to believe that the Society will be able to pay its debts as and when they fall due;
- (c) the accounting and other records required by the Society have been properly kept in accordance with the provisions of the Societies Regulations enacted under the Societies Act and the Charities Act and Regulations;
- (d) the use of the donation money is in accordance with the objective of the Society as required under Regulation 11 (Use of donations) of the Charities (Institution of Public Character) Regulations;
- (e) the fundraising appeals conducted by the Society during the financial year ended 31 March 2018 have been carried out in accordance with Regulation 6 (Fund-raising appeal records) of the Societies Regulations issued under the Societies Act and proper accounts and other records have been kept of the fund-raising appeal; and
- (f) the Society has complied with the requirements of Regulation 15 (Fund-raising expenses) of the Charities (Institution of Public Character) Regulations.

On behalf of the Board of Management,



CHIA YONG YONG
President



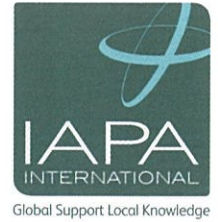
CHOW SIEW YING
Honorary Treasurer

Date: **16 JUL 2018**



Helmi Talib & Co

Chartered Accountants of Singapore
An Independent Member Firm of IAPA



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SPD

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **SPD** (the "Society"), which comprise the balance sheet of the Society as at **31 March 2018**, and the statement of financial activities and statement of cash flows for the financial year then ended, and notes to the financial statements, including summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of Societies Act (Chapter 311) (the "Societies Act"), the Charities Act (Chapter 37) and other relevant Regulations made thereunder (collectively, the "Charities Act and Regulations") and Charities Accounting Standard (the "CAS") so as to present fairly, in all material respects, the state of affairs of the Society as at 31 March 2018 and the results and cash flows of the Society 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 Society 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 information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, 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.

Responsibilities of Management 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 CAS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibilities of Management and Those Charged with Governance for the Financial Statements (Continued)

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

Those charged with governance are responsible for overseeing the Society'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 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 Society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society'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 Society 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 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.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required to be kept by the Society 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 fundraising appeals conducted by the Society during the financial year ended 31 March 2018 have not been carried out in accordance with Regulation 6 (Fund-raising appeal records) of the Societies Regulations issued under the Societies Act and proper accounts and other records have been kept of the fund-raising appeal,
- (b) the use of donation money was not in accordance with the objectives of the Society as required under Regulation 11 (Use of donations) of the Charities (Institutions of a Public Character) Regulations; and
- (c) the Society has not complied with the requirements of Regulation 15 (Fund-raising expenses) of the Charities (Institutions of a Public Character) Regulations.



HELMI TALIB & CO
Public Accountants and
Chartered Accountants

Singapore

Date: 16 JUL 2018

Partner-in-charge : Suriyati binti Mohamed Yusof
PAB No. : 01627

SPD

UEN Number: S64SS0052D

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

STATEMENT OF FINANCIAL ACTIVITIES

For the financial year ended 31 March 2018

	Notes	2018		2017	
		Unrestricted Funds \$	Restricted Funds \$	Total \$	Total \$
<u>INCOME</u>					
Income from generated funds					
Voluntary income	5	3,446,065	2,236,584	5,682,649	7,975,845
Investment income	5	288,373	25,609	313,982	251,728
Income from charitable activities					
	5	-	23,401,181	23,401,181	21,291,141
Other income	5	33,837	-	33,837	39,435
TOTAL INCOME		<u>3,768,275</u>	<u>25,663,374</u>	<u>29,431,649</u>	<u>29,558,149</u>
<u>EXPENDITURES</u>					
Costs of generating funds					
Costs of generating voluntary income	5	613,035	348,311	961,346	1,730,908
Charitable activities expenses	5	962,148	24,774,012	25,736,160	23,404,195
Governance costs	5	688,976	-	688,976	666,315
TOTAL EXPENDITURES		<u>2,264,159</u>	<u>25,122,323</u>	<u>27,386,482</u>	<u>25,801,418</u>
NET INCOME		<u>1,504,116</u>	<u>541,051</u>	<u>2,045,167</u>	<u>3,756,731</u>
TRANSFERS					
Transfer from	13	-	(17,226)	(17,226)	(5,014,318)
Transfer to	7,13	-	17,226	17,226	5,014,318
NET MOVEMENT IN FUNDS		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>RECONCILIATION OF FUNDS</u>					
TOTAL FUNDS BROUGHT FORWARD		<u>29,006,949</u>	<u>3,722,263</u>	<u>32,729,212</u>	<u>28,972,481</u>
TOTAL FUNDS CARRIED FORWARD		<u>30,511,065</u>	<u>4,263,314</u>	<u>34,774,379</u>	<u>32,729,212</u>

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

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BALANCE SHEET

As at 31 March 2018

	Note	<u>2018</u> \$	<u>2017</u> \$
ASSETS			
Non-current assets			
Property, plant and equipment	8	4,150,084	4,603,704
Total non-current assets		<u>4,150,084</u>	<u>4,603,704</u>
Current assets			
Cash and cash equivalents	9	37,154,637	31,771,385
Trade and other receivables	10	2,827,570	3,283,898
Inventories	11	56,109	118,020
Total current assets		<u>40,038,316</u>	<u>35,173,303</u>
TOTAL ASSETS		<u>44,188,400</u>	<u>39,777,007</u>
LIABILITIES			
Current liabilities			
Trade and other payables	12	9,414,021	7,047,795
TOTAL LIABILITIES		<u>9,414,021</u>	<u>7,047,795</u>
NET ASSETS		<u>34,774,379</u>	<u>32,729,212</u>
FUNDS			
Unrestricted funds			
General fund		20,740,441	18,577,853
Designated funds			
- Sinking fund		3,802,044	3,802,044
- Information technology fund		2,000,000	2,000,000
- SPD @ Toa Payoh fund		2,292,644	2,292,644
- Property, plant and equipment fund		1,675,936	2,334,408
Total unrestricted funds		<u>30,511,065</u>	<u>29,006,949</u>
Restricted funds			
Programme funds		4,165,376	3,607,099
Lee Boon Huat education fund		97,938	115,164
Total restricted funds		<u>4,263,314</u>	<u>3,722,263</u>
TOTAL FUNDS	5,13	<u>34,774,379</u>	<u>32,729,212</u>

