

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 2020**

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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 2020

In the opinion of the Board of Management,

- (i) the financial statements of SPD (the "Society") are drawn up in accordance with the provisions of the Societies Act (Chapter 311) (the "Societies Act"), 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 2020 and the results and cash flows of the Society for the financial year then ended;
- (ii) 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;
- (iii) 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;
- (iv) 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;
- (v) the fundraising appeals conducted by the Society during the financial year ended 31 March 2020 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
- (vi) 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: 17 August 2020

INDEPENDENT AUDITOR'S 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 2020**, 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 2020 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 Statement by the Board of Management included in Page 1 (but does not include the financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report, and the other sections of the Annual Report (the "Other Sections") which are expected to be made available to us after that date.

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

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

When we read the Other Sections, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions in accordance with SSAs.

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.

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:

- (a) 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, the Charities Act and Regulations; and
- (b) the fund-raising appeals conducted by the Society during the financial year ended 31 March 2020 has 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.

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

- (a) the Society has not used the donation monies in accordance with its objectives as required under Regulation 11 (Use of donations) of the Charities (Institutions of a Public Character) Regulations; and
- (b) 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: 17 August 2020

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 2020

	Note	2020			2019
		Unrestricted	Restricted	Total	Total
		Funds	Funds		
		\$	\$	\$	\$
<u>INCOME</u>					
Income from generated funds					
Voluntary income	5	3,285,384	2,250,494	5,535,878	7,409,053
Investment income	5	632,388	38,785	671,173	488,003
Income from charitable activities	5	-	29,424,129	29,424,129	26,015,821
Other income	5	15,887	-	15,887	46,393
TOTAL INCOME		<u>3,933,659</u>	<u>31,713,408</u>	<u>35,647,067</u>	<u>33,959,270</u>
<u>EXPENDITURES</u>					
Cost of generating funds					
Costs of generating voluntary income	5	730,161	381,137	1,111,298	1,876,599
Charitable activities expenses	5	566,258	27,580,325	28,146,583	27,318,041
Governance costs	5	927,117	-	927,117	817,281
TOTAL EXPENDITURES		<u>2,223,536</u>	<u>27,961,462</u>	<u>30,184,998</u>	<u>30,011,921</u>
NET INCOME		<u>1,710,123</u>	<u>3,751,946</u>	<u>5,462,069</u>	<u>3,947,349</u>
TRANSFERS					
Transfer from	7, 13	(303,275)	(18,903)	(322,178)	(46,201)
Transfer to	7, 13	-	322,178	322,178	46,201
NET MOVEMENT IN FUNDS		<u>(303,275)</u>	<u>303,275</u>	<u>-</u>	<u>-</u>
<u>RECONCILIATION OF FUNDS</u>					
TOTAL FUNDS BROUGHT FORWARD		<u>33,047,919</u>	<u>5,673,809</u>	<u>38,721,728</u>	<u>34,774,379</u>
TOTAL FUNDS CARRIED FORWARD		<u>34,454,767</u>	<u>9,729,030</u>	<u>44,183,797</u>	<u>38,721,728</u>

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

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BALANCE SHEET

As at 31 March 2020

	Note	<u>2020</u> \$	<u>2019</u> \$
ASSETS			
Non-current assets			
Property, plant and equipment	8	1,893,581	2,914,060
Total non-current assets		<u>1,893,581</u>	<u>2,914,060</u>
Current assets			
Cash and cash equivalents	9	49,391,511	40,966,058
Trade and other receivables	10	3,765,357	3,726,396
Inventories	11	53,381	46,215
Total current assets		<u>53,210,249</u>	<u>44,738,669</u>
TOTAL ASSETS		<u>55,103,830</u>	<u>47,652,729</u>
LIABILITIES			
Current liabilities			
Trade and other payables	12	10,920,033	8,931,001
TOTAL LIABILITIES		<u>10,920,033</u>	<u>8,931,001</u>
NET ASSETS		<u>44,183,797</u>	<u>38,721,728</u>
FUNDS			
Unrestricted funds			
General fund		26,304,361	23,935,766
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		55,718	1,017,465
Total unrestricted funds		<u>34,454,767</u>	<u>33,047,919</u>
Restricted funds			
Programme funds		9,626,196	5,552,072
Lee Boon Huat education fund		102,834	121,737
Total restricted funds		<u>9,729,030</u>	<u>5,673,809</u>
TOTAL FUNDS	5, 13	<u>44,183,797</u>	<u>38,721,728</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 2020

