

SPD
UEN: S64SS0052D

**FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
31 MARCH 2023**

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SPD

(Registered in Singapore under the Societies Act)

STATEMENT BY THE BOARD OF MANAGEMENT

In the opinion of the Board of Management,

- (i) the accompanying financial statements of SPD (the “Society”) as set out on pages 5 to 38 are drawn up in accordance with the provisions of the Societies Act 1966 (the “Societies Act”), Charities Act 1994 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 2023 and the results, changes in funds 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 fund-raising appeals conducted by the Society during the financial year ended 31 March 2023 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;
- (v) the use of the donation moneys is in accordance with the objective of the Society as required under Regulation 11 (use of donations) of the Charities (Institutions of a Public Character) Regulations; and
- (vi) the Society has complied with the requirements of Regulation 15 of the Charities (Institutions of a Public Character) Regulations.

On behalf of the Board of Management



Ong Toon Hui
President



Ling Ang Kerng Kelvin
Honorary Treasurer

10 July 2023

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
SPD**

(Registered in Singapore under the Societies Act)

Report on the Audit of the Financial Statements***Opinion***

We have audited the accompanying financial statements of SPD (the "Society") as set out on pages 5 to 38, which comprise the balance sheet as at 31 March 2023, and the statement of financial activities, and statement of cash flows 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 Societies Act 1966 (the "Societies Act"), the Charities Act 1994 and other relevant regulations (the "Charities Act and Regulations") and Charities Accounting Standard in Singapore ("CAS") so as to present fairly, in all material respects, the financial position of the Society as at 31 March 2023 and of the financial performance, 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.

Other Information

The Board of Management is responsible for the other information. The other information comprises the Statement by the Board of Management as set out on page 1.

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

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
SPD (cont'd)**

(Registered in Singapore under the Societies Act)

Report on the Audit of the Financial Statements (cont'd)

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

The Board of Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Societies Act, 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, the Board of 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 the the Board of 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 of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Management.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
SPD (cont'd)**

(Registered in Singapore under the Societies Act)

Report on the Audit of the Financial Statements (cont'd)

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

- Conclude on the appropriateness of the Board 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,

- (i) 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
- (ii) the fund-raising appeal held during the financial year ended 31 March 2023 has been carried out in accordance with Regulation 6 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:

- (i) the Society has not used the donation moneys in accordance with its objectives as required under Regulation 11 of the Charities (Institutions of a Public Character) Regulations; and
- (ii) the Society has not complied with the requirements of Regulation 15 of the Charities (Institutions of a Public Character) Regulations.



Baker Tilly TFW LLP
Public Accountants and
Chartered Accountants
Singapore

10 July 2023

SPD

(Registered in Singapore under the Societies Act)

STATEMENT OF FINANCIAL ACTIVITIES**For the financial year ended 31 March 2023**

	Note	Unrestricted funds \$	Restricted funds \$	Total 2023 \$	Total 2022 \$
<u>Income</u>					
<i>Income from generated funds</i>					
Voluntary income		5,216,781	3,189,756	8,406,537	7,757,913
Investment income		877,946	–	877,946	203,201
Income from charitable activities		–	36,116,968	36,116,968	34,101,334
Other income		15,560	19,885	35,445	121,159
Total income	4	6,110,287	39,326,609	45,436,896	42,183,607
<u>Expenditure</u>					
<i>Cost of generating funds</i>					
Costs of generating voluntary income		798,001	237,642	1,035,643	953,499
Charitable activities expenses		–	35,397,283	35,397,283	31,798,745
Governance costs		765,493	31,500	796,993	728,458
Total expenditure	4	1,563,494	35,666,425	37,229,919	33,480,702
Net surplus		4,546,793	3,660,184	8,206,977	8,702,905
<u>Transfers</u>					
Transfer from		(755,250)	(15,445)	(770,695)	(4,681,856)
Transfer to		–	770,695	770,695	4,681,856
Net movement in funds	5	(755,250)	755,250	–	–
<u>Reconciliation of funds</u>					
Total funds brought forward					
As reported		37,501,538	23,413,353	60,914,891	52,211,986
Prior year adjustment	24	(470,000)	470,000	–	–
As restated		37,031,538	23,883,353	60,914,891	52,211,986
Total funds carried forward		40,823,081	28,298,787	69,121,868	60,914,891

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

SPD

(Registered in Singapore under the Societies Act)

BALANCE SHEET**At 31 March 2023**

	Note	2023 \$	(Restated) 2022 \$
ASSETS			
Non-current assets			
Property, plant and equipment	7	4,501,158	1,846,281
Investments in financial assets	9	1,250,000	–
		5,751,158	1,846,281
Current assets			
Inventories	8	61,155	67,187
Investments in financial assets	9	3,882,800	–
Trade and other receivables	10	3,161,234	1,971,790
Cash and cash equivalents	11	67,730,730	67,826,325
Total current assets		74,835,919	69,865,302
Total assets		80,587,077	71,711,583
LIABILITIES			
Current liabilities			
Trade and other payables	12	11,465,209	10,796,692
Net assets		69,121,868	60,914,891
FUNDS			
Unrestricted funds			
General Fund	24	32,728,393	28,936,850
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
	13	40,823,081	37,031,538
Restricted funds			
Programme funds	13 & 14	26,280,192	23,334,944
Lee Boon Huat education fund	13	62,964	78,409
Property, plant and equipment fund	13(c) & 24	1,955,631	470,000
		28,298,787	23,883,353
Total funds		69,121,868	60,914,891