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

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STATEMENT OF CASH FLOWS

For the financial year ended 31 March 2018

	<u>2018</u>	<u>2017</u>
	\$	\$
Cash flows from operating activities		
Net income for the financial year	2,045,167	3,756,731
Adjustments for:		
Depreciation of property, plant and equipment	8 1,481,012	1,327,828
Write-off of receivables	10 17,822	36,707
Impairment loss on trade receivables	10 2,051	-
(Gain)/loss on disposal of property, plant and equipment	(1,346)	7,672
Interest income	(313,982)	(251,728)
Total adjustment to statement of financial activities	<u>1,185,557</u>	<u>1,120,479</u>
Operating cash flows before changes in working capital	3,230,724	4,877,210
Adjustment for changes in working capital		
Decrease/(increase) in trade and other receivables	436,455	(1,069,077)
Decrease in inventories	61,911	754
Increase/(decrease) in trade and other payables	2,366,226	(1,381,888)
Total changes in working capital	<u>2,864,592</u>	<u>(2,450,211)</u>
Net cash flows from operating activities	<u>6,095,316</u>	<u>2,426,999</u>
Cash flows from investing activities		
Acquisition of property, plant and equipment	(1,030,977)	(1,946,584)
Proceeds from disposal of property, plant and equipment	4,931	32,857
Interest received	313,982	318,228
Net cash used in investing activities	<u>(712,064)</u>	<u>(1,595,499)</u>
Net increase in cash and cash equivalents	5,383,252	831,500
Cash and cash equivalents at the beginning of financial year	31,771,385	30,939,885
Cash and cash equivalents at the end of financial year	9 <u>37,154,637</u>	<u>31,771,385</u>

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2018

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

1 GENERAL INFORMATION

The Society is registered under the Societies Act, Chapter 311 and is domiciled in Singapore. Its Unique Entity Number (UEN) is S64SS0052D. The Society is an approved charity under the Charities Act, Cap. 37 since 28 June 1984 and approved Institution of Public Character (the "IPC") for the period from 1 January 2015 to 31 December 2017. The IPC status was renewed on 31 December 2017 and is effective for a further period of four years, expiring on 31 December 2021.

The registered address and principal place of activities of the Society is located at 2 Peng Nguan Street, SPD Ability Centre, Singapore 168955.

The principal activities of the Society, a charitable organisation, are to undertake promotion, development and provision of welfare programmes and services to people with disabilities, so as to develop their potential to the fullest.

The financial statements of the Society for the financial year ended 31 March 2018 were approved and authorised for issue in accordance with a resolution of the Board of Management as at the date of the Statement by the Board of Management.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements are prepared in accordance with Charities Accounting Standard (the "CAS") as issued by the Singapore Accounting Standards Council. The Society is also subject to the provisions of the Societies Act and Charities Act.

The financial statements are prepared on a going concern basis under the historical cost basis.

The financial statements are presented in Singapore Dollar ("SGD" or "\$") which is the Society's functional currency.

2.2 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation. All items of property, plant and equipment are initially recorded at cost.

The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Any trade discounts and rebates are deducted in arriving at purchase price. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance and overhaul costs, is normally charged to the statement of financial activities in the period in which the costs are incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property, plant and equipment beyond its originally assessed standard of performance, the expenditure is capitalised as an additional cost of property, plant and equipment.

Individual asset items which cost at least \$1,000 are capitalised when acquired.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2018

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Property, plant and equipment (Continued)

Depreciation is computed on a straight-line basis over the estimated useful life of the assets as follows:

	<u>Years</u>
Leasehold building	- 5 to 25
Assistive devices and technical aids	- 3 to 5
Computer equipment	- 3
Office equipment, furniture and fittings	- 5 to 10
Motor vehicles	- 5
Leasehold improvements	- 5
Electrical equipment	- 5
Machinery	- 10

Work in-progress and incomplete projects are not depreciated when it is not yet available for use.

The residual value, useful life and depreciation method are reviewed at each financial year-end and adjusted prospectively, if appropriate.

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

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

2.3 Inventories

Inventories comprising mainly raw materials for bookbinding and photo albums and finished goods such as photo albums and hand-made notebooks are valued at lower of cost and net realisable value. Cost is determined on an annual weighted average basis and includes freight and handling charges. Allowance is made where necessary for obsolete, slow-moving and defective inventory in arriving at the net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Donated stocks for resale are valued at net realisable value. Donated stock of gift vouchers is valued based on their face value.

2.4 Investments in financial assets

Investments in financial assets are recognised when, and only when, the Society becomes a party to the contractual provisions of the instrument.

Investments in financial assets are initially recognised at the transaction price, excluding transaction costs, if any. Transaction costs shall be recognised as expenditure immediately in the Statement of Financial Activities.

Subsequent to initial measurement, investments in financial assets are measured at cost less any accumulated impairment losses.

2.5 Cash and cash equivalents

Cash and cash equivalents include cash on hand, cash at bank balances and fixed deposits placed.

NOTES TO THE FINANCIAL STATEMENTS*For the financial year ended 31 March 2018*

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**2.6 Trade and other receivables**

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

Subsequent to initial measurement, trade and other receivables excluding prepayments are measured at cost less any accumulated impairment losses. Prepayments are measured at the amount paid less the economic resources received or consumed during the financial year.

2.7 Impairment of financial assets and trade and other receivables

At the end of each reporting period, financial assets are assessed for any objective evidence of impairment. If there is objective evidence of impairment, an impairment loss is recognised immediately in the statement of financial activities.

If, in a subsequent period, the amount of an impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss will be reversed. Any reversal however shall not exceed what the carrying amount would have been had the impairment not been recognised previously. The reversed amount shall be recognised in the statement of financial activities immediately.