	Note	<u>2020</u> \$	<u>2019</u> \$
Cash flows from operating activities			
Net income for the financial year		5,462,069	3,947,349
Adjustments for:			
Depreciation of property, plant and equipment	8	1,583,394	1,783,028
Write-off of trade receivables	10	5,442	2,445
Impairment loss on trade receivables	10	-	5,654
Loss on disposal of property, plant and equipment		592	360
Interest income		(671,173)	(488,003)
Total adjustment		<u>918,255</u>	<u>1,303,484</u>
Operating cash flows before changes in working capital		6,380,324	5,250,833
Changes in working capital			
Increase in trade and other receivables		(4,207)	(819,174)
(Increase) decrease in inventories		(7,166)	9,894
Increase (decrease) in trade and other payables		1,989,032	(483,020)
Total changes in working capital		<u>1,977,659</u>	<u>(1,292,300)</u>
Net cash generated from operating activities		<u>8,357,983</u>	<u>3,958,533</u>
Cash flows from investing activities			
Acquisition of property, plant and equipment		(563,507)	(547,364)
Interest received		630,977	400,252
Net cash generated from (used in) investing activities		<u>67,470</u>	<u>(147,112)</u>
Net increase in cash and cash equivalents		8,425,453	3,811,421
Cash and cash equivalents at the beginning of financial year		<u>40,966,058</u>	<u>37,154,637</u>
Cash and cash equivalents at the end of financial year	9	<u>49,391,511</u>	<u>40,966,058</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 2020

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

1 GENERAL INFORMATION

SPD (herein referred to as 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, Chapter 37 since 28 June 1984 and an approved Institution of Public Character (the “IPC”) for the period from 1 January 2018 to 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 2020 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 the provisions of the Societies Act, Chapter 311, Charities Act, Chapter 37 and Charities Accounting Standard (the “CAS”). 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.

The accounting policies adopted are consistent with those of the previous financial year.

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 2020

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
Computers	- 3
Office equipment, furniture and fittings	- 5
Motor vehicles	- 5
Leasehold improvements	- 5
Electrical equipment	- 5
Machinery	- 5

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 STATEMENTSFor the financial year ended 31 March 2020

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 investments in financial assets and trade and other receivables

At the end of each reporting period, investments in financial assets and trade and other receivables 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 2020

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.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2020

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; and
- Total expenditure.

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.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2020

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 trade and other receivables

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

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

Trade and other receivables amounted to \$3,765,357 as of 31 March 2020 (2019: \$3,726,396). 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 2020

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.

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>2020</u>	<u>2019</u>
	\$	\$
Salaries and bonuses	1,008,709	1,097,828
Contributions to CPF	104,849	124,371
	<u>1,113,558</u>	<u>1,222,200</u>

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

	<u>2020</u>	<u>2019</u>
Number of employees per band:		
\$100,001 to \$200,000	2	2
\$201,000 to \$300,000	1	1
	<u>3</u>	<u>3</u>

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5 DETAILED STATEMENT OF FINANCIAL ACTIVITIES

	2020						2019				
	Unrestricted					Total unrestricted funds	Restricted				
	Designated						Programme funds	Lee Boon Huat education fund	Total restricted funds		
General fund	Property, plant and equipment fund	Sinking fund	Information technology fund	SPD @ Toa Payoh fund					Total funds	Total funds	
\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
INCOME											
Income from generated funds											
<u>Voluntary income</u>											
Donations (Notes 15 and 20)	2,757,461	-	-	-	-	2,757,461	1,770,209	-	1,770,209	4,527,670	6,764,717
Grants and funding (Note 17)	527,923	-	-	-	-	527,923	480,285	-	480,285	1,008,208	644,336
	<u>3,285,384</u>	-	-	-	-	<u>3,285,384</u>	<u>2,250,494</u>	-	<u>2,250,494</u>	<u>5,535,878</u>	<u>7,409,053</u>
<u>Investment income</u>											
Fixed deposit interest	632,388	-	-	-	-	632,388	38,785	-	38,785	671,173	488,003
Income from charitable activities											
Grants and funding (Note 17)	-	-	-	-	-	-	23,933,786	-	23,933,786	23,933,786	21,132,369
Programme fees	-	-	-	-	-	-	4,332,291	-	4,332,291	4,332,291	4,207,840
Sale of works	-	-	-	-	-	-	871,171	-	871,171	871,171	395,179
Transport fees	-	-	-	-	-	-	286,881	-	286,881	286,881	280,433
	-	-	-	-	-	-	<u>29,424,129</u>	-	<u>29,424,129</u>	<u>29,424,129</u>	<u>26,015,821</u>
Other income											
Miscellaneous income	15,887	-	-	-	-	15,887	-	-	-	15,887	46,393
TOTAL INCOME	<u>3,933,659</u>	-	-	-	-	<u>3,933,659</u>	<u>31,713,408</u>	-	<u>31,713,408</u>	<u>35,647,067</u>	<u>33,959,270</u>