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

SPD

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STATEMENT OF CASH FLOWS
For the financial year ended 31 March 2023

	2023	2022
	\$	\$
Cash flows from operating activities		
Net surplus for the financial year	8,206,977	8,702,905
Adjustments for:		
Depreciation of property, plant and equipment	828,472	844,508
Allowance for impairment loss on trade receivables	270	604
Gain on disposal of property, plant and equipment	–	(7,072)
Interest income	(877,946)	(203,201)
Operating cash flows before movements in working capital	8,157,773	9,337,744
Inventories	6,032	(17,642)
Receivables	(641,556)	1,847,274
Payables	668,517	(558,001)
Net cash generated from operating activities	8,190,766	10,609,375
Cash flows from investing activities		
Purchases of investments in financial assets	(5,132,800)	–
Purchases of property, plant and equipment	(3,483,349)	(1,306,309)
Proceeds from sale of property, plant and equipment	–	7,600
Interest received	329,788	222,832
Net cash used in investing activities	(8,286,361)	(1,075,877)
Net (decrease)/increase in cash and cash equivalents	(95,595)	9,533,498
Cash and cash equivalents at beginning of financial year	67,826,325	58,292,827
Cash and cash equivalents at end of financial year (Note 11)	67,730,730	67,826,325

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

SPD

(Registered in Singapore under the Societies Act)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

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 1966 and is domiciled in Singapore. Its Unique Entity Number (“UEN”) is S64SS0052D. The Society is an approved charity under the Charities Act 1994 since 28 June 1984 and an approved Institution of a Public Character (the “IPC”) for the period from 1 January 2018 to 31 December 2021. The Society’s IPC status has been further renewed from 1 January 2022 to 31 December 2025.

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.

2. Summary of significant accounting policies

a) Basis of preparation

The financial statements are expressed in Singapore dollar (“\$”), which is the Society’s functional currency. The financial statements have been prepared in accordance with the Societies Act 1966, Charities Act 1994 and other relevant regulations and Charities Accounting Standard in Singapore (“CAS”). The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with CAS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on the Board of Management’s best knowledge of current events and actions and historical experiences and various other factors that are believed to be reasonable under the circumstances, actual results may ultimately differ from those estimates.

Use of estimates and judgements

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The areas involving a higher degree of judgement in applying accounting policies, or areas where assumptions and estimates have a significant risk of resulting in material adjustment within the next financial year are disclosed in Note 3.

2. Summary of significant accounting policies (cont'd)

b) Income recognition

Income is recognised in the statement of financial activities to the extent that the Society becomes entitled to the income, when it is probable that the income will be received; and when the amount of the income can be measured with sufficient reliability.

Categories of income

Voluntary income

Voluntary income includes income generated from the following sources:

- Gifts and donations, including legacies and donations in kind, given by the founders, patrons, supporters, the general public and businesses; and
- Grants which provide core funding or are of a general nature provided by government and charitable foundations but not including those grants which are specifically for the performance of a service or production of charitable goods, for instance a service agreement with a local authority.

Donations

Donations are recognised when received. If donations are received for a specific fund-raising or charity event and the event has not occurred, the donation received will be deferred as a liability until the event has been conducted.

Donations-in-kind that can be estimated with sufficient reliability are accounted for at a reasonable estimate of the price that the Society would have to pay in the open market for an equivalent item or at the amount actually realised.

Investment income

Investment income includes interest income earned from investments in financial assets and placements with financial institutions, which is recognised on time proportion basis using the effective interest method.

Income from charitable activities

Income from charitable activities are the programmes and activities carried out by the Society to generate income, which will be used to fund its charitable activities.

Types of income

1) *Grants*

Grants from government and other organisations are recognised as income only when there is sufficient evidence that the Society has complied with the conditions attached to them and there is reasonable certainty that they will be received. These grants are recognised on an accrual basis. Additionally, grants recognised in the statement of financial activities are calculated based on the funding principles set by the individual organisations. Adjustments to the grants which are made on finalisation by the relevant organisations are recognised in the statement of financial activities in the financial year in which they are finalised. Grants with specific conditions are recognised either when they have been conformed to, or when there is sufficient evidence that they will be met. In instances where there is uncertainty about the ability of the Society to meet the conditions set by grantors, the recognition of the grants as income is deferred until conditions imposed at the time of the grants can be complied with. 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.

2. Summary of significant accounting policies (cont'd)

(b) Income recognition (cont'd)

Types of income (cont'd)

2) *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.

3) *Sales*

Income from sales is recognised when the goods/services have been sold to the customer.

c) Expenditure

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

1) *Costs of generating voluntary income*

The costs of generating voluntary income are those costs attributable to generating income for the Society, other than those costs incurred in undertaking charitable activities in furtherance of the Society's objects.

2) *Charitable activities*

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

3) *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.

4) *Support costs*

Support costs are those, whilst necessary to deliver an activity, do not produce or constitute the output of the charitable activities of the Society. These costs are incurred in supporting the income generation activities of the Society. Support costs comprise manpower and other operating costs of Communications & Outreach, Procurement, Facilities and Administration, Finance, Information Technology, Human Resource, Capability Development and Governance.

2. Summary of significant accounting policies (cont'd)

c) Expenditure (cont'd)

(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.

d) Employee benefits

Employee leave entitlement

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

Defined contribution plans

The Society contributes to the Central Provident Fund (“CPF”), a defined contribution plan regulated and managed by the Singapore Government. Contributions to CPF contributions are recognised as compensation expenses in the same period as the employment that gives rise to the contribution.

e) Taxation

As a charity, the Society is exempt from tax on income and gains falling within section 13(1)(zm) of the Income Tax Act 1947 to the extent that these are applied to its charitable objects. No tax charges have arisen for the Society during the financial year.

f) 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.