2.8 Financial liabilities

Financial liabilities are recognised as soon as there is a present legal or constructive obligation to the expenditure. Liabilities arise when there is a present obligation to make a transfer of value to another party as a result of past transaction or event.

2.9 Trade and other payables

Trade and other payables excluding accruals are recognised at their transaction price excluding transaction costs, if any, at both initial recognition and at subsequent measurement. Transaction costs are recognised as expenditure in the statement of financial activities as incurred. Accruals are recognised at the best estimate of the amount payable.

2.10 Provisions for liabilities and charges

Provisions are recognised only when a present obligation (legal or constructive) exists 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. The amount of provision recognised is the best estimate of the expenditure required to settle the obligation at the reporting date. The best estimate of the expenditure required to settle the obligation is the amount that would rationally be paid to settle the obligation at the reporting date or to transfer it to a third party.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation at the reporting date. Any adjustments 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.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2018

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.11 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. Externally restricted funds may only be utilised in accordance with the purposes established by the source of such funds and are in contrast with unrestricted funds over which management retains full control to use in achieving any of its institutional purposes. An expense resulting from the operating activities of a fund that is directly attributable to the fund is charged to that fund. Common expenses if any are allocated on a reasonable basis to the funds based on a method most suitable to that common expense.

2.12 Recognition of income

Income is recognised in the statement of financial activities when the effect of a transaction or other event results in an increase in the Society's net assets.

The following factors must also be met before income is recognised:

(a) Entitlement

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

(b) Certainty

It is probable that the income will be received; and

(c) Measurement

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

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

(a) Donations

Donations are recognised when received. Such income is only deferred when the donor specifies that the grant or donation must only be used in future accounting periods or the donor has imposed conditions which must be met before the Society has unconditional entitlement.

(b) Grants

Grants are not recognised until there is reasonable assurance that the grant will be received and all conditions attached to it have been met. Grants for capital expenditures are recognised in the statement of financial activities when the Society have entitlement to the income and not deferred over the useful life of the asset.

(c) Programme and transport fees

Programme and transport fees represent income from rendering of services to people with disabilities. Such fees are recognised as income once the services are rendered.

(d) Interest income

Interest income is recognised using the effective interest method.

(e) Sale of works

Income from sale of works is recognised when the goods have been sold to the customer.

NOTES TO THE FINANCIAL STATEMENTS*For the financial year ended 31 March 2018***2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)****2.13 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.

(a) Classification**(i) Costs 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.

(ii) Charitable activities

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

(iii) Governance costs

This includes costs of governance arrangements that relate to the general running of the Society 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 Society.

(b) 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.

2.14 Employee benefits**(a) Defined contribution plan**

As required by law, the Society contributes to the employees' Central Provident Fund ("CPF") scheme in Singapore, a defined contribution pension scheme. Contributions to CPF contributions are recognised as compensation expenses in the same period as the employment that gives rise to the contribution.

(b) Employee leave entitlement

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2018

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.15 Operating leases

Leases are classified as operating leases when the lessor effectively retains substantially all the risks and benefits of ownership of the leased item. Operating lease payments are recognised as an expense in the statement of financial activities on a straight-line basis over the lease term.

The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

3 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Society'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 reporting date. However, 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. They are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

3.1 Judgements

In the process of applying the Society's accounting policies, management did not make any critical judgement, apart from those involving estimations, which has a significant effect on the amounts recognised in the financial statements.

3.2 Key sources of estimation uncertainty

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

(a) Estimated allowance for impairment of receivables

The Society assesses whether objective evidence of impairment exists for receivables that are individually significant, and collectively for receivables that are not individually significant.

Allowance for impairment of receivables is maintained at a level considered adequate to provide for potentially uncollectible receivables.

Trade and other receivables amounted to \$2,827,570 and \$3,283,898 as of 31 March 2018 and 2017, respectively. Please refer to Note 10 for the amount of impairment loss recognised during the financial year.

(b) Estimated useful lives of property, plant and equipment

Management determines the estimated useful lives and the related depreciation for its property, plant and equipment based on the period over which the property, plant and equipment are expected to provide economic benefits. Management's estimation of the useful lives of property, plant and equipment is based on collective assessment of industry practice, internal technical evaluation and experience with similar assets.

These estimations are reviewed periodically and could change significantly due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of property and equipment and intangible assets. Management will increase the depreciation where useful lives are less than what have previously been estimated.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2018

3 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)**3.2 Key sources of estimation uncertainty (Continued)****(b) Estimated useful lives of property, plant and equipment (Continued)**

A reduction in the estimated useful lives of property, plant and equipment would increase recorded expenses and decrease non-current assets. Based on management's assessment, no change in the estimated useful lives of property, plant and equipment is required as of the reporting date. The carrying value of property, plant and equipment as of 31 March 2018 and 2017 amounted to \$4,150,084 and \$4,603,704 respectively.

4 RELATED PARTY DISCLOSURES

A related party includes office bearers and key management of SPD. It includes an entity or person that directly or indirectly controls, is controlled by, or is under common or joint control with these persons. It also includes members or close members' of the family of any individual and others who have the ability to control, jointly control or significantly influence the Society.

The following are significant transactions between the Society and related parties that took place during the financial year. The effects of these transactions are reflected in the financial statements on the basis determined between the parties.

