

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 2017

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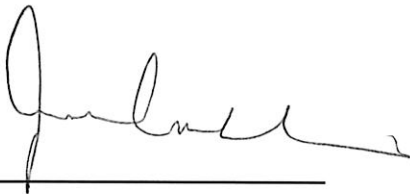
(Registered under the Societies Act, Chapter 311 and Charities Act, Chapter 37, Singapore)

STATEMENT BY THE BOARD OF MANAGEMENT

For the financial year ended 31 March 2017

In the opinion of the Board of Management, the accompanying financial statements are properly drawn up so as to give a true and fair view of the state of affairs of SPD (the Society) as at 31 March 2017 and the results of its financial activities and cash flows of the Society for the financial year ended on that date.

On behalf of the Board of Management



CHIA YONG YONG
President



CHOW SIEW YING
Honorary Treasurer

Date: 26 JUL 2017



INDEPENDENT AUDITOR'S REPORT
TO THE BOARD OF MANAGEMENT OF SPD

Report on 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 2017, the statement of financial activities and statement of cash flows of the Society for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Societies Act, Chapter 311 (the Societies Act), the Singapore Charities Act, Chapter 37 and other relevant regulations (the Charities Act and Regulations) and Charities Accounting Standards (CAS) so as to present fairly, in all material respects, the state of affairs of the Society as at 31 March 2017 and the results, changes in funds 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.

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 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 Society' 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' 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 skepticism 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' 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' 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 use of donation money was not in accordance with the objectives of the Society as required under regulation 11 of the Charities (Institutions of a Public Character) Regulations;
- (b) the fundraising appeals conducted by the Society during the financial year ended 31 March 2017 have not been carried out in accordance with Regulations 6 of the Society Regulations issued under the Act and proper accounts and other records have not been kept of the fundraising appeals; and
- (c) the Society have 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: 26 JUL 2017

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

SPD

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

STATEMENT OF FINANCIAL ACTIVITIES

For the financial year ended 31 March 2017

	Notes	2017			2016
		Unrestricted Fund \$	Restricted Funds \$	Total \$	Total \$
INCOME					
Income from generated funds					
Voluntary income	4	5,290,761	3,017,609	8,308,370	6,432,001
Investment income	4	226,736	24,992	251,728	178,250
Income from Charitable Activities					
Other Income	4	4,452	20,954,164	20,958,616	16,181,944
	4	39,435	-	39,435	2,972
TOTAL INCOME		5,561,384	23,996,765	29,558,149	22,795,167
EXPENDITURES					
Cost of generating funds					
Cost of generating voluntary income	4	1,319,764	411,144	1,730,908	709,464
Charitable activities	4	992,781	22,411,399	23,404,180	19,178,443
Governance costs	4	639,730	26,600	666,330	545,661
TOTAL EXPENDITURES		2,952,275	22,849,143	25,801,418	20,433,568
NET INCOME		2,609,109	1,147,622	3,756,731	2,361,599
TRANSFERS					
Transfer from	18	(5,000,000)	(14,318)	(5,014,318)	(773,353)
Transfer to	10,18	5,000,000	14,318	5,014,318	801,016
NET MOVEMENT IN FUNDS		-	-	-	27,663
RECONCILIATION OF FUNDS					
TOTAL FUNDS BROUGHT FORWARD		26,397,840	2,574,641	28,972,481	26,583,219
TOTAL FUNDS CARRIED FORWARD		29,006,949	3,722,263	32,729,212	28,972,481

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

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BALANCE SHEET

As at 31 March 2017

	Note	<u>2017</u> \$	<u>2016</u> \$
ASSETS			
Non-current assets			
Property, plant and equipment	5	4,603,704	4,025,477
Total non-current assets		<u>4,603,704</u>	<u>4,025,477</u>
Current assets			
Cash and cash equivalents	6	31,771,385	30,939,885
Trade and other receivables	7	3,283,898	2,318,028
Inventories	8	118,020	118,774
Total current assets		<u>35,173,303</u>	<u>33,376,687</u>
TOTAL ASSETS		<u>39,777,007</u>	<u>37,402,164</u>
LIABILITIES			
Current liabilities			
Trade and other payables	9	7,047,795	8,429,683
Total current liabilities		<u>7,047,795</u>	<u>8,429,683</u>
TOTAL LIABILITIES		<u>7,047,795</u>	<u>8,429,683</u>
NET ASSETS		<u>32,729,212</u>	<u>28,972,481</u>
FUNDS			
Unrestricted Funds			
- General fund		18,577,853	20,310,272
- Designated Sinking fund		3,802,044	802,044
- Designated Information Technology Fund		2,000,000	-
- Designated SPD @ Toa Payoh fund		2,292,644	2,292,644
- Designated property, plant and equipment fund		2,334,408	2,992,880
Total Unrestricted Funds		<u>29,006,949</u>	<u>26,397,840</u>
Restricted Funds			
- Lee Boon Huat Education fund		115,164	129,482
- Programme funds		3,607,099	2,445,159
Total Restricted Funds		<u>3,722,263</u>	<u>2,574,641</u>
TOTAL FUNDS	4, 10	<u>32,729,212</u>	<u>28,972,481</u>