2. Summary of significant accounting policies (cont'd)

f) Property, plant and equipment (cont'd)

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

	Years
Leasehold improvements	remaining lease period or 5
Assistive devices and technical aids	3
Computers	3
Office equipment, furniture and fittings	5
Motor vehicles	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.

g) 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 stocks of gift vouchers are valued based on their face value.

h) Trade and other receivables

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

After initial recognition, trade and other receivables, excluding prepayments, shall be measured at cost less any accumulated impairment losses. Prepayments shall be measured at the amount paid less the economic resources received or consumed during the financial period.

At each balance sheet date, where there is objective evidence that a receivable is impaired, the carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the statement of financial activities. The allowance recognised is measured as the difference between the asset's carrying amount and the undiscounted future cash flows that the Society expects to receive from the receivables.

When a receivable is uncollectible, it is written off against the allowance account for receivables. Subsequent recoveries of amounts previously written off are credited in the statement of financial activities.

2. Summary of significant accounting policies (cont'd)

i) Provisions

Provisions are recognised when the Society has a present obligation (legal or constructive) as a result of a past event, it is probable that the Society will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

j) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents comprise cash on hand and deposits with financial institutions which are subject to an insignificant risk of change in value.

k) Trade and other payables

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

l) 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 Board of 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 the Board of 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.

m) Unrestricted funds

Unrestricted funds represent funds received by the Society that are expendable for any activity of the Society at the discretion of the Board of Members in furtherance of the Society's charitable objectives. Services subsidised for their activities from unrestricted funds may be required to refund the subsidy should they have surplus in subsequent years.

n) Restricted funds

Restricted funds represent funds that have been received by the Society for which the usage is restricted - specifically for an activity in one or more of its services or for specified activities within these services. These restrictions may be designated by government agencies, other donor organisations or individuals.

o) Operating leases

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are taken to the statement of financial activities on a straight-line basis over the period of the lease.

2. Summary of significant accounting policies (cont'd)

o) Operating leases (cont'd)

When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

p) Investments in financial assets

The Society's investments in financial assets which comprise investments in bonds are initially measured at transaction price excluding transaction costs. Transaction costs are recognised as expenditure immediately in the statement of financial activities. Subsequently, the investment in financial assets are measured at cost less any accumulated impairment losses.

At each balance sheet date, if there is objective evidence of impairment, the carrying amount of the asset is reduced by an allowance for impairment and the impairment loss is recognised in the statement of financial activities.

This allowance, calculated as the difference between the asset's carrying amount of the financial assets and the undiscounted future cash flows (excluding unearned interest in the case of an interest-bearing financial assets) that the Society expects to receive from the financial assets is recognised in the statement of financial activities in the period in which the impairment occurs. Impairment loss is reversed through the statement of financial activities if the impairment loss decrease can be related objectively to an event occurring after the impairment loss was recognised. The reversal of impairment loss shall not result in the carrying value of the investment exceeding transaction price.

q) Deferred income

Deferred income are resources (normally cash) received that do not meet the criteria for recognition as income in the statement of financial activities as entitlement to the income does not exist at the balance sheet date. This primarily relates to grants and donations received where the donors or grantors have specified conditions for use; and these conditions have not been met at the financial year end. The deferred income will be recognised as income in the statement of financial activities when the conditions are fulfilled.

3. Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation 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 disclosed below.

Estimated useful lives of property, plant and equipment

The management periodically reviews the estimated useful lives and residual values of property, plant and equipment for reasonableness. The carrying amounts of the Society's property plant and equipment are disclosed in Note 7. The Society's property, plant and equipment are currently depreciated on a straight-line basis, over the estimated useful lives of between 3 to 25 years [Note 2(f)].

The factors considered in assessing the reasonableness of the useful lives include changes in operations and activities of the Society; changes in the Singapore Land Authority's land lease terms for the building and its operations; the assets' expected level of usage and technological developments. These could impact the economic useful lives and the residual values of the assets. Therefore, future depreciation charges may change if the estimates are revised.

4. Detailed Statement of Financial Activities

	Note	Unrestricted Designated				Restricted				2023 Total funds \$	2022 Total funds \$	
		General fund \$	Sinking fund \$	Information technology fund \$	SPD @ Toa Payoh fund \$	Total unrestricted funds \$	Programme funds \$	Property, plant and equipment fund \$	Lee Boon Huat education funds \$			Total restricted funds \$
Income												
Income from generated funds:												
<u>Voluntary income</u>												
- Donations	17,18	4,220,002	–	–	–	4,220,002	1,640,983	90,000	–	1,730,983	5,950,985	5,696,633
- Grants and funding	15	996,779	–	–	–	996,779	–	1,458,773	–	1,458,773	2,455,552	2,061,280
		5,216,781	–	–	–	5,216,781	1,640,983	1,548,773	–	3,189,756	8,406,537	7,757,913
<u>Investment income</u>												
Interest income		877,946	–	–	–	877,946	–	–	–	–	877,946	203,201
<u>Income from charitable activities:</u>												
Grants and funding	15	–	–	–	–	–	29,522,720	–	–	29,522,720	29,522,720	27,856,450
Programme fees ^(a)		–	–	–	–	–	5,361,138	–	–	5,361,138	5,361,138	5,047,437
Sales		–	–	–	–	–	1,049,889	–	–	1,049,889	1,049,889	1,032,103
Transport fees ^(a)		–	–	–	–	–	183,221	–	–	183,221	183,221	165,344
		–	–	–	–	–	36,116,968	–	–	36,116,968	36,116,968	34,101,334
<u>Other income</u>												
Miscellaneous income		15,560	–	–	–	15,560	19,885	–	–	19,885	35,445	121,159
Total income		6,110,287	–	–	–	6,110,287	37,777,836	1,548,773	–	39,326,609	45,436,896	42,183,607

^(a) The programme fees and transport fees income are net of subsidies which amounted to \$14,656,636 (2022: \$13,328,243) and \$1,007,780 (2022: \$1,025,411) provided to the eligible clients respectively.