Remuneration of key management personnel

	<u>2018</u>	<u>2017</u>
	\$	\$
Salaries and bonuses	1,038,145	951,937
Contributions to CPF	<u>120,280</u>	<u>115,703</u>

The top 3 employees (including key management personnel) whose remuneration amount to over \$100,000 in the financial year are as follows:

	<u>2018</u>	<u>2017</u>
Number of employees per band:		
\$100,001 to \$200,000	2	2
\$201,000 to \$300,000	<u>1</u>	<u>1</u>

NOTES TO THE FINANCIAL STATEMENTS
 For the financial year ended 31 March 2018

5 DETAILED STATEMENT OF FINANCIAL ACTIVITIES (Continued)

	2018										2017	
	Unrestricted					Restricted					Total funds	Total funds
	Designated					Restricted						
	General fund	Property, plant and equipment fund	Sinking fund	Information technology fund	SPD @ Toa Payoh fund	Total unrestricted funds	Programme funds	Lee Boon Huat education fund	Total restricted funds	Total funds	Total funds	
EXPENDITURES												
Costs of generating funds												
<u>Costs of generating voluntary income</u>												
Communication	1,747	-	-	-	-	1,747	1,118	-	1,118	2,865	1,027	
Depreciation	3,053	16,718	-	-	-	19,771	1,954	-	1,954	21,725	25,544	
Direct fund-raising expenses (Note 21)	188,234	-	-	-	-	188,234	120,476	-	120,476	308,710	1,044,145	
Fixed assets expense off	12	-	-	-	-	12	8	-	8	20	-	
Maintenance expense	5,984	-	-	-	-	5,984	3,831	-	3,831	9,815	10,477	
Other expense	1,820	-	-	-	-	1,820	1,165	-	1,165	2,985	3,367	
Public education expense	1,479	-	-	-	-	1,479	946	-	946	2,425	531	
Rental expense	267	-	-	-	-	267	171	-	171	438	885	
Staff associated costs	2,674	-	-	-	-	2,674	1,711	-	1,711	4,385	9,965	
Staff costs (Note 19)	323,398	-	-	-	-	323,398	206,984	-	206,984	530,382	547,107	
Staff training	3,618	-	-	-	-	3,618	2,315	-	2,315	5,933	6,918	
Staff transport	2,320	-	-	-	-	2,320	1,485	-	1,485	3,805	6,193	
Support costs (Note 20)	52,107	-	-	-	-	52,107	-	-	-	52,107	47,792	
Transport assistance to clients	6,141	-	-	-	-	6,141	3,930	-	3,930	10,071	10,097	
Utilities	1,769	-	-	-	-	1,769	1,133	-	1,133	2,902	2,902	
Volunteers expenses	1,694	-	-	-	-	1,694	1,084	-	1,084	2,778	13,958	
	596,317	16,718	-	-	-	613,035	348,311	-	348,311	961,346	1,730,908	

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For the financial year ended 31 March 2018

5 DETAILED STATEMENT OF FINANCIAL ACTIVITIES (Continued)

	2018										2017	
	Unrestricted					Restricted					Total funds	Total funds
	Designated					Restricted						
	General fund	Property, plant and equipment fund	Sinking fund	Information Technology fund	SPD @ Toa Payoh fund	Total unrestricted funds	Programme funds	Lee Boon Huat education fund	Total restricted funds	Total funds	Total funds	
EXPENDITURES	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Charitable activities expenses												
Communication	250	-	-	-	-	250	41,284	-	41,284	43,407	43,407	
Depreciation	1,827	559,436	-	-	-	561,263	575,467	-	575,467	1,068,237	1,068,237	
Education assistance to clients	-	-	-	-	-	-	352,996	-	352,996	336,088	336,088	
Expenditure relating to sales of work	-	-	-	-	-	-	445,469	-	445,469	475,808	475,808	
Fixed assets expensed-off	-	-	-	-	-	-	43,844	-	43,844	158,497	158,497	
Loss on disposal of fixed assets	-	-	-	-	-	-	176	-	176	12,443	12,443	
Maintenance expense	3,399	-	-	-	-	3,399	607,272	-	607,272	602,376	602,376	
Other expense	1,599	-	-	-	-	1,599	327,942	-	327,942	358,497	358,497	
Other assistance to clients	-	-	-	-	-	-	174,834	-	174,834	239,715	239,715	
Professional fees	-	-	-	-	-	-	158,544	-	158,544	120,632	120,632	
Public education expenses	4,671	-	-	-	-	4,671	12,713	-	12,713	31,925	31,925	
Rental expense	-	-	-	-	-	-	245,143	-	245,143	214,186	214,186	
Staff associated costs	2,402	-	-	-	-	2,402	146,934	-	146,934	139,326	139,326	
Staff costs (Note 19)	339,294	-	-	-	-	339,294	16,884,435	-	16,884,435	14,737,039	14,737,039	
Staff training	1,321	-	-	-	-	1,321	163,797	-	163,797	161,428	161,428	
Staff transport	1,627	-	-	-	-	1,627	90,271	-	90,271	72,409	72,409	
Support costs (Note 20)	40,796	-	-	-	-	40,796	3,360,429	-	3,360,429	3,498,235	3,498,235	
Transport assistance to clients	4,526	-	-	-	-	4,526	992,578	-	992,578	991,967	991,967	
Utilities	1,000	-	-	-	-	1,000	147,714	-	147,714	140,571	140,571	
Volunteers expenses	-	-	-	-	-	-	2,170	-	2,170	1,409	1,409	
	402,712	559,436	-	-	-	962,148	24,774,012	-	24,774,012	23,404,195	23,404,195	