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

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STATEMENT OF CASH FLOWS

For the financial year ended 31 March 2017

	<u>2017</u>	<u>2016</u>
	\$	\$
Cash flows from operating activities		
Net income for the financial year	3,756,731	2,361,599
Adjustments for:		
Depreciation of property, plant and equipment	1,327,828	1,167,267
Loss on disposal of equipment	7,672	2,856
Interest income	(251,728)	(178,250)
Total adjustment to statement of financial activities	<u>1,083,772</u>	<u>991,873</u>
Operating cash flows before changes in working capital	4,840,503	3,353,472
Adjustment for changes in working capital		
(Increase) Decrease in trade and other receivables	(1,032,370)	5,801,372
Decrease (Increase) in inventories	754	(13,914)
Decrease in trade and other payables	(1,381,888)	(1,357,651)
Total changes in working capital	<u>(2,413,504)</u>	<u>4,429,807</u>
Net cash flows from operating activities	<u>2,426,999</u>	<u>7,783,279</u>
Cash flows from investing activities		
Acquisition of property, plant and equipment	(1,946,584)	(501,609)
Proceed from disposal of property, plant and equipment	32,857	750
Interest received	318,228	103,453
Net cash used in investing activities	<u>(1,595,499)</u>	<u>(397,406)</u>
Net increase in cash and cash equivalents	831,500	7,385,873
Cash and cash equivalents at beginning of financial year	30,939,885	23,554,012
Cash and cash equivalents at end of financial year	6 <u>31,771,385</u>	<u>30,939,885</u>

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

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2017

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 the Republic of 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 for the period from 1 January 2015 to 31 December 2017.

The registered address of the Society is 2 Peng Nguan Street, SPD Ability Centre, Singapore 168955.

The principal activities of the Society are the 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 2017 were approved and authorised for issue in accordance with a resolution of the Board of Management as at the date of statement by the Board of Management.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES**2.1 Basis of preparation**

The financial statements are prepared in accordance with Charities Accounting Standard (CAS) and the disclosure requirements of the Charities Act (Chapter 37).

The financial statements are prepared under the historical cost basis, except as disclosed in the accounting policies below.

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.

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

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2017

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES (Continued)

2.2 Property, plant and equipment (Continued)

	<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 Financial assets

Financial assets are recognised on the balance sheet when, and only when, the Society becomes a party to the contractual provisions of the financial instrument.

Investments in financial assets are initially recognised at the transaction price excluding transaction costs, if any, which 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.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2017

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES (Continued)

2.4 Financial assets (Continued)

The Society classifies its financial assets into the following categories:

(a) 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.

(b) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cast at bank balances and fixed deposit placed.

2.5 Impairment of financial assets

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.

2.6 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.

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.

2.7 Provisions

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.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2017

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES (Continued)

2.8 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.

2.9 Income recognition

Income is recognised in the statement of financial activities when the effect of a transaction or other event results in an increase in the 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. Income recognition is only deferred when the donor specifies that the donations can only be used in future accounting periods or the donor has imposed certain conditions that 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*

Interest income is recognised as the interest accrues based on the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2017

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES (Continued)

2.9 Income recognition (Continued)

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

(e) Sales of works

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

2.10 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.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2017

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES (Continued)

2.11 Employee benefits

(a) *Defined contribution plan*

As required by law, the Society contributes to the employees' Central Provident Fund (CPF) accounts monthly. 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.

2.12 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.

2.13 Related party

Related party includes all of the following:

(a) A person or a close member of that person's family is related to the Society if that person:

- (i) has control or joint control over the Society;
- (ii) has significant influence over the Society; or
- (iii) is a governing board member, trustee or member of the key management personnel of the Society or of a parent of the Society.

(b) An entity is related to the Society if any of the following conditions applies:

- (i) the entity and the Society are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
- (ii) the entity is an associate or joint venture of the Society (or an associate or joint venture of a member of a group of which the Society is a member) and vice versa;
- (iii) the entity and the Society are joint ventures of the same third party;
- (iv) the entity is a joint venture of a third entity and the Society is an associate of the third entity and vice versa;
- (v) the entity is controlled or jointly controlled by a person identified in (a); and
- (vi) a person identified in (a)(i) has significant influence over the entity or is a governing board member, trustee or member of the key management personnel of the entity (or of a parent of the entity).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2017

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES (Continued)

2.14 Significant accounting judgments and estimates

The preparation of the Society's financial statements requires management to make judgments, 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.

Judgments

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.

Estimates and Assumptions

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 \$3,283,898 and \$2,318,028 as of 31 March 2017 and 2016, respectively. Based on management's assessment, no allowance for debt impairment is required in 2017 and 2016, respectively.

(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.