4. Detailed Statement of Financial Activities (cont'd)

	Note	Unrestricted Designated				Restricted				2023 Total funds \$	2022 Total funds \$	
		General fund \$	Sinking fund \$	Information technology fund \$	SPD @ Toa Payoh fund \$	Total unrestricted funds \$	Programme funds \$	Property, plant and equipment fund \$	Lee Boon Huat education funds \$			Total restricted funds \$
Expenditures												
Costs of generating voluntary income												
Communication		883	–	–	–	883	302	–	–	302	1,185	971
CPF contributions	6	66,218	–	–	–	66,218	22,627	–	–	22,627	88,845	77,719
Depreciation	7	–	–	–	–	–	–	–	–	–	–	2,614
Direct fund-raising expenses	17	142,043	–	–	–	142,043	48,537	–	–	48,537	190,580	202,125
Maintenance expense		6,290	–	–	–	6,290	2,149	–	–	2,149	8,439	10,760
Other expenses		189	–	–	–	189	65	–	–	65	254	208
Rental expense		9,267	–	–	–	9,267	3,167	–	–	3,167	12,434	9,800
Salaries, allowance and bonus	6	457,348	–	–	–	457,348	156,280	–	–	156,280	613,628	530,738
Staff training and other benefits	6	5,751	–	–	–	5,751	1,965	–	–	1,965	7,716	9,536
Staff transport		2,671	–	–	–	2,671	913	–	–	913	3,584	436
Supplies		1,811	–	–	–	1,811	619	–	–	619	2,430	1,719
Support costs	16	102,552	–	–	–	102,552	–	–	–	–	102,552	101,663
Transport assistance to clients		–	–	–	–	–	–	–	–	–	–	–
Utilities		2,978	–	–	–	2,978	1,018	–	–	1,018	3,996	5,210
		798,001	–	–	–	798,001	237,642	–	–	237,642	1,035,643	953,499

4. Detailed Statement of Financial Activities (cont'd)

	Note	Unrestricted Designated				Restricted				2023 Total funds \$	2022 Total funds \$
		General fund \$	Sinking fund \$	Information technology fund \$	SPD @ Toa Payoh fund \$	Total unrestricted funds \$	Programme funds \$	Property, plant and equipment fund \$	Lee Boon Huat education funds \$		
Expenditures											
Charitable activities expenses (cont'd)											
Staff training and other benefits	6	—	—	—	—	330,891	—	—	330,891	330,891	277,468
Staff transport		—	—	—	—	89,446	—	—	89,446	89,446	42,159
Supplies		—	—	—	—	220,154	—	—	220,154	220,154	217,674
Support costs	16	—	—	—	—	5,038,285	—	—	5,038,285	5,038,285	4,580,616
Transport assistance to clients		—	—	—	—	958,857	—	—	958,857	958,857	937,054
Utilities		—	—	—	—	241,319	—	—	241,319	241,319	261,170
Volunteers expense		—	—	—	—	272	—	—	272	272	49
		—	—	—	—	35,334,141	63,142	—	35,397,283	35,397,283	31,798,745

4. Detailed Statement of Financial Activities (cont'd)

	← Unrestricted Designated →				← Restricted →				2023 Total funds \$	2022 Total funds \$	
	General fund \$	Sinking fund \$	Information technology fund \$	SPD @ Toa Payoh fund \$	Total unrestricted funds \$	Programme funds \$	Property, plant and equipment fund \$	Lee Boon Huat education funds \$			Total restricted funds \$
Note	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Expenditures											
Governance costs											
Audit fees	34,500	—	—	—	34,500	—	—	—	—	34,500	30,000
Assurance fees	14,000	—	—	—	14,000	31,500	—	—	31,500	45,500	51,900
Communication	2,852	—	—	—	2,852	—	—	—	—	2,852	3,007
CPF contributions	6 58,545	—	—	—	58,545	—	—	—	—	58,545	55,520
Depreciation	7 36,970	—	—	—	36,970	—	—	—	—	36,970	38,662
Maintenance expense	27,196	—	—	—	27,196	—	—	—	—	27,196	23,859
Other expense	101,622	—	—	—	101,622	—	—	—	—	101,622	73,090
Professional fees	18,278	—	—	—	18,278	—	—	—	—	18,278	10,464
Public education expense	5,372	—	—	—	5,372	—	—	—	—	5,372	4,865
Rental expense	10,354	—	—	—	10,354	—	—	—	—	10,354	7,250
Salaries, allowance and bonus	6 434,469	—	—	—	434,469	—	—	—	—	434,469	408,388
Staff training and other benefits	6 13,452	—	—	—	13,452	—	—	—	—	13,452	13,483
Staff transport	689	—	—	—	689	—	—	—	—	689	280
Supplies	3,791	—	—	—	3,791	—	—	—	—	3,791	3,778
Transport assistance to clients	69	—	—	—	69	—	—	—	—	69	15
Utilities	3,059	—	—	—	3,059	—	—	—	—	3,059	3,658
Volunteers expense	275	—	—	—	275	—	—	—	—	275	239
	765,493	—	—	—	765,493	31,500	—	—	31,500	796,993	728,458
	1,563,494	—	—	—	1,563,494	35,603,283	63,142	—	35,666,425	37,229,919	33,480,702