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5 DETAILED STATEMENT OF FINANCIAL ACTIVITIES (Continued)

	2020									2019	
	Unrestricted					Restricted				Total funds	
	General fund	Designated			SPD @ Toa Payoh fund	Total unrestricted funds	Programme funds	Lee Boon Huat education fund	Total restricted funds		
Property, plant and equipment fund		Sinking fund	Information technology fund	Total funds							
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
EXPENDITURES											
Costs of generating funds											
<u>Costs of generating voluntary income</u>											
Communication	629	-	-	-	-	629	404	-	404	1,033	1,635
Depreciation	2,776	15,065	-	-	-	17,841	1,782	-	1,782	19,623	17,543
Direct fund-raising expenses (Note 20)	180,003	-	-	-	-	180,003	115,556	-	115,556	295,559	1,013,838
Maintenance expense	5,439	-	-	-	-	5,439	3,492	-	3,492	8,931	8,843
Other expense	72	-	-	-	-	72	46	-	46	118	249
Public education expense	-	-	-	-	-	-	-	-	-	-	20,031
Rental expense	267	-	-	-	-	267	171	-	171	438	439
Staff associated costs	5,920	-	-	-	-	5,920	3,801	-	3,801	9,721	1,973
Staff costs (Note 18)	387,261	-	-	-	-	387,261	248,610	-	248,610	635,871	615,607
Staff training	2,106	-	-	-	-	2,106	1,352	-	1,352	3,458	5,834
Staff transport	1,396	-	-	-	-	1,396	896	-	896	2,292	2,738
Supplies	1,668	-	-	-	-	1,668	1,071	-	1,071	2,739	2,193
Support costs (Note 19)	121,396	-	-	-	-	121,396	-	-	-	121,396	176,184
Transport assistance to clients	4,548	-	-	-	-	4,548	2,920	-	2,920	7,468	6,622
Utilities	1,473	-	-	-	-	1,473	945	-	945	2,418	2,639
Volunteers expense	142	-	-	-	-	142	91	-	91	233	231
	715,096	15,065	-	-	-	730,161	381,137	-	381,137	1,111,298	1,876,599

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5 DETAILED STATEMENT OF FINANCIAL ACTIVITIES (Continued)

	2020						2019			
	Unrestricted					Total unrestricted funds	Restricted			
	General fund	Designated					Programme funds	Lee Boon Huat education fund	Total restricted funds	Total funds
Property, plant and equipment fund		Sinking fund	Information technology fund	SPD @ Toa Payoh fund						
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
EXPENDITURES										
Charitable activities expenses										
Communication	-	-	-	-	-	28,447	-	28,447	28,447	32,548
Depreciation	-	566,258	-	-	-	635,494	-	635,494	1,201,752	1,402,154
Education assistance to clients	-	-	-	-	-	230,159	-	230,159	230,159	243,818
Expenditure relating to sales of work	-	-	-	-	-	693,828	-	693,828	693,828	453,849
Fixed assets expensed off	-	-	-	-	-	24,412	-	24,412	24,412	30,820
Loss on disposal of fixed assets	-	-	-	-	-	592	-	592	592	360
Maintenance expense	-	-	-	-	-	699,028	-	699,028	699,028	711,741
Other expense	-	-	-	-	-	14,992	-	14,992	14,992	8,893
Other assistance to clients	-	-	-	-	-	176,037	-	176,037	176,037	244,405
Professional fees	-	-	-	-	-	152,167	-	152,167	152,167	125,930
Public education expense	-	-	-	-	-	1,185	-	1,185	1,185	11,097
Rental expense	-	-	-	-	-	271,850	-	271,850	271,850	276,998
Staff associated costs	-	-	-	-	-	169,382	-	169,382	169,382	123,497
Staff costs (Note 18)	-	-	-	-	-	18,692,882	-	18,692,882	18,692,882	17,999,454
Staff training	-	-	-	-	-	271,867	-	271,867	271,867	290,603
Staff transport	-	-	-	-	-	121,152	-	121,152	121,152	105,557
Supplies	-	-	-	-	-	237,841	-	237,841	237,841	251,021
Support costs (Note 19)	-	-	-	-	-	4,073,944	-	4,073,944	4,073,944	3,837,108
Transport assistance to clients	-	-	-	-	-	929,745	-	929,745	929,745	983,049
Utilities	-	-	-	-	-	155,179	-	155,179	155,179	174,403
Volunteers expense	-	-	-	-	-	142	-	142	142	10,736
	-	566,258	-	-	-	27,580,325	-	27,580,325	28,146,583	27,318,041