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 2017 and 2016 amounted to \$ \$4,603,704 and \$4,025,477 respectively.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2017

3 RELATED PARTY DISCLOSURES

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>2017</u>	<u>2016</u>
	\$	\$
Salaries and bonuses	951,937	844,216
Employer's CPF contribution	<u>115,703</u>	<u>82,183</u>

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

	<u>2017</u>	<u>2016</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 2017

4 DETAILED STATEMENT OF FINANCIAL ACTIVITIES

	2017						2016			
	Unrestricted			Restricted						
	General Fund	Designated-Property, Plant & Equipment Fund	Designated-Sinking Fund	Designated-Information Technology Fund	Designated-SPD@Toa Payoh Fund	Total Unrestricted Funds	Programme Funds	Lee Boon Huat Education Fund	Total Restricted Funds	Total Funds
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
INCOME										
Income from Generated Funds										
Voluntary income										
Donations (Note 19)										
Grants and funding (Note 11)	4,736,254	-	-	-	-	4,736,254	1,551,420	-	1,551,420	4,394,742
	554,507	-	-	-	-	554,507	1,466,189	-	1,466,189	2,037,259
	5,290,761	-	-	-	-	5,290,761	3,017,609	-	3,017,609	6,432,001
Investment income										
Fixed deposit interest	226,736	-	-	-	-	226,736	24,992	-	24,992	178,250
	226,736	-	-	-	-	226,736	24,992	-	24,992	178,250
Income from Charitable Activities										
Grants and funding (Note 11)	-	-	-	-	-	-	17,341,737	-	17,341,737	13,311,047
Programme fees	-	-	-	-	-	-	3,019,628	-	3,019,628	2,238,348
Sales of works	4,452	-	-	-	-	4,452	400,892	-	400,892	437,330
Transport fees	-	-	-	-	-	-	191,907	-	191,907	195,219
	4,452	-	-	-	-	4,452	20,954,164	-	20,954,164	16,181,944
Other Income										
Miscellaneous income	39,435	-	-	-	-	39,435	-	-	-	2,972
	39,435	-	-	-	-	39,435	-	-	-	2,972
TOTAL INCOME	5,561,384	-	-	-	-	5,561,384	23,996,765	-	23,996,765	22,795,167

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4 DETAILED STATEMENT OF FINANCIAL ACTIVITIES

	2017										2016	
	Unrestricted					Restricted					Total Funds	Total Funds
	General Fund	Designated-Property, Plant & Equipment Fund	Designated - Sinking Fund	Designated Information Technology Fund	Designated SPD@Toa Payoh Fund	Total Unrestricted Funds	Programme Funds	Lee Boon Huat Education Fund	Total Restricted Funds	Total Funds		
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
EXPENDITURE												
Cost of generating funds												
Cost of generating voluntary income	773	-	-	-	-	773	253	-	253	-	1,026	2,748
Communication	6,583	16,805	-	-	-	23,388	2,156	-	2,156	-	25,544	35,926
Depreciation												
Direct fundraising expenses	786,513	-	-	-	-	786,513	257,632	-	257,632	-	1,044,145	97,089
Fixed assets expense off	-	-	-	-	-	-	-	-	-	-	-	170
Insurance	473	-	-	-	-	473	155	-	155	-	628	284
Maintenance - land and bldg	7,749	-	-	-	-	7,749	2,538	-	2,538	-	10,287	7,362
Maintenance - vehicle	143	-	-	-	-	143	47	-	47	-	190	31
Miscellaneous expense	14	-	-	-	-	14	5	-	5	-	19	108
Public Education expense	400	-	-	-	-	400	131	-	131	-	531	-
Recruitment expenses	-	-	-	-	-	-	-	-	-	-	-	2,038
Rental of office equipment	667	-	-	-	-	667	218	-	218	-	885	1,194
Staff associated costs	7,506	-	-	-	-	7,506	2,459	-	2,459	-	9,965	5,231
Staff costs (Note 14)	412,114	-	-	-	-	412,114	134,993	-	134,993	-	547,107	474,106
Staff training	5,211	-	-	-	-	5,211	1,707	-	1,707	-	6,918	6,815
Staff transport	4,665	-	-	-	-	4,665	1,528	-	1,528	-	6,193	6,810
Support cost (Note 12)	47,792	-	-	-	-	47,792	-	-	-	-	47,792	35,712
Supplies and materials	2,050	-	-	-	-	2,050	671	-	671	-	2,721	5,013
Transport assistance to clients	7,606	-	-	-	-	7,606	2,491	-	2,491	-	10,097	4,086