SPD

4. Detailed Statement of Financial Activities (cont'd)

	← Unrestricted Designated →				← Restricted →						
	General fund	Sinking fund	Information technology fund	SPD @ Toa Payoh fund	Total unrestricted funds	Programme funds	Property, plant and equipment fund	Lee Boon Huat education funds	Total restricted funds	2023 Total funds	2022 Total funds
Note	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Net surplus	4,546,793	–	–	–	4,546,793	2,174,553	1,485,631	–	3,660,184	8,206,977	8,702,905
Transfers											
Transfer from	5 (755,250)	–	–	–	(755,250)	–	–	(15,445)	(15,445)	(770,695)	(4,681,856)
Transfer to	5 –	–	–	–	–	770,695	–	–	770,695	770,695	4,681,856
Net movement in funds	(755,250)	–	–	–	(755,250)	770,695	–	(15,445)	755,250	–	–
Reconciliation of funds											
Total funds brought forward:											
- as reported	24 29,406,850	3,802,044	2,000,000	2,292,644	37,501,538	23,334,944	–	78,409	23,413,353	60,914,891	52,211,986
- prior year adjustment	(470,000)	–	–	–	(470,000)	–	470,000	–	470,000	–	–
- as restated	28,936,850	3,802,044	2,000,000	2,292,644	37,031,538	23,334,944	470,000	78,409	23,883,353	60,914,891	52,211,986
Total funds carried forward	32,728,393	3,802,044	2,000,000	2,292,644	40,823,081	26,280,192	1,955,631	62,964	28,298,787	69,121,868	60,914,891

5. Transfer between funds

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

		2023 \$	2022 \$
From:	To:		
Lee Boon Huat education fund	Restricted programme funds	15,445	8,819

The above transfer is to utilise Lee Boon Huat education fund for students with disabilities from low-income households of the Continuing Therapy Programme.

		2023 \$	2022 \$
From:	To:		
General fund	Restricted programme funds	755,250	4,673,037

The above transfer is to fund the accumulated deficit of partially funded programmes undertaken by the Society.

6. Employee benefits

a) Total employee benefits for the Society:

	2023 \$	2022 \$
Salaries, allowances and bonuses	26,349,529	23,690,724
Contributions to defined contribution plan	3,814,920	3,282,683
Staff training and other short-term benefits	461,348	414,423
	30,625,797	27,387,830

b) Total employee benefits are charged to:

	2023 \$	2022 \$
Cost of generating voluntary income	782,629	693,056
Charitable activities expenses	29,336,702	26,217,383
Governance costs	506,466	477,391
	30,625,797	27,387,830

Short-term employee benefits include staff welfare, medical benefits, dental benefits and insurance.

6. Employee benefits (cont'd)

c) Included in the above are remuneration paid to key management personnel as follows:

	2023	2022
	\$	\$
Salaries, allowances and bonuses	1,237,587	1,156,463
Contributions to defined contribution plan	99,903	102,279
	1,337,490	1,258,742

Key management personnel are the persons having authority and responsibility for planning, directing and controlling the activities of the Society, directly or indirectly. Key management personnel include the Chief Executive Officer and directors of divisions. The members of the Board of Management are volunteers and they do not receive any compensation or honorarium from the Society.

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

	2023	2022
Number of employees per band		
\$100,001 to \$200,000	2	2
\$200,001 to \$300,000	1	1

There is no paid staff who is a close member of the family belonging to the Chief Executive Officer or a member of the board committee.

During the current and previous financial year, there were no loans made to any employees, member of the Board of Management, related parties or outside parties.

7. Property, plant and equipment

	Leasehold improvements \$	Assistive devices and technical aids \$	Computers \$	Office equipment, furnitures and fittings \$	Motor vehicles \$	Electrical equipment \$	Machinery \$	Work in progress \$	Total \$
2023									
Cost									
At 1.4.2022	3,260,114	1,553,215	2,386,901	836,924	901,936	626,617	51,328	337,073	9,954,108
Additions	1,504,495	72,822	361,472	42,670	–	278,232	–	1,223,658	3,483,349
Written off/disposals	(4,579)	(27,785)	(314,268)	(49,175)	–	(72,024)	–	–	(467,831)
At 31.3.2023	4,760,030	1,598,252	2,434,105	830,419	901,936	832,825	51,328	1,560,731	12,969,626
Accumulated depreciation									
At 1.4.2022	2,771,045	1,416,541	1,851,210	832,707	671,030	525,461	39,833	–	8,107,827
Depreciation charge	271,701	77,116	353,570	3,999	63,521	54,049	4,516	–	828,472
Written off/disposals	(4,579)	(27,785)	(314,268)	(49,175)	–	(72,024)	–	–	(467,831)
At 31.3.2023	3,038,167	1,465,872	1,890,512	787,531	734,551	507,486	44,349	–	8,468,468
Net carrying amount									
At 31.3.2023	1,721,863	132,380	543,593	42,888	167,385	325,339	6,979	1,560,731	4,501,158