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5 DETAILED STATEMENT OF FINANCIAL ACTIVITIES (Continued)

	2020									2019	
	Unrestricted					Restricted				Total funds	Total funds
	Designated					Total unrestricted funds	Programme funds	Lee Boon Huat education fund	Total restricted funds		
General fund	Property, plant and equipment fund	Sinking fund	Information technology fund	SPD @ Toa Payoh fund							
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
EXPENDITURES											
Governance costs											
Audit fees	22,000	-	-	-	-	22,000	-	-	-	22,000	22,000
Assurance fees	57,736	-	-	-	-	57,736	-	-	-	57,736	43,600
Communication	2,349	-	-	-	-	2,349	-	-	-	2,349	1,784
Depreciation	39,837	77,149	-	-	-	116,986	-	-	-	116,986	114,717
Fixed assets expensed off	1,604	-	-	-	-	1,604	-	-	-	1,604	1,388
Maintenance expense	26,572	-	-	-	-	26,572	-	-	-	26,572	19,892
Other expense	73,163	-	-	-	-	73,163	-	-	-	73,163	64,695
Professional fees	16,276	-	-	-	-	16,276	-	-	-	16,276	4,156
Public education expense	7,558	-	-	-	-	7,558	-	-	-	7,558	79,898
Rental expense	1,024	-	-	-	-	1,024	-	-	-	1,024	911
Staff associated costs	14,386	-	-	-	-	14,386	-	-	-	14,386	6,308
Staff costs (Note 18)	543,448	-	-	-	-	543,448	-	-	-	543,448	425,892
Staff training	3,116	-	-	-	-	3,116	-	-	-	3,116	4,394
Staff transport	1,390	-	-	-	-	1,390	-	-	-	1,390	1,580
Supplies	5,574	-	-	-	-	5,574	-	-	-	5,574	3,874
Transport assistance to clients	29,796	-	-	-	-	29,796	-	-	-	29,796	18,089
Utilities	2,486	-	-	-	-	2,486	-	-	-	2,486	2,377
Volunteers expense	1,653	-	-	-	-	1,653	-	-	-	1,653	1,726
	849,968	77,149	-	-	-	927,117	-	-	-	927,117	817,281
TOTAL EXPENDITURES	1,565,064	658,472	-	-	-	2,223,536	27,961,462	-	27,961,462	30,184,998	30,011,921

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5 DETAILED STATEMENT OF FINANCIAL ACTIVITIES (Continued)

	2020									2019	
	Unrestricted					Restricted				Total funds	Total funds
	Designated					Programme funds	Lee Boon Huat education fund	Total restricted funds	\$		
General fund	Property, plant and equipment fund	Sinking fund	Information technology fund	SPD @ Toa Payoh fund	Total unrestricted funds					\$	\$
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
NET INCOME (LOSS)	2,368,595	(658,472)	-	-	-	1,710,123	3,751,946	-	3,751,946	5,462,069	3,947,349
TRANSFERS											
Transfer from	-	(303,275)	-	-	-	(303,275)	-	(18,903)	(18,903)	(322,178)	(46,201)
Transfer to	-	-	-	-	-	-	322,178	-	322,178	322,178	46,201
Net movement in funds	-	(303,275)	-	-	-	(303,275)	322,178	18,903)	303,275	-	-
RECONCILIATION OF FUNDS											
Total funds brought forward	23,935,766	1,017,465	3,802,044	2,000,000	2,292,644	33,047,919	5,552,072	121,737	5,673,809	38,721,728	34,774,379
Total funds carried forward	26,304,361	55,718	3,802,044	2,000,000	2,292,644	34,454,767	9,626,196	102,834	9,729,030	44,183,797	38,721,728