NOTES TO THE FINANCIAL STATEMENTS
 For the financial year ended 31 March 2017

4 DETAILED STATEMENT OF FINANCIAL ACTIVITIES (Continued)

	2017										2016
	Unrestricted					Restricted					
	General Fund	Designated-Property, Plant & Equipment Fund	Designated -Sinking Fund	Designated Information Technology Fund	Designated SPD@Toa Payoh Fund	Total Unrestricted Funds	Programme Funds	Lee Boon Huat Education Fund	Total Restricted Funds	Total Funds	Total Funds
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
EXPENDITURE											
Cost of generating funds											
(Continued)											
Cost of generating voluntary income											
(Continued)											
Utilities	2,186	-	-	-	-	2,186	716	-	716	2,902	2,856
Volunteers expenses	10,514	-	-	-	-	10,514	3,444	-	3,444	13,958	21,885
	1,302,959	16,805	-	-	-	1,319,764	411,144	-	411,144	1,730,908	709,464
Charitable Activities											
Bank charges	-	-	-	-	-	-	122	-	122	122	80
Communication	795	-	-	-	-	795	42,612	-	42,612	43,407	36,892
Depreciation	991	558,929	-	-	-	559,920	508,317	-	508,317	1,068,237	937,181
Education assistance to clients	-	-	-	-	-	-	336,088	-	336,088	336,088	307,344
Expenditure relating to sales of work	6,946	-	-	-	-	6,946	468,847	-	468,847	475,793	538,476
Fixed assets expense off	-	-	-	-	-	-	158,497	-	158,497	158,497	30,210
Insurance	249	-	-	-	-	249	62,080	-	62,080	62,329	67,410
Loss on disposal of property, plant and equipment	-	-	-	-	-	-	12,443	-	12,443	12,443	2,856
Maintenance - land and building	5,518	-	-	-	-	5,518	583,529	-	583,529	589,047	487,401
Maintenance - vehicle	83	-	-	-	-	83	13,246	-	13,246	13,329	12,540
Miscellaneous expense	-	-	-	-	-	-	13,139	-	13,139	13,139	982
Other assistance to clients	-	-	-	-	-	-	239,715	-	239,715	239,715	266,664

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4 DETAILED STATEMENT OF FINANCIAL ACTIVITIES (Continued)

	2017										2016	
	Unrestricted					Restricted					Total Funds	Total Funds
	General Fund	Designated-Property, Plant & Equipment	Designated - Sinking Fund	Designated Information Technology Fund	Designated SPD@Toa Payoh Fund	Total Unrestricted Funds	Programme Funds	Lee Boon Huat Education Fund	Total Restricted Funds			
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
EXPENDITURE												
(Continued)												
Charitable activities												
(Continued)												
Professional fees	320	-	-	-	-	320	120,312	-	120,312	-	120,632	150,075
Public education expenses	8,241	-	-	-	-	8,241	23,684	-	23,684	-	31,925	28,017
Recruitment expenses	-	-	-	-	-	-	14,880	-	14,880	-	14,880	4,900
Rental of office equipment	175	-	-	-	-	175	20,370	-	20,370	-	20,545	16,912
Rental of premises	1,295	-	-	-	-	1,295	192,346	-	192,346	-	193,641	127,784
Staff associated costs	2,032	-	-	-	-	2,032	137,295	-	137,295	-	139,327	132,232
Staff costs (Note 14)	338,228	-	-	-	-	338,228	14,398,811	-	14,398,811	-	14,737,039	12,100,134
Staff training	-	-	-	-	-	-	161,428	-	161,428	-	161,428	76,879
Staff transport	1,203	-	-	-	-	1,203	71,206	-	71,206	-	72,409	87,020
Subscriptions	-	-	-	-	-	-	13,017	-	13,017	-	13,017	17,182
Sundry	-	-	-	-	-	-	45,619	-	45,619	-	45,619	12,679
Support costs (Note 12)	56,731	-	-	-	-	56,731	3,441,504	-	3,441,504	-	3,498,235	2,385,582
Supplies and materials	5,513	-	-	-	-	5,513	203,877	-	203,877	-	209,390	142,961
Transport assistance to clients	3,990	-	-	-	-	3,990	987,977	-	987,977	-	991,967	1,052,126
Utilities	1,527	-	-	-	-	1,527	139,044	-	139,044	-	140,571	154,042
Volunteers expenses	15	-	-	-	-	15	1,394	-	1,394	-	1,409	1,882
	433,852	558,929	-	-	-	992,781	22,411,399	-	22,411,399	-	23,404,180	19,178,443
Governance cost												
Audit Fees	21,509	-	-	-	-	21,509	-	-	-	-	21,509	17,500
Assurance Fees	-	-	-	-	-	-	26,600	-	26,600	-	26,600	54,350
Bank charges	388	-	-	-	-	388	-	-	-	-	388	397
Communication	1,492	-	-	-	-	1,492	-	-	-	-	1,492	1,046

NOTES TO THE FINANCIAL STATEMENTS
 For the financial year ended 31 March 2017

4 DETAILED STATEMENT OF FINANCIAL ACTIVITIES (Continued)

	2017										2016	
	Unrestricted					Restricted					Total Funds	Total Funds
	General Fund	Designated-Plant & Equipment Fund	Designated-Sinking Fund	Designated-Information Technology Fund	Designated-SPD@Toa Payoh Fund	Total Unrestricted Funds	Programme Funds	Lee Boon Huat Education Fund	Total Restricted Funds	Total Funds		
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
EXPENDITURE	18,113	82,738	-	-	-	100,851	-	-	-	100,851	-	84,724
(Continued)												
Governance cost												
(Continued)												
Depreciation												
Expenditure relating to	15	-	-	-	-	15	-	-	-	15	-	15
sales of work												
Fixed assets expense off	6,607	-	-	-	-	6,607	-	-	-	6,607	-	1,047
Insurance	898	-	-	-	-	898	-	-	-	898	-	127
Maintenance - land and building	22,129	-	-	-	-	22,129	-	-	-	22,129	-	14,572
Maintenance - vehicle	96	-	-	-	-	96	-	-	-	96	-	19
Miscellaneous expense	414	-	-	-	-	414	-	-	-	414	-	4
Professional fees	158	-	-	-	-	158	-	-	-	158	-	2,966
Public education expenses	72,913	-	-	-	-	72,913	-	-	-	72,913	-	1,751
Recruitment expenses	6,344	-	-	-	-	6,344	-	-	-	6,344	-	1,659
Rental of office equipment	1,121	-	-	-	-	1,121	-	-	-	1,121	-	595
Staff associated costs	11,880	-	-	-	-	11,880	-	-	-	11,880	-	8,819
Staff costs (Note 14)	337,440	-	-	-	-	337,440	-	-	-	337,440	-	317,379
Staff training	3,203	-	-	-	-	3,203	-	-	-	3,203	-	2,213
Staff transport	425	-	-	-	-	425	-	-	-	425	-	387
Subscriptions	357	-	-	-	-	357	-	-	-	357	-	157
Sundry	41,918	-	-	-	-	41,918	-	-	-	41,918	-	28,470
Supplies and materials	2,453	-	-	-	-	2,453	-	-	-	2,453	-	2,878
Transport assistance to clients	4,617	-	-	-	-	4,617	-	-	-	4,617	-	1,714
Utilities	1,843	-	-	-	-	1,843	-	-	-	1,843	-	2,658