7. Property, plant and equipment (cont'd)

	Leasehold improvements \$	Assistive devices and technical aids \$	Computers \$	Office equipment, furnitures and fittings \$	Motor vehicles \$	Electrical equipment \$	Machinery \$	Work in progress \$	Total \$
2022									
Cost									
At 1.4.2021	2,918,476	1,440,289	2,231,147	842,871	723,050	640,482	43,314	124,951	8,964,580
Additions	341,638	140,198	289,405	–	244,954	69,978	8,014	212,122	1,306,309
Written off/disposals	–	(27,272)	(133,651)	(5,947)	(66,068)	(83,843)	–	–	(316,781)
At 31.3.2022	3,260,114	1,553,215	2,386,901	836,924	901,936	626,617	51,328	337,073	9,954,108
Accumulated depreciation									
At 1.4.2021	2,463,362	1,359,597	1,688,271	831,483	656,317	546,622	33,920	–	7,579,572
Depreciation charge	307,683	84,216	296,062	7,171	80,781	62,682	5,913	–	844,508
Written off/disposals	–	(27,272)	(133,123)	(5,947)	(66,068)	(83,843)	–	–	(316,253)
At 31.3.2022	2,771,045	1,416,541	1,851,210	832,707	671,030	525,461	39,833	–	8,107,827
Net carrying amount At 31.3.2022	489,069	136,674	535,691	4,217	230,906	101,156	11,495	337,073	1,846,281

* The building located at 2 Peng Nguan Street, SPD Ability Centre, Singapore 168955 is leased from the Singapore government for a period from 29 November 2020 to 28 November 2023 with an option to renew for a further 3 years.

The Society also obtained a grant of rental subvention to partially subsidise the rental expenses of the above tenancy agreement. The non-cancellable rental commitment as at 31 March 2023 and 31 March 2022 is disclosed in Note 20 to the financial statements.

7. Property, plant and equipment (cont'd)

Depreciation is charged as follows:

	2023	2022
	\$	\$
General funds	42,258	46,257
Restricted funds	786,214	798,251
	828,472	844,508

8. Inventories

	2023	2022
	\$	\$
Gift vouchers	940	12,000
Raw materials	22,627	12,657
Finished goods	37,588	42,530
	61,155	67,187

9. Investments in financial assets

	2023	2022
	\$	\$
Investments in financial assets are classified as follows:		
- Bonds, non-current	1,250,000	–
- Bonds, current	3,882,800	–
	5,132,800	–

Non-current bonds comprise Housing Development Board (“HDB”) bonds with maturity date in 2025 and 2027 and earn a fixed interest rate ranging from 2.62% to 2.94% per annum respectively.

Current bonds comprise 6-month and 1-year Singapore Treasury Bills (“T-bills”) and earn a fixed interest rate ranging from 4.28% to 3.72% per annum respectively.

The market value of the investments in financial assets as at end of financial year are as follows:

	2023	2022
	\$	\$
HDB bonds	1,219,593	–
T-bills	3,930,680	–
	5,150,273	–

10. Trade and other receivables

	2023	2022
	\$	\$
Trade receivables:		
Outside parties	522,070	906,570
Less: Allowance for impairment loss	–	–
	522,070	906,570
Other receivables:		
Grant receivables	1,262,907	483,683
Interest receivables	627,443	79,285
Refundable deposits	210,131	252,443
Outside parties	529,024	215,426
Prepayments	9,659	34,383
	3,161,234	1,971,790

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

	2023	2022
	\$	\$
Balance at beginning of the financial year	–	7,705
Addition charged to profit or loss	270	604
Bad receivables written off	(270)	(8,309)
	–	–
Balance at the end of financial year	–	–

11. Cash and cash equivalents

	2023	2022
	\$	\$
Cash on hand	5,643	6,098
Bank and cash balances	8,516,704	12,094,461
Fixed deposits	59,208,383	55,725,766
	67,730,730	67,826,325

Cash at banks, denominated in SGD, earn interest rate that ranges approximately 0.05% to 0.25% (2022: 0.05% to 0.25%) per annum based on bank balances.

Fixed deposits, denominated in SGD, with maturity period ranging from 1 to 12 months (2022: 1 to 12 months) after the balance sheet date earn interest at rates ranging from 1.03% to 4.20% (2022: 0.10% to 0.85%) per annum.

12. Trade and other payables

	2023	2022
	\$	\$
Trade payables:		
Outside parties	460,824	382,294
Other payables:		
Deferred grant		
- Community Silver Trust ^(a)	2,325,815	2,501,410
- Care and Share ^(b)	–	423,671
Accruals ^(c)	6,266,003	6,090,858
Donations received in advance	472,413	366,167
Refundable deposits	122,994	137,877
Deferred income		
- Ministry of Health (“MOH”) ^(d)	48,160	104,476
- Ministry of Social and Family Development (“MSF”) ^(e)	1,278,445	291,545
- Others ^(f)	402,425	416,847
Outside parties	88,130	81,547
	11,465,209	10,796,692

^(a) *Community Silver Trust*

Community Silver Trust (“CST”) is a trust fund managed by the Ministry of Health (“MOH”). The objective of CST is to encourage donations and provide additional resources for the service providers in the intermediate and long term care sector to enhance capabilities, provide value-added services to achieve higher quality care and enhance affordability of step down care for service users and patients.

^(b) *Care and Share*

Care and Share Matching grant is given out under the Care and Share movement, managed by the Ministry of Social and Family Development (“MSF”). The Grant is targeted at agencies that provide social services and develop programmes to serve the social service beneficiaries better through funding programmes/activities that contribute to building the agencies’ capability and capacity.