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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>2020</u>	<u>2019</u>
		\$	\$
From:	To:		
Lee Boon Huat education fund	Restricted programme fund	<u>18,903</u>	<u>11,201</u>

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

		<u>2020</u>	<u>2019</u>
		\$	\$
From:	To:		
Property, plant and equipment fund	Restricted programme fund	<u>303,275</u>	<u>-</u>

The above transfer is to reclass donation-in-kind previously classified as designated Property, Plant and Equipment ("PPE") fund. The PPE were donated for the restricted programmes and the disclosure under restricted funds is in line with the Charity Accounting Standards.

		<u>2020</u>	<u>2019</u>
		\$	\$
From:	To:		
Restricted programme fund	Lee Boon Huat education fund	<u>-</u>	<u>35,000</u>

The above transfer is to set aside donation received during the financial year for the Lee Boon Huat education fund.

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8 PROPERTY, PLANT AND EQUIPMENT

	Leasehold building	Assistive devices and technical aids	Computers	Office equipment, furniture and fittings	Motor vehicles	Leasehold improvements	Electrical equipment	Machinery	Work in progress	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Cost										
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
Additions	-	33,206	102,242	11,745	8,141	287,056	93,269	4,705	7,000	547,364
Disposals	-	(16,943)	(147,377)	(940)	-	-	(3,325)	-	-	(168,585)
Transfers	-	-	-	-	-	422,468	-	-	(422,468)	-
At 31 March 2019	14,261,478	1,490,848	1,567,920	847,920	723,050	2,918,476	647,250	40,565	7,000	22,504,507
Additions	-	98,255	441,586	-	-	-	15,278	-	8,388	563,507
Disposals	-	(401)	-	(3,249)	-	-	(16,683)	(1,427)	-	(21,760)
At 31 March 2020	14,261,478	1,588,702	2,009,506	844,671	723,050	2,918,476	645,845	39,138	15,388	23,046,254
Accumulated depreciation										
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
Charge for the financial year	658,471	214,425	228,758	112,112	100,737	375,253	88,259	5,013	-	1,783,028
Disposals	-	(16,943)	(147,377)	(580)	-	-	(3,325)	-	-	(168,225)
At 31 March 2019	13,547,288	1,362,702	1,263,527	800,558	515,668	1,681,092	396,750	22,862	-	19,590,447
Charge for the financial year	658,472	108,860	222,472	16,371	88,446	394,009	88,490	6,274	-	1,583,394
Disposals	-	(401)	-	(3,249)	-	-	(16,091)	(1,427)	-	(21,168)
At 31 March 2020	14,205,760	1,471,161	1,485,999	813,680	604,114	2,075,101	469,149	27,709	-	21,152,673
Net carrying amount										
At 31 March 2019	714,190	128,146	304,393	47,362	207,382	1,237,384	250,500	17,703	7,000	2,914,060
At 31 March 2020	55,718	117,541	523,507	30,991	118,936	843,375	176,696	11,429	15,388	1,893,581

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9 CASH AND CASH EQUIVALENTS

	<u>2020</u>	<u>2019</u>
	\$	\$
Fixed deposits	44,856,524	35,224,302
Cash at banks	4,529,045	5,735,274
Cash on hand	5,942	6,482
	<u>49,391,511</u>	<u>40,966,058</u>

Cash at banks, denominated in SGD, earn interest rate that ranges approximately 0.05% to 0.25% (2019: 0.05% to 0.25%) per annum based on bank balances.

Fixed deposits, denominated in SGD, with maturity dates ranging from 22 April 2020 to 29 March 2021 (2019: 23 April 2019 to 27 March 2020) earn interest at rates ranging from 1.12% to 1.95% (2019: 1.69% to 1.95%) per annum.