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For the financial year ended 31 March 2017

4 DETAILED STATEMENT OF FINANCIAL ACTIVITIES (Continued)

	2017						2016		
	Unrestricted			Restricted					
	Designated- Property, Plant & Equipment Fund	Designated- Sinking Fund	Designated Information Technology Fund	Designated SPD@Toa Payoh Fund	Total Unrestricted Funds	Programme Funds	Lee Boon Huat Education Fund	Total Restricted Funds	Total Funds
	\$	\$	\$	\$	\$	\$	\$	\$	\$
EXPENDITURE									
(Continued)									
Governance cost									
(Continued)									
Volunteer expenses	659	-	-	-	659	-	-	659	214
	556,992	82,738	-	-	639,730	26,600	-	666,330	545,661
	2,293,803	658,472	-	-	2,952,275	22,849,143	-	25,801,418	20,433,568
TOTAL EXPENDITURE									
	3,267,581	(658,472)	-	-	2,609,109	1,147,622	-	3,756,731	2,361,599
NET INCOME									
	(5,000,000)	-	-	-	(5,000,000)	-	(14,318)	(5,014,318)	(773,353)
TRANSFERS									
Transfer from	-	3,000,000	2,000,000	-	5,000,000	14,318	-	5,014,318	801,016
Transfer to	(1,732,419)	(658,472)	2,000,000	-	2,609,109	1,161,940	(14,318)	3,756,731	27,663
RECONCILIATION OF FUNDS									
Total funds brought forward	20,310,272	2,992,880	802,044	-	2,292,644	26,397,840	2,445,159	28,972,481	26,583,219
Total funds carried 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	28,972,481

NOTES TO THE FINANCIAL STATEMENTS
 For the financial year ended 31 March 2017

5 PROPERTY, PLANT AND EQUIPMENT

	Leasehold building	Assistive devices and Technical Aids	Computer equipment	Office equipment and furniture and fitting	Motor vehicles	Leasehold improvements	Electrical equipment	Machinery	Work in progress	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Cost										
At 31 March 2015	14,261,478	1,638,097	1,545,531	853,757	575,293	973,189	287,388	43,908	-	20,178,641
Additions	-	98,720	204,124	77,784	-	-	90,867	4,350	25,764	501,609
Disposals	-	(20,421)	(243,099)	(13,266)	-	-	(8,094)	(7,053)	-	(291,933)
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
Accumulated depreciation										
At 31 March 2015	10,913,401	1,371,367	1,356,085	660,411	286,946	667,889	191,247	36,554	-	15,483,900
Charge for the financial year	658,472	50,967	155,554	50,299	79,753	128,491	41,131	2,600	-	1,167,267
Disposals	-	(20,421)	(243,099)	(10,374)	-	-	(7,747)	(6,686)	-	(288,327)
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
Net carrying amount										
At 31 March 2016	2,689,605	314,483	238,016	217,939	208,594	176,809	145,530	8,737	25,764	4,025,477
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

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6 CASH AND CASH EQUIVALENTS

	<u>2017</u>	<u>2016</u>
	\$	\$
Fixed deposits	26,335,398	26,017,682
Cash at banks	5,429,041	4,912,344
Cash in hand	6,946	9,859
	<u>31,771,385</u>	<u>30,939,885</u>

Cash at banks earn interest rate that ranges approximately 0.05 % to 0.25% (2016: 0.05% to 0.25%) per annum based on bank balances.

Fixed deposits earn interest rate that ranges approximately 1.00% to 1.45% (2016: 1.00% to 1.38%) per annum with maturity days ranging from 22 days to 351 days (2016: 22 days to 352 days) from the end of the reporting period.

For the purpose of the statement of cash flows, cash and cash equivalents comprise of the balances as shown above.