The Society participated in the Care and Share Matching Grant scheme and received approval of grant up to \$2,900,000 subject to fulfilling certain conditions set by National Council of Social Service (“NCSS”). During the financial year ended 31 March 2023, the Society recognised \$713,671 (2022: \$388,288) (Note 15) in the statements of financial activities.

^(c) *Accruals*

Included within the accruals are payroll cost accruals such as salaries, bonuses and contributions to defined contribution plan of \$6,072,131 (2022: \$5,916,060).

^(d) *Deferred income - Ministry of Health*

The Ministry of Health (“MOH”) provides grants for cyclical maintenance expenditure funding and for the support of the Society’s provision of rehabilitation services for the Intermediate and Long-Term Care Sector. Cash received from MOH has been recorded in the deferred income pending the fulfilment of all the specific conditions set by MOH for income recognition.

^(e) *Deferred income - Ministry of Social and Family Development*

The Ministry of Social and Family Development (“MSF”) funding of \$1,278,445 (2022: \$291,545) is also received in advance for both existing and new programmes. Such balances are pending the fulfilment of all the specific conditions set by funders for income recognition.

12. Trade and other payables (cont'd)

^(f) *Deferred income - Others*

Included within the deferred income balance is a Bicentennial Community Fund (“BCF”) grant received of \$400,000 in 2021 which is set aside for future fund raising expenditure and volunteer-related expenditure. The Society has not utilised the BCF grant since the receipt of the grant in 2021.

13. Funds

The funds of the Society comprise unrestricted funds and restricted funds which are described as follows:

Unrestricted funds

a) General fund

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

b) Designated funds

Designated funds are part of unrestricted funds earmarked for particular projects that are approved by the 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.

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 to defray future operating deficits of the programmes.

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

a) Programme funds

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

13. Funds (cont'd)

Restricted funds (cont'd)

As at reporting date, the Society has the following restricted funds (cont'd):

a) Programme funds (cont'd)

(i) Day Activity Centre (“DAC”)

The Day Activity Centre provides day care for people with physical as well as multiple disabilities, and more recently, adults with autism spectrum disorder. The DAC aims to nurture the clients’ self-help and social skills through a balanced and structured programme. At the same time, the programme provides respite to caregivers and family members, enabling them to continue working or engage in self-care activities without having to worry about the care of their charges.

(ii) Development Support-Learning Support Programme (“DS-LS”)

The Development Support-Learning Support Programme is an initiative by the Ministry of Social and Family Development (“MSF”) to provide on-site intervention and learning support to pre-schoolers who require low levels of early intervention support.

(iii) Early Intervention Programme for Infants and Children (“EIPIC”)

The Early Intervention Programme for Infants and Children is a centre-based programme that provides educational and therapy services for children with developmental needs aged 6 and below.

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 residing in the central area;
- Building Bridges EIPIC Centre at SPD@Jurong which started in June 2012 for children residing in the west area; and
- Building Bridges EIPIC Centre at SPD@Bedok and SPD@Tampines which started in August 2016 for children residing in the east area.

(iv) SPD Sheltered Workshop (“SW”)

The SPD Sheltered Workshop 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 aim is to place these trainees into 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

13. Funds (cont'd)

Restricted funds (cont'd)

As at reporting date, the Society has the following restricted funds (cont'd):

a) Programme funds (cont'd)

(v) The SPD Therapy Hub

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 social service agencies (“SSAs”) serving children with developmental needs, the elderly and people with disabilities. It recruits, manages and develops a pool of qualified therapists to provide these services to the clients/residents in the community such as 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 deployed on a contractual basis to SSAs interested in engaging quality rehabilitation services for their clients/residents.

(vi) Transition to Employment (“TTE”)

Transition to Employment (“TTE”) is a community-based return-to-work programme that aims 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 disabilities. The AT team now operates from Tech Able at the Enabling Village.

(viii) Specialised Case Management Programme (“SCMP”)

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 lead more fulfilling and enriching lives. Through the Society's social workers and case management officers, the SCMP provides the following services:

13. Funds (cont'd)

Restricted funds (cont'd)

As at reporting date, the Society has the following restricted funds: (cont'd)

a) Programme funds (cont'd)

(viii) Specialised Case Management Programme (“SCMP”) (cont'd)

- 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) Continuing Therapy Programme (“CTP”)

The Continuing Therapy Programme (“CTP”) offers speech and occupational therapy services to children 17 years and below. CTP not only complements the therapy services that the child receives in their special school, it also supports those who attend mainstream schools and require therapy services to improve in their functional and academic performances.

(x) SPD Rehabilitation Centre (“RC”)

SPD Rehabilitation Centre (“RC”) at SPD Ability Centre and SPD@Toa Payoh provide physiotherapy, occupational therapy and speech therapy to adults who are diagnosed with neurological, orthopaedic, medical, surgical conditions and/or congenital disabilities.

(xi) Employment Support Programme

The 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.

(xii) Employment Support Programme Training

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.

(xiii) Intensive Supported Employment Programme

The Intensive Supported Employment Programme aims to support persons with disabilities who are less job-ready for open employment due to limitations resulting from their conditions. This programme aims to collaborate with industry partners to provide intensive training at the actual workplace to equip persons with disabilities with the necessary skills for workplace adaptation, tasks and better work habits. Through this, the programme aims to place this group of trainees into employment with the industry partners and enhance their sustainability on the job.