NOTES TO THE FINANCIAL STATEMENTS
 For the financial year ended 31 March 2018

5 DETAILED STATEMENT OF FINANCIAL ACTIVITIES (Continued)

	2018							2017	
	Unrestricted				Restricted			Total funds	Total funds
	Designated				Lee Boon Huat education fund	Programme funds	Total restricted funds		
	General fund	Property, plant and equipment fund	Sinking fund	Information technology fund	SPD @ Toa Payoh fund	Total unrestricted funds			
EXPENDITURES									
Governance costs									
Audit fees	22,000	-	-	-	-	22,000	-	-	21,509
Assurance fees	61,355	-	-	-	-	61,355	-	-	26,600
Communication	922	-	-	-	-	922	-	-	1,492
Depreciation	29,393	82,318	-	-	-	111,711	-	-	100,851
Fixed assets expensed-off	1,774	-	-	-	-	1,774	-	-	6,607
Gain on disposal of fixed assets	(200)	-	-	-	-	(200)	-	-	(630)
Maintenance expense	17,924	-	-	-	-	17,924	-	-	22,225
Other expense	52,330	-	-	-	-	52,330	-	-	53,402
Professional fees	-	-	-	-	-	-	-	-	158
Public education expenses	3,422	-	-	-	-	3,422	-	-	72,913
Rental expense	748	-	-	-	-	748	-	-	1,121
Staff associated costs	6,411	-	-	-	-	6,411	-	-	11,880
Staff costs (Note 19)	396,666	-	-	-	-	396,666	-	-	337,440
Staff training	3,440	-	-	-	-	3,440	-	-	3,203
Staff transport	375	-	-	-	-	375	-	-	425
Transport assistance to clients	5,389	-	-	-	-	5,389	-	-	4,617
Utilities	1,884	-	-	-	-	1,884	-	-	1,843
Volunteers expenses	2,825	-	-	-	-	2,825	-	-	659
	606,658	82,318	-	-	-	688,976	-	-	666,315
TOTAL EXPENDITURES	1,605,687	658,472	-	-	-	2,264,159	25,122,323	27,386,482	25,801,418

NOTES TO THE FINANCIAL STATEMENTS
 For the financial year ended 31 March 2018

5 DETAILED STATEMENT OF FINANCIAL ACTIVITIES (Continued)

	2018							2017
	Unrestricted				Restricted			Total funds
	Designated		SPD @ Toa Payoh fund		Lee Boon Huat education fund	Programme funds	Total restricted funds	
	General fund	Sinking fund	Information Technology fund	Property, plant and equipment fund	Total unrestricted funds			
	\$	\$	\$	\$	\$	\$	\$	\$
NET INCOME	2,162,588	(658,472)	-	-	1,504,116	541,051	-	2,045,167
								3,756,731
TRANSFERS								
Transfer from	-	-	-	-	-	-	(17,226)	(17,226)
Transfer to	-	-	-	-	-	17,226	-	17,226
Net movement in funds	-	-	-	-	-	17,226	(17,226)	-
RECONCILIATION OF FUNDS								
Total funds brought forward	18,577,853	2,334,408	3,802,044	2,000,000	2,292,644	29,006,949	3,607,099	32,729,212
Total funds carried forward	20,470,441	1,675,936	3,802,044	2,000,000	2,292,644	30,511,065	4,165,376	34,774,379
								4,263,314
								32,729,212

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6 INCOME TAX

The Society is registered as a charity organisation under the Charities Act, Chapter 37. As an approved charity, it is exempted from income tax under Section 13(1) of the Income Tax Act, Chapter 134.

7 TRANSFERS BETWEEN FUNDS

The following tables show transfers between funds during the financial year:

		<u>2018</u>	<u>2017</u>
		\$	\$
From:	To:		
Lee Boon Huat education fund	Restricted programme fund	17,226	14,318

The above transfer is to utilise Lee Boon Huat education fund.

		<u>2018</u>	<u>2017</u>
		\$	\$
From:	To:		
Unrestricted general fund	Designated sinking fund	-	3,000,000
Unrestricted general fund	Designated information technology fund	-	2,000,000

The above transfers are to set aside funds for the designated funds.

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For the financial year ended 31 March 2018

8 PROPERTY, PLANT AND EQUIPMENT

	Leasehold building	Assistive devices and technical aids	Computer equipment	Office equipment furniture and fitting	Motor vehicles	Leasehold improvements	Electrical equipment	Machinery	Work in progress	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Cost										
At 31 March 2016	14,261,478	1,716,396	1,506,556	918,275	575,293	973,189	370,161	41,205	25,764	20,388,317
Additions	-	104,347	311,434	47,137	-	1,261,238	156,526	12,743	27,395	1,920,820
Disposals	-	(167,219)	(225,408)	(100,241)	(60,000)	-	(29,982)	(19,768)	-	(602,618)
Transfers	-	-	4,950	-	-	20,814	-	-	(25,764)	-
At 31 March 2017	14,261,478	1,653,524	1,597,532	865,171	515,293	2,255,241	496,705	34,180	27,395	21,706,519
Additions	-	81,784	235,751	1,074	243,917	-	44,303	1,680	422,468	1,030,977
Disposals	-	(272,606)	(220,912)	(29,130)	(59,129)	-	(29,991)	-	-	(611,768)
Transfers	-	11,883	684	-	14,828	(46,289)	46,289	-	(27,395)	-
At 31 March 2018	14,261,478	1,474,585	1,613,055	837,115	714,909	2,208,952	557,306	35,860	422,468	22,125,728
Accumulated depreciation										
At 31 March 2016	11,571,873	1,401,913	1,268,540	700,336	366,699	796,380	224,631	32,468	-	16,362,840
Charge for the financial year	658,472	84,610	155,481	54,223	72,045	236,593	63,661	2,743	-	1,327,828
Disposals	-	(167,036)	(225,408)	(87,213)	(60,000)	-	(28,594)	(19,602)	-	(587,853)
At 31 March 2017	12,230,345	1,319,487	1,198,613	667,346	378,744	1,032,973	259,698	15,609	-	17,102,815
Charge for the financial year	658,472	118,339	204,445	50,810	95,316	272,866	78,524	2,240	-	1,481,012
Disposals	-	(272,606)	(220,912)	(29,130)	(59,129)	-	(26,406)	-	-	(608,183)
At 31 March 2018	12,888,817	1,165,220	1,182,146	689,026	414,931	1,305,839	311,816	17,849	-	17,975,644
Net carrying amount										
At 31 March 2017	2,031,133	334,037	398,919	197,825	136,549	1,222,268	237,007	18,571	27,395	4,603,704
At 31 March 2018	1,372,661	309,365	430,909	148,089	299,978	903,113	245,490	18,011	422,468	4,150,084

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9 CASH AND CASH EQUIVALENTS

	<u>2018</u>	<u>2017</u>
	\$	\$
Fixed deposits	31,824,574	26,335,398
Cash at banks	5,323,673	5,429,041
Cash on hand	6,390	6,946
	<u>37,154,637</u>	<u>31,771,388</u>

Cash at banks, denominated in SGD, earn interest rate that ranges approximately 0.05% to 0.25% (2017: 0.05% to 0.25%) per annum based on bank balances.