7 TRADE AND OTHER RECEIVABLES

	<u>2017</u>	<u>2016</u>
	\$	\$
<u>Trade receivables</u>		
Outside parties	<u>334,234</u>	<u>553,735</u>
<u>Other receivables</u>		
Outside parties	94,866	100,940
Grant receivables	1,270,119	1,344,454
Interest receivables – fixed deposits	161,198	159,859
Donation receivables	1,282,565	22,104
Deposits	118,422	124,200
Prepayments	22,494	12,736
	<u>2,949,664</u>	<u>1,764,293</u>
Total trade and other receivables	<u>3,283,898</u>	<u>2,318,028</u>

8 INVENTORIES

	<u>2017</u>	<u>2016</u>
	\$	\$
<u>At cost</u>		
Gift vouchers	83,550	68,960
Raw materials	7,307	7,919
Finished goods	27,163	41,895
	<u>118,020</u>	<u>118,774</u>

Total amount of inventories recognised as expenditure during the financial year amounted to \$475,793 (2016: \$538,476).

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9 TRADE AND OTHER PAYABLES

	<u>2017</u>	<u>2016</u>
	\$	\$
<u>Trade payables</u>		
Outside parties	530,058	421,777
<u>Other payables</u>		
Outside parties	41,933	43,153
Deferred grant – Community Silver Trust	2,784,061	4,270,061
Deferred grant – Care and Share	404,277	819,269
Deferred income	287,520	3,945
Donation received in advance	112,667	313,870
Accruals	2,799,085	2,523,858
Refundable deposits	88,194	33,750
	<u>6,517,737</u>	<u>8,007,906</u>
Total trade and other payables	<u>7,047,795</u>	<u>8,429,683</u>

10 FUNDS**(a) Unrestricted Funds**General funds

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

Designated funds

Designated fund is part of unrestricted funds earmarked for a particular project. 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) 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.

(ii) Sinking fund

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

(iii) 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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10 FUNDS (Continued)**(a) Unrestricted Funds (Continued)**Designated funds (Continued)*(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 S\$2,292,644 for use by SPD@Toa Payoh was set up. This arises from TPHL's transfer to the Society its fixed assets at net book value and cash receivables. No other assets and liabilities were transferred to the Society and no consideration was paid by the Society.

(b) 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:

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) SPD's Rehabilitation Centre 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.
- (ii) The Continuing Therapy Programme (CTP) offers speech and occupational therapy services to children 18 years and below. This centre-based programme not only complements the therapy services that the child receive in his special school, it also supports those who attend mainstream schools and require therapy services to improve in their functional and academic performances.
- (iii) 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.

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10 FUNDS (Continued)

(b) Restricted Funds (Continued)

Programme funds (Continued)

(iv) The Development Support Programme (DSP) is an initiative by the Ministry of Social and Family Development to provide on-site intervention and learning support to pre-schoolers with mild developmental needs in mainstream kindergartens and childcare.

(v) 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 Ministry of Social and Family Development (MSF) and the National Council of Social Service (NCSS) to set up four EIPIC centres:

- Building Bridges EIPIC Centre at SPD Ability Centre, started in October 2011 for children who live in the central areas;
- Building Bridges EIPIC Centre at SPD@Jurong started in June 2012 for children who live in the west.
- Building Bridges EIPIC Centre at SPD@Bedok and SPD@Tampines commenced operations in August 2016.

(vi) 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. A two-year pilot project initiated by NCSS, the Society was approached to partner them in the project implementation.

(vii) 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, elderly nursing homes, special schools, early intervention centres and at any other service provision settings for children with special needs, the elderly and people with disabilities. 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 2017

10 FUNDS (Continued)**(b) Restricted Funds (Continued)**Programme funds (Continued)

(viii) 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.

(ix) The Sheltered Workshop provides employment and vocational training for people with disabilities. The trainees are engaged in sub-contract work such as packaging, letter-shopping, tagging of products 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 workshop, 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 Sheltered Workshop aims to give people with disabilities:

1. Community integration and participation
2. Increased self-esteem and self-worth
3. Pre-employment preparation and training

(x) 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:

- i. Co-ordinating and acquiring resources to support persons with disabilities and their caregivers
- ii. Counselling
- iii. Consultancy on disability information and issues
- iv. Group/Peer Support
- v. Vocational/Motivational counselling and coaching
- vi. Psycho-educational workshops to provide information on health issues and knowledge of self-care
- vii. Caregiver support and training
- viii. Wellness programmes for persons with disabilities and their caregivers to enhance their physical health and psychological functioning

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10 FUNDS (Continued)

(b) Restricted Funds (Continued)

Programme funds (Continued)

- (xi) Employment Support Programme Training is a modular vocational training programme that equips people with disabilities with the necessary skills for office based positions. The basic modules provide the foundation for computer-based work and help to ease weaker trainees into learning and performing tasks using computers. The Skills Specific modules target specific skills needed in an office and provide the accreditation and certification for employment. Job Specific modules cater to the specific needs of different employment and aim to place emphasis on the unique needs of each job
- (xii) The SPD Education Programme aims to level the playing field for students with disabilities. The Programme adopts an 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

The fund is for the provision of education assistance to students with disabilities from low-income households or deserving students with disabilities or students whose parent(s) has (have) disabilities.