10 TRADE AND OTHER RECEIVABLES

	<u>2020</u>	<u>2019</u>
	\$	\$
<u>Trade receivables</u>		
Outside parties	579,791	579,004
Less: Allowance for impairment	(7,705)	(7,705)
	<u>572,086</u>	<u>571,299</u>
<u>Other receivables</u>		
Grant receivables	2,525,693	1,373,842
Interest receivables - fixed deposits	381,764	304,202
Deposits	184,310	82,845
Outside parties	39,736	3,441
Prepayments	61,768	12,387
Donation receivables	-	1,378,380
	<u>3,193,271</u>	<u>3,155,097</u>
Total trade and other receivables	<u>3,765,357</u>	<u>3,726,396</u>

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

	<u>2020</u>	<u>2019</u>
	\$	\$
At the beginning of financial year	7,705	2,051
Charge to statement of financial activities included in charitable activities expenses	-	5,654
At the end of financial year	<u>7,705</u>	<u>7,705</u>

During the financial year, the Society has written-off an amount of \$5,442 (2019: \$2,445) of its trade receivables recognised in the statement of financial activities under charitable activities expenses - miscellaneous expenses.

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11 INVENTORIES

	<u>2020</u>	<u>2019</u>
	\$	\$
<u>At cost</u>		
Gift vouchers	21,260	23,210
Raw materials	10,596	10,345
Finished goods	21,525	12,660
	<u>53,381</u>	<u>46,215</u>

12 TRADE AND OTHER PAYABLES

	<u>2020</u>	<u>2019</u>
	\$	\$
<u>Trade payables</u>		
Outside parties	<u>299,449</u>	<u>980,064</u>
<u>Other payables</u>		
Deferred grant		
- Community Silver Trust	3,228,905	2,646,959
- Care and Share	1,199,879	1,410,566
Accruals	4,023,022	3,233,320
Donation received in advance	486,976	450,082
Refundable deposits	144,269	137,866
Deferred income - Job Support Scheme	1,454,803	-
Outside parties	82,730	72,144
	<u>10,620,584</u>	<u>7,950,937</u>
Total trade and other payables	<u>10,920,033</u>	<u>8,931,001</u>

13 FUNDS

The funds of the Society comprise unrestricted funds and restricted funds which are described in detail 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.

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13 FUNDS (Continued)

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

Unrestricted funds (Continued)

(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.

(iii) 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.

(iv) 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.

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.

NOTES TO THE FINANCIAL STATEMENTSFor the financial year ended 31 March 2020

13 FUNDS (Continued)Restricted funds (Continued)

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 as well as multiple disabilities, and most recently, adults with Autism Spectrum Disorder. 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 Development Support/Learning Support Programme (“DS/LS”) 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.
- (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 live in the Central area;
- Building Bridges EIPIC Centre at SPD@Jurong which started in June 2012 for children who live in the West area; and
- Building Bridges EIPIC Centre at SPD@Bedok and SPD@Tampines which started in August 2016 for children who live 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. Educational 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

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13 FUNDS (Continued)Restricted funds (Continued)

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

(a) Programme funds (Continued)

- (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. SPD Therapy Hub received funding from the Ministry of Health since October 2018 to support the Intermediate and Long-Term Care Sector.

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 developmental 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.

- (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 and have neurological and orthopaedic injuries, 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.

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For the financial year ended 31 March 2020

13 FUNDS (Continued)Restricted funds (Continued)

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

(a) Programme funds (Continued)

(viii) 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.

(ix) 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.

(x) 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.

(xi) 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, 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.

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For the financial year ended 31 March 2020

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 2020 and 2019. 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>2020</u>	<u>2019</u>
	\$	\$
Assistive Technology Centre	(2,122,361)	(1,621,631)
Continuing Therapy	(230,997)	(209,659)
Day Activity Centre	1,095,254	1,215,440
DSLS (Jurong East & Tampines)	(400,640)	(810,987)
EIPIC (Jurong East)	463,174	472,251
EIPIC (Tiong Bahru)	571,596	586,762
EIPIC (Tampines)	608,759	(41,107)
EIPIC (Bedok)	298,571	4,906
Employment Support Programme	(33,798)	(103,000)
Sheltered Workshop	837,680	142,843
SPD Therapy Hub	5,197,276	3,316,753
Specialised Case Management Programme	<u>(1,188,271)</u>	<u>(1,121,054)</u>

15 DONATIONS FROM PRESIDENT'S CHALLENGE

The Society received \$250,000 of funds from President's Challenge during the financial year (2019: \$230,000). \$230,000 of the funds received in 2019 were used during this financial year for the provision of Pre-vocational Skills Training and Job Specific Skills training to clients.