Fixed deposits, denominated in SGD, with maturity dates ranging from 23 April 2018 to 27 March 2019 (2017: 21 April 2017 to 16 March 2018) earn interest at rates ranging from 1.10% to 1.45% (2017: 1.00% to 1.45%) per annum.

10 TRADE AND OTHER RECEIVABLES

	<u>2018</u>	<u>2017</u>
	\$	\$
<u>Trade receivables</u>		
Outside parties	530,227	357,597
Less: Allowance for impairment	(2,051)	-
	<u>528,176</u>	<u>357,597</u>
<u>Other receivables</u>		
Grant receivables	1,994,253	1,270,119
Interest receivables – fixed deposits	184,923	161,198
Donation receivables	60,098	1,282,565
Deposits	57,819	118,422
Outside parties	1,766	71,503
Prepayments	535	22,494
	<u>2,299,394</u>	<u>2,926,301</u>
Total trade and other receivables	<u>2,827,570</u>	<u>3,283,898</u>

Movement in allowance for impairment on trade receivables is as follows:

At the beginning of financial year	-	-
Charge to statement of financial activities included in charitable activities expenses	2,051	-
At the end of financial year	<u>2,051</u>	<u>-</u>

During the financial year, the Society has written-off an amount of \$17,822 (2017: \$36,707) of its trade receivables to statement of financial activities included in charitable activities expenses under miscellaneous expenses.

11 INVENTORIES

	<u>2018</u>	<u>2017</u>
	\$	\$
<u>At cost</u>		
Gift vouchers	17,620	83,550
Raw materials	10,815	7,307
Finished goods	27,674	27,163
	<u>56,109</u>	<u>118,020</u>

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11 INVENTORIES (Continued)

Total amount of inventories recognised as expenditure during the financial year amounted to \$445,469 (2017: \$475,793).

12 TRADE AND OTHER PAYABLES

	<u>2018</u>	<u>2017</u>
	\$	\$
<u>Trade payables</u>		
Outside parties	393,125	530,058
<u>Other payables</u>		
Deferred grant		
– Community Silver Trust	3,900,712	2,784,061
– Care and Share	1,576,899	404,277
Accruals	2,890,677	2,799,085
Donation received in advance	366,422	112,667
Refundable deposits	117,755	88,194
Early intervention conference funds	74,653	-
Deferred income	10,268	287,520
Outside parties	83,510	41,933
	<u>9,020,896</u>	<u>6,517,737</u>
Total trade and other payables	<u>9,414,021</u>	<u>7,047,795</u>

13 FUNDS

The funds of the Society comprise unrestricted funds and restricted funds which are described in details below:

Unrestricted funds

(a) General fund

This fund is expendable at the discretion of the Society's Board of Management in furtherance of the Society's objects.

(b) Designated fund

Designated fund is part of unrestricted fund earmarked for a particular project that is approved by the governing Board of Management. The designation is for administrative purpose only and does not restrict the Board of Management's discretion to apply the fund. As at the reporting date, the designated funds of the Society are as follows:

(i) Sinking fund

The sinking fund is for the purpose of meeting cost of major repairs and replacements.

(ii) Information technology fund

This fund is for developing Information Technology infrastructure and systems to improve productivity and efficiency as well as to enhance client care.

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13 FUNDS (Continued)

Unrestricted funds (Continued)

(b) Designated fund (Continued)

(iii) Property, plant and equipment fund

This fund represents the carrying value of property, plant and equipment purchased using grants and donations specifically provided for the purchase of the asset. The costs of such assets once acquired are transferred from the property, plant and equipment restricted fund to the property, plant and equipment designated fund. This fund is then reduced annually by charging the depreciation expense of the asset acquired.

(iv) SPD@Toa Payoh fund

On 1 April 2014, the Society took over the operations of TP Healthcare Limited ("TPHL"), a rehabilitation centre in Toa Payoh, to achieve synergy and economies of scale. The centre, SPD@Toa Payoh, became the Society's third satellite centre. A designated fund of \$2,292,644 for use by SPD@Toa Payoh was set up. This arises from TPHL's transfer to the Society its property, plant and equipment at net book value, cash and receivables. No other assets and liabilities were transferred to the Society and no consideration was paid by the Society.

Restricted funds

Restricted funds are funds subject to specific restrictions which may be declared by the donor(s) with their authority or created through legal process, but still within the wider objects of the Society. The funds can be used for future operating deficits of the programmes.

As at reporting date, the Society has the following restricted funds:

(a) Programme funds

The Society runs various programmes to assist people with disabilities to develop their potential to the fullest. The grants and donations received specifically for the purpose of funding these programmes are classified under programme funds. Details of some of the main programmes carried out by the Society are described below:

- (i) The Day Activity Centre ("DAC") provides day care for people with physical and multiple disabilities. The primary aim is to nurture self-help skills through a balanced and structured programme on social and recreational activities of daily living. At the same time, the programme helps provide caregivers and family members with respite and gives them the opportunity to continue working without having to worry about the care of their charges.
- (ii) The Learning Support and Development Support Programme ("LSDS") is an initiative by Ministry of Social and Family Development ("MSF") to provide on-site intervention and learning support to pre-schoolers with mild developmental needs in mainstream kindergartens and childcare centres.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2018

13 FUNDS (Continued)

Restricted funds (Continued)

(a) Programme funds (Continued)

- (iii) The Early Intervention Programme for Infants and Children (“EIPIC”) is a centre-based programme for children with developmental needs. It provides educational and therapy services for children 6 years and below diagnosed with special needs that affect their development.