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For the financial year ended 31 March 2017

11 GRANTS AND FUNDING

Grant and Funding includes the following government and non-government funding:

	2017				2016
	Restricted Programme Fund		Unrestricted Fund		
	Voluntary Income	Income from Charitable Activities	Voluntary Income	Total	Total
\$	\$	\$	\$	\$	
MSF Fund					
Assistive Technology Centre	-	-	-	-	216,359
Day Activity Centre	-	502,695	-	502,695	458,569
DSP (Jurong East & Tampines)	-	521,115	-	521,115	16,401
EIPIC (Jurong East)	-	1,498,517	-	1,498,517	939,675
EIPIC (Tiong Bahru)	-	803,827	-	803,827	1,339,429
EIPIC (Tampines)	-	1,153,686	-	1,153,686	32,424
EIPIC (Bedok)	-	663,343	-	663,343	32,424
Sheltered Workshop	-	468,794	-	468,794	447,101
SPD Therapy Hub	-	2,895,054	-	2,895,054	2,281,917
Others	643,169	-	-	643,169	396,729
	<u>643,169</u>	<u>8,507,031</u>	<u>-</u>	<u>9,150,200</u>	<u>6,161,028</u>
NCSS ComChest Fund					
Assistive Technology Centre	-	111,641	-	111,641	228,859
Day Activity Centre	-	235,492	-	235,492	359,264
I.M. Powered	-	59,254	-	59,254	62,456
Sheltered Workshop	-	645,202	-	645,202	631,403
SPD Therapy Hub	-	-	-	-	-
Specialised Case Management programme	-	354,082	-	354,082	343,103
	<u>-</u>	<u>1,405,671</u>	<u>-</u>	<u>1,405,671</u>	<u>1,625,085</u>

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2017

11 GRANTS AND FUNDING (Continued)

	2017				2016
	Restricted Programme Fund		Unrestricted Fund		Total
	Voluntary Income	Income from Charitable Activities	Voluntary Income	Total	
\$	\$	\$	\$	\$	
VCF Fund					
Transition Programme for Employment	-	32,934	-	32,934	115,393
SPD Therapy Hub	-	27,516	-	27,516	-
Others	7,687	18,176	-	25,863	9,600
	<u>7,687</u>	<u>78,626</u>	<u>-</u>	<u>86,313</u>	<u>124,993</u>
Tote Board Fund					
Continuing Therapy (Tiong Bahru & Tampines)	-	240,771	-	240,771	223,305
DSP (Jurong East & Tampines)	-	153,290	-	153,290	170,950
Day Activity Centre	-	156,846	-	156,846	-
Transition Programme for Employment	-	79,803	-	79,803	-
IAC Certificate in Office Skills	-	-	-	-	65,747
Dysphagia Management Programme	-	-	-	-	*(57,042)
	<u>-</u>	<u>630,710</u>	<u>-</u>	<u>630,710</u>	<u>412,960</u>
MOH Fund					
Day Rehabilitation Centre (Tiong Bahru)	-	267,882	-	267,882	323,576
SPD Therapy Hub	-	168,186	-	168,186	270,948
Day Rehabilitation Centre (Tampines)	-	*(18,826)	-	*(18,826)	25,196
Day Rehabilitation Centre (Toa Payoh)	-	1,043,678	-	1,043,678	1,113,184
Transition Programme for Employment	-	51,915	-	51,915	61,793
Dysphagia Management Programme	-	-	-	-	*(123,508)
Others	-	-	-	-	5,189
	<u>-</u>	<u>1,512,835</u>	<u>-</u>	<u>1,512,835</u>	<u>1,676,378</u>
IDA Fund					
Assistive Technology Centre	-	# (17,052)	-	# (17,052)	164,448
Others	-	13,455	-	13,455	530
	<u>-</u>	<u>(3,597)</u>	<u>-</u>	<u>(3,597)</u>	<u>164,978</u>
Senior Mobility Fund					
Day Rehabilitation Centre (Tiong Bahru)	-	111,541	-	111,541	127,659
Day Rehabilitation Centre (Tampines)	-	-	-	-	13,180
Day Rehabilitation Centre (Toa Payoh)	-	396,932	-	396,932	393,127
	<u>-</u>	<u>508,473</u>	<u>-</u>	<u>508,473</u>	<u>533,966</u>

* Pertains to adjustment of receivables for Dysphagia Management Programme and Day Rehabilitation Centre (Tampines) which have ceased.

Pertains to adjustment of receivables for IDA Fund.

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11 GRANTS AND FUNDING (Continued)