16 TAX DEDUCTIBLE RECEIPTS

As an IPC, 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 from 1 January 2016 until 31 December 2020. During the financial year, the Society issued tax deductible receipts for donations received amounting to \$3,841,837 (2019: \$4,165,367).

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For the financial year ended 31 March 2020

17 GRANTS AND FUNDING

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

	2020				2019
	Restricted Programme Fund		Unrestricted Fund		
	Voluntary income	Income from charitable activities	Voluntary income	Total	Total
	\$	\$	\$	\$	\$
MSF Fund	-	12,275,058	-	12,275,058	11,421,937
NCSS ComChest Fund	-	1,493,967	-	1,493,967	1,449,691
VCF Fund	186,016	-	4,000	190,016	2,160
Tote Board Fund	72,790	1,152,187	273,521	1,498,498	512,836
MOH Fund	-	2,954,825	-	2,954,825	1,932,762
IMDA Fund	-	1,515	-	1,515	835
Senior Mobility Fund	-	-	-	-	124,961
SG Enable Fund	-	1,527,181	-	1,527,181	1,561,703
Community S.E.T. Fund	-	2,645,633	-	2,645,633	2,287,117
Care and Share Fund	210,686	-	-	210,686	166,333
Community Silver Trust Fund	-	1,811,882	-	1,811,882	1,917,730
Special Employment Credit	-	-	250,402	250,402	328,191
SSG Fund	-	28,036	-	28,036	-
Other funds	10,793	43,502	-	54,295	70,449
	<u>480,285</u>	<u>23,933,786</u>	<u>527,923</u>	<u>24,941,994</u>	<u>21,776,705</u>

18 STAFF COSTS

	<u>2020</u>	<u>2019</u>
	\$	\$
Salaries, allowances and bonuses	20,165,027	19,107,258
CPF contributions	2,757,217	2,652,403
Other short-term benefits	291,097	182,712
	<u>23,213,341</u>	<u>21,942,373</u>

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For the financial year ended 31 March 2020

19 SUPPORT COSTS

Support costs during the current financial year have been allocated as follows:

	Costs of generating voluntary income	Charitable activities expenses	Governance costs	Total	Basis of apportionment
	\$	\$	\$	\$	
Communications	23,231	550,840	134,623	708,694	Total Expenditure
Capability Development & Governance	19,183	903,739	120,924	1,043,846	Headcount
Administration & Facilities	14,809	351,122	85,813	451,744	Total Expenditure
Finance	32,267	765,097	186,986	984,350	Total Expenditure
Human Resources	16,598	781,968	104,631	903,197	Headcount
Information Technology	15,308	721,178	96,497	832,983	Headcount
	<u>121,396</u>	<u>4,073,944</u>	<u>729,474</u>	<u>4,924,814</u>	

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	Governan ce costs	Total
	\$	\$	\$	\$
Depreciation	6,078	238,953	37,284	282,315
Maintenance expenses	148,269	23,097	3,764	175,130
Staff associated costs	2,324	95,283	14,339	111,946
Staff costs	89,826	2,960,215	538,588	3,588,629

20 FUND-RAISING APPEALS

	<u>2020</u>	<u>2019</u>
	\$	\$
Gross donations, representing total receipts from fund-raising (Note 5)	4,527,670	6,764,717
Direct fund-raising expenses (Note 5)	295,559	1,013,838
Percentage of direct fund-raising expenses to total receipts	<u>7%</u>	<u>15%</u>

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21 OPERATING LEASE COMMITMENTS

The Society has entered into operating leases for the use of the photocopier machines 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 the photocopier machines and service centres recognised in the statement of financial activities amounted to \$278,770 (2019: \$283,718).

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

	<u>2020</u>	<u>2019</u>
	\$	\$
Within one financial year	97,372	76,902
Within two to five financial years	<u>62,386</u>	<u>106,535</u>
	<u>159,758</u>	<u>183,437</u>

22 LOANS

During the current financial year, there was no (2019: nil) loan made to any employees, member of the Board of Management, related parties or outside parties.

23 SPONSORSHIP TO OTHER CHARITIES

The Society did not provide any sponsorship to other charities during the financial years 31 March 2020 and 31 March 2019.