The Society was appointed by the MSF and the National Council of Social Service (“NCSS”) to set up four EIPIC centres, as follows:

- Building Bridges EIPIC Centre at SPD Ability Centre which started in September 2011 for children who lives in the Central area;
- Building Bridges EIPIC Centre at SPD@Jurong which started in June 2012 for children who lives in the West area; and
- Building Bridges EIPIC Centre at SPD@Bedok and SPD@Tampines which started in August 2016 for children who lives in the East area.

- (iv) The Sheltered Workshop (“SW”) provides employment and vocational training for people with disabilities. The trainees are engaged in sub-contract work such as packaging, letter-shopping and tagging of products, as well as administrative tasks such as data entry and digital scanning. The projects and contract work secured from various organisations provide a real work environment for the trainees, thus improving their future employment prospects. The ultimate aim is to graduate these trainees to the open employment.

The craftsmen at the SW, who possess skills honed over 20 years, provide services in bookbinding, book restoration and fabrication of lifestyle products such as notebooks, photo frames and photo albums. Education institutions, commercial organisations and private individuals are among their satisfied customers.

The SW aims to give people with disabilities:

- Community integration and participation
- Increased self-esteem and self-worth
- Pre-employment preparation and training

- (v) The SPD Therapy Hub was piloted and developed jointly between the Society and NCSS in January 2005, with the support from MSF to meet the growing need for step-down care in Singapore.

The SPD Therapy Hub is a provider of rehabilitation services including physiotherapy, occupational therapy and speech therapy for Voluntary Welfare Organisations (“VWOs”) serving children with special needs, the elderly and people with disabilities. It recruits, supervises and manages a pool of qualified therapists to provide these services to the clients/residents at day rehabilitation centres, day care centres, dementia day care centres, nursing homes, disability homes, community hospitals, special schools and early intervention centres. The therapists are assigned on a contractual basis to VWOs interested in engaging quality rehabilitation services for their clients/residents.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2018

13 FUNDS (Continued)Restricted funds (Continued)

(a) Programme funds (Continued)

(vi) The Transition to Employment (the “TTE”) programme is a community-based return-to-work programme with the objectives to provide a multi-disciplinary and client-centred approach to re-integrate those below 60 years old with acquired physical disabilities back to sustainable mainstream workforce. Clients will receive intervention support such as active rehabilitation, work hardening training as well as employment placement and support.

(vii) The aims of the Specialised Assistive Technology Centre (“Specialised ATC”) are:

- to enable and empower individuals with disabilities through the use of Assistive Technology (“AT”);
- advocate AT use especially in areas of education; and
- employment and encourage innovation and development of AT devices.

The Centre was established in August 2001 and was later appointed by NCSS as the Specialised ATC in January 2005. It was appointed as the Centre of Specialisation for AT in August 2009 and re-appointed in March 2012. With this appointment, the Specialised ATC was recognised as an AT expert that would conduct practice-related training to build capability in AT and provide advice, consultations and coaching sessions to serve people with different disabilities. The AT team now operates from Tech Able at the Enabling Village.

(viii) I.M. Powered equips students with disabilities in mainstream schools with the knowledge and techniques to bounce back and even thrive in the face of extreme difficulty. This is a two-year pilot project initiated by NCSS in partnership with the Society.

(ix) The Specialised Case Management Programme (“SCMP”) is a nation-wide pilot programme started in October 2006 to support persons of all age groups with disabilities and their caregivers, to empower them to lead more fulfilling and enriching lives. Through the Society’s social workers and case management officers, the SCMP provides the following services:

- Co-ordinating and acquiring resources to support persons with disabilities and their caregivers;
- Counselling;
- Consultancy on disability information and issues;
- Group/peer support;
- Vocational/motivational counselling and coaching;
- Psycho-educational workshops to provide information on health issues and knowledge of self-care;
- Caregiver support and training; and/or
- Wellness programmes for persons with disabilities and their caregivers to enhance their physical health and psychological functioning.

(x) The Continuing Therapy Programme (“CTP”) offers speech and occupational therapy services to children 18 years and below. CTP not only complements the therapy services that the child receives in his special school, it also supports those who attend mainstream schools and require therapy services to improve in their functional and academic performances.

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NOTES TO THE FINANCIAL STATEMENTS

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13 FUNDS (Continued)Restricted funds (Continued)

(a) Programme funds (Continued)

- (xi) SPD's Rehabilitation Centre ("DRC") at SPD Ability Centre and SPD@Toa Payoh provide physiotherapy and occupational therapy to adults who are diagnosed with neurological, orthopaedic, medical, surgical conditions and/or congenital disabilities.
- (xii) Employment Support Programme provides job placement and support services for people with physical disabilities and sensory impairments, helping them to secure open employment and ensuring that they are able to adapt and cope with the job and working environment

(b) SPD Education Programme

The SPD Education Programme aims to level the playing field for students with disabilities. The Programme adopts a holistic approach in assisting them in their physical, intellectual and psychosocial development that would help maximise their potential. The components under the SPD Education Programme include bursary award, SPD Youth Aspiration Award, learning and development opportunities and case management services.

Lee Boon Huat education fund

Under this education programme is Lee Boon Huat education fund which aims to provide education assistance to students with disabilities from low-income households or deserving students with disabilities or students whose parent(s) has (have) disabilities.

14 RESTRICTED PROGRAMME FUND BALANCES FOR MSF AND NCSS FUNDED PROGRAMMES

Included in restricted programme funds are programmes funded by MSF and NCSS. The following table shows the fund balances of each programme as at 31 March 2018 and 2017. These programmes are restricted for the benefit of the intended clients. In keeping with MSF and NCSS's intent for the use of monies, the fund balances are not transferrable to any other programmes for other purposes.