	2017				2016
	Restricted Programme Fund		Unrestricted Fund		Total
	Voluntary Income \$	Income from Charitable Activities \$	Voluntary Income \$	Total \$	Total \$
SG Enable					
Day Activity Centre	-	170,225	-	170,225	118,290
Sheltered Workshop	-	215,084	-	215,084	140,182
Assistive Technology Centre	-	405,420	-	405,420	-
Employment Support Programme	-	714,011	-	714,011	466,286
Transition Programme for Employment	-	167,999	-	167,999	160,617
Employment Support Programme Training	-	193,883	-	193,883	117,242
	-	1,866,622	-	1,866,622	1,002,617
Community S.E.T fund					
EIPIC (Jurong East)	-	363,615	-	363,615	266,314
EIPIC (Tiong Bahru)	-	200,591	-	200,591	285,802
EIPIC (Tampines)	-	134,449	-	134,449	-
EIPIC (Bedok)	-	176,771	-	176,771	-
Employment Support Programme	-	697,336	-	697,336	428,537
	-	1,572,762	-	1,572,762	980,653
Care and Share Fund					
Finance	413,492	-	-	413,492	605,731
Community Silver Trust Fund					
Day Rehabilitation Centre (Tiong Bahru)	-	225,730	-	225,730	285,964
Day Activity Centre	-	80,556	-	80,556	20,684
Day Rehabilitation Centre (Tampines)	-	-	-	-	140,518
Day Rehabilitation Centre (Toa Payoh)	-	234,927	-	234,927	16,740
Sheltered Workshop	332,525	-	-	332,525	315,773
Transition Programme for Employment	-	678,599	-	678,599	550,562
	332,525	1,219,812	-	1,552,337	1,330,241
Other Funds					
Caregiver Training Grant (AIC)	-	12,720	-	12,720	6,520
Tan Tock Seng Hospital Fund	-	8,582	-	8,582	18,920
Special Employment Credit	-	-	554,507	554,507	704,235
Others	69,316	21,490	-	90,806	-
	69,316	42,792	554,507	666,615	729,675
	1,466,189	17,341,737	554,507	19,362,433	15,348,306

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12 SUPPORT COSTS

Support costs have been allocated as follows:

	Cost of Generating Voluntary Income \$	Cost of Charitable Activities \$	Cost of Governance \$	Total \$	Basis of Apportionment
Human Resources Capability Development Information Technology	15,914	746,750	96,711	859,375	Headcount
Finance Administration Communication	8,584	402,809	52,167	463,560	Headcount
	10,724	503,150	65,162	579,036	Headcount
	-	731,584	130,828	862,412	Total Expenditure
	12,570	394,118	61,890	468,578	Total Expenditure
	-	719,824	128,725	848,549	Total Expenditure
	<u>47,792</u>	<u>3,498,235</u>	<u>535,483</u>	<u>4,081,510</u>	

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

	Costs of Generating Voluntary Income \$	Costs of Charitable Activities \$	Costs of Governance \$	Total \$
Depreciation	2,794	127,980	17,742	148,516
Maintenance - land & building	3,431	158,223	21,927	183,581
Staff associated costs	1,821	89,548	11,872	103,241
Staff costs	<u>35,019</u>	<u>2,254,615</u>	<u>336,731</u>	<u>2,626,365</u>

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13 RESTRICTED RESERVES OF MSF AND NCSS FUNDED PROGRAMMES

The reserves ending balance of the year as indicated below are restricted for the operations of these programmes only, for the benefit of the intended clients. In keeping with MSF and NCSS's intent for the use of monies, the reserves will not be transferred out of the programmes for other purposes.

	Balance as at 1 April 2016 \$	Balance as at 31 March 2017 \$
Assistive Technology Centre	(479,199)	(773,692)
Day Activity Centre	42,997	324,256
DSP (Jurong East & Tampines)	(618,730)	(410,754)
EIPIC (Jurong East)	(132,500)	(424,240)
EIPIC (Tiong Bahru)	750,251	701,639
EIPIC (Tampines)	-	210,497
EIPIC (Bedok)	-	(274,005)
Employment Support Programme	(10,093)	189,862
Sheltered Workshop	(295,192)	(275,471)
I.M. Powered	31,695	66,892
SPD Therapy Hub	1,480,553	1,998,092
Continuing Therapy	(140,846)	(257,421)
Specialised Case Management Programme	<u>(621,281)</u>	<u>(627,837)</u>

14 STAFF COSTS

	<u>2017</u> \$	<u>2016</u> \$
Salaries, allowances and bonuses	16,008,874	13,200,913
CPF contributions	2,115,120	1,716,760
Other short term benefits	425,711	228,309
	<u>18,549,705</u>	<u>15,145,982</u>

15 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.

16 TAX DEDUCTIBLE RECEIPTS

The Society issued tax deductible receipts for donations received during the financial year amounting to \$3,848,768 (2016: \$2,888,191).

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17 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 \$223,691 (2016: \$149,588).

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

	<u>2017</u>	<u>2016</u>
	\$	\$
Within one financial year	76,787	57,000
Within two to five financial years	140,304	25,103
	<u>217,091</u>	<u>82,103</u>

18 TRANSFERS BETWEEN FUNDS

<u>From Fund</u>	<u>To Fund</u>	<u>Reason</u>	<u>Amount</u>
			\$
Unrestricted general fund	Designated Sinking Fund	To set aside funds for Designated Sinking Fund	<u>3,000,000</u>
Unrestricted general fund	Designated Information Technology Fund	To set aside funds for Designated Information Technology Fund	<u>2,000,000</u>
Lee Boon Huat Education Fund	Unrestricted general fund	Utilization of Lee Boon Huat Education Fund	<u>14,318</u>

19 DONATIONS FROM PRESIDENT'S CHALLENGE

The Society received \$97,000 from President's Challenge in FY16/17. The funds were fully utilised in the financial year to provide pre-vocational skills training, job specific skills training and Microsoft YouthSpark scholarship.

20 LOANS

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

21 SPONSORSHIP TO OTHER CHARITIES

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