	<u>2018</u>	<u>2017</u>
	\$	\$
Assistive Technology Centre	(1,130,966)	(773,692)
Continuing Therapy	(183,099)	(257,421)
Day Activity Centre	978,609	324,256
LSDS (Jurong East & Tampines)	(510,053)	(410,754)
EIPIC (Jurong East)	323,693	(424,240)
EIPIC (Tiong Bahru)	739,828	701,639
EIPIC (Tampines)	(85,283)	210,497
EIPIC (Bedok)	(225,829)	(274,005)
Employment Support Programme	87,211	189,862
Sheltered Workshop	(220,518)	(275,471)
I.M. Powered	50,275	66,892
SPD Therapy Hub	2,057,282	1,998,092
Specialised Case Management Programme	<u>(1,019,990)</u>	<u>(627,837)</u>

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15 DONATIONS FROM PRESIDENT'S CHALLENGE

The Society received \$280,036 funds from President's Challenge during the financial year. Out of which, \$75,500 funds were utilised to provide Microsoft YouthSpark scholarship.

16 TAX DEDUCTIBLE RECEIPTS

The Society enjoys a concessionary tax treatment whereby qualifying donors are granted enhanced tax deduction for the donations made to the Society. The tax deduction is 2.5 times effective 1 January 2016 until 31 December 2018. During the financial year, the Society issued tax deductible receipts for donations received amounting to \$4,047,153 (2017: \$3,848,768).

17 GRANTS AND FUNDING

Grants and funding include the following government and non-government funding:

	2018				2017
	Restricted Programme Fund		Unrestricted Fund		Total
	Voluntary income	Income from charitable activities	Voluntary income	Total	
\$	\$	\$	\$	\$	
MSF Fund	310,540	9,985,650	-	10,296,190	9,150,200
NCSS ComChest Fund	-	1,431,067	-	1,431,067	1,405,671
VCF Fund	8,274	49,202	-	57,476	86,313
Tote Board Fund	-	562,080	-	562,080	630,710
MOH Fund	-	1,500,322	-	1,500,322	1,512,835
IMDA Fund	-	7,650	-	7,650	(3,597) [#]
Senior Mobility Fund	-	520,144	-	520,144	508,473
SG Enable Fund	-	1,326,765	-	1,326,765	1,866,622
Community S.E.T. Fund	-	1,925,936	-	1,925,936	1,572,762
Care and Share Fund	-	12,378	-	12,378	413,492
Community Silver Trust Fund	-	1,682,964	-	1,682,964	1,552,337
Special Employment Credit	-	-	466,715	466,715	554,507
Other funds	10,897	20,501	-	31,398	112,108
	<u>329,711</u>	<u>19,024,659</u>	<u>466,715</u>	<u>19,821,085</u>	<u>19,362,433</u>

[#] Pertains to adjustment of receivables for IMDA Fund.

18 COMMUNITY SILVER TRUST ("CST") FUND

The objective of the CST Fund is to encourage donations and provide additional resources for the Intermediate and Long-Term Care sector to enhance their capabilities, provide value-added services to achieve higher quality care, and to enhance the affordability of step-down care for service users and patients.

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18 COMMUNITY SILVER TRUST (“CST”) FUND (Continued)

A breakdown of the eligible donations received during the financial year is presented below:

	<u>2018</u>	<u>2017</u>
	\$	\$
Day Activity Centre	900	19,281
DRC (Tiong Bahru)	800,000	600,000
DRC (Toa Payoh)	74,953	10,568
Sheltered Workshop	1,095	2,602
Transition To Employment	30,000	-
	<u>906,948</u>	<u>632,451</u>

19 STAFF COSTS

	<u>2018</u>	<u>2017</u>
	\$	\$
Salaries, allowances and bonuses	18,426,831	16,008,874
CPF contributions	2,539,077	2,115,120
Other short-term benefits	372,226	425,711
	<u>21,338,134</u>	<u>18,549,705</u>

20 SUPPORT COSTS

Support costs have been allocated as follows:

	Costs of generating voluntary income	Charitable activities expenses	Governance costs	Total	Basis of apportionment
	\$	\$	\$	\$	
Communications	-	399,858	73,647	473,505	Total Expenditure
Capability					
Development	9,991	484,181	65,326	559,498	Headcount
Administration & Facilities	14,159	446,672	69,720	530,551	Floor Area
Finance	-	715,666	131,813	847,479	Total Expenditure
Human					
Resources	14,611	708,052	95,531	818,194	Headcount
Information					
Technology	13,346	646,796	87,266	747,408	Headcount
	<u>52,107</u>	<u>3,401,225</u>	<u>523,303</u>	<u>3,976,635</u>	

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20 SUPPORT COSTS (Continued)

Included in the support costs of costs of generating voluntary income, charitable activities expenses and governance costs are the following expenses:

	Costs of generating voluntary income	Charitable activities expenses	Governance costs	Total
	\$	\$	\$	\$
Depreciation	4,541	206,305	29,393	240,239
Maintenance - land and building	2,534	125,304	17,828	145,666
Staff associated costs	813	44,344	6,407	51,564
Staff costs	<u>40,318</u>	<u>2,581,774</u>	<u>396,041</u>	<u>3,018,133</u>

21 FUND-RAISING APPEALS

	<u>2018</u>	<u>2017</u>
	\$	\$
Gross donations, representing total receipts from fund-raising (Note 5)	4,886,223	6,287,624
Direct fund-raising expenses (Note 5)	308,710	1,044,145
Percentage of direct fund-raising expenses to total receipts	6%	17%

22 OPERATING LEASE COMMITMENTS

The Society has entered into operating lease for the use of the photocopier machine and service centres. The leases have an average term of 2 to 5 years with a renewal option included in the contracts at a rental rate to be agreed between the parties.

Rental expenses for photocopier machine and service centres recognised in the statement of financial activities amounted to \$251,424 (2017: \$223,691).

The future aggregate minimum lease payments payable under non-cancellable operating leases as of 31 March are as follows:

	<u>2018</u>	<u>2017</u>
	\$	\$
Within one financial year	74,041	76,787
Within two to five financial years	86,780	140,304
	<u>160,821</u>	<u>217,091</u>

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23 LOANS

During the financial year, there was no loan made to any employees, member of the Board of Management, related parties or outside parties.

24 SPONSORSHIP TO OTHER CHARITIES

The Society did not receive / provide any sponsorship from / to other charities during the financial year.