13. Funds (cont'd)**Restricted funds (cont'd)**

As at reporting date, the Society has the following restricted funds: (cont'd)

a) Programme funds (cont'd)

(xiv) SPD Contact Centre

The SPD Contact Centre was launched in September 2022 to provide training and employment opportunities for persons with disabilities in the contact centre industry. The centre is managed by industry veterans who are passionate about imparting knowledge and mentoring persons with disabilities under their charge. Located at the Enabling Village, the SPD Contact Centre offers a range of outsourced services such as call and email management, live chat support, telesurvey and telemarketing, and data entry.

(xv) Enabling Services Hub (“ESH”)

The Enabling Services Hub, a collaboration between SPD and SG Enable, aims to adopt an upstream and locality-based approach in bringing integrated services for persons with disabilities and their families in Tampines and Bedok towns. Persons with disabilities and their families can look forward to activities that enhance their learning and social participation, as well as strengthen caregiver support.

b) Lee Boon Huat education fund

The Lee Boon Huat education fund aims to provide education assistance to students with disabilities from low-income households or deserving students with disabilities.

c) Property, plant and equipment fund

Property, plant and equipment fund represents net accumulated balances from restricted funds and donations received for purchase of Property, Plant and Equipment for Cyclical Maintenance (CM)/Addition and Alteration (A&A) works at 2 Peng Nguan Street, SPD Ability Centre. The depreciation of the funded assets is charged to the fund.

	2023	(Restated) 2022
	\$	\$
<u>Funded property, plant and equipment net of depreciation charge</u>		
Balance at the beginning of the financial year	–	–
Additions	1,746,233	–
Depreciation charge	(63,142)	–
	<hr/>	<hr/>
Balance at the end of the financial year	1,683,091	–
	<hr/>	<hr/>

13. Funds (cont'd)**Restricted funds (cont'd)**

As at reporting date, the Society has the following restricted funds: (cont'd)

c) Property, plant and equipment fund (cont'd)

The fund is represented by:

	2023 \$	2022 \$
Funded property, plant and equipment net of depreciation charge	1,683,091	–
Funded property, plant and equipment included in work-in-progress	272,540	–
Cash at banks	–	470,000
	1,955,631	470,000

14. Major restricted Programme Fund Balances

Included in restricted programme funds are the following major programmes mainly funded by MSF, MOH, NCSS, Tote Board and SG Enable. The following table shows the fund balances of major programmes as at 31 March 2023 and 31 March 2022. Services with accumulated funds in deficit, if any, will be funded where required through reserves maintained as unrestricted funds. However, for those services with common funding, the deficit will be made good by reserves held by similar services subject to funder's approval. The transfer of funds to cover the programme deficits of Specialised Assistive Technology Centre and Specialised Case Management Programme during the financial year is disclosed in Note 5. The Enabling Services Hub and SPD Contact Centre are both new programmes.

	2023 \$	2022 \$
Specialised Assistive Technology Centre	–	–
Continuing Therapy Programme	(186,198)	(6,345)
Day Activity Centre	1,626,715	1,597,784
DSLS (Jurong East & Tampines)	32,142	(260,338)
EIPIC (Jurong East)	2,113,813	1,728,421
EIPIC (Tiong Bahru)	970,140	893,515
EIPIC (Tampines)	3,138,173	2,691,411
EIPIC (Bedok)	2,137,018	1,503,088
Employment Support Programme	587,221	436,353
Employment Support Programme Training	87,845	91,024
Sheltered Workshop	1,901,539	1,814,930
SPD Therapy Hub	10,107,656	8,923,433
Specialised Case Management Programme	–	–
Rehabilitation Centres	3,100,187	3,076,232
Transition to Employment	987,365	779,787
Intensive Supported Employment Programme	–	(8,372)
Enabling Services Hub	(120,014)	–
SPD Contact Centre	(221,550)	–

The detailed statement of the financial activities for programme funds is disclosed in Note 4.

15. Grants and funding income

Grants and funding income recognised in the statement of financial activities include the following government and non-government fundings:

	2023	2022
	\$	\$
Unrestricted funds		
NCSS Fund	–	239,184
Tote Board Fund	842,444	763,136
VCF Fund	–	162,147
Wage Support Funding	97,738	429,141
Other funds	56,597	79,384
	996,779	1,672,992
Restricted funds		
Care and Share Fund	713,671	388,288
Community S.E.T. Fund	3,047,999	2,841,796
Community Silver Trust Fund	1,844,750	1,356,797
IMDA Fund	1,735	33,567
MOH Fund	4,540,547	5,021,848
MSF Fund	15,534,899	13,655,387
NCSS ComChest Fund	1,037,481	1,092,239
SG Enable Fund	1,909,197	1,448,060
Tote Board Fund	1,097,012	1,333,476
The Invictus Fund	–	20,000
NCSS Fund	307,267	28,682
Community Capability Trust (CCT)	85,024	–
Wage Support Funding	795,942	950,447
Other funds	65,969	74,151
	30,981,493	28,244,738
	31,978,272	29,917,730

16. Support costs

	Cost of generating voluntary income \$	Charitable activities \$	Governance costs \$	Total costs \$
2023				
Communications & Outreach	9,906	398,453	78,160	486,519
Capability Development & Governance	18,027	1,032,809	111,213	1,162,049
Facilities & Administration	13,144	528,712	103,712	645,568
Procurement	4,126	165,954	32,554	202,634
Finance	21,825	877,134	172,202	1,071,161
Human Resources	17,597	1,008,168	108,559	1,134,324
Information Technology	17,927	1,027,055	110,593	1,155,575
	102,552	5,038,285	716,993	5,857,830
2022				
Communications & Outreach	10,548	391,306	66,454	468,308
Capability Development & Governance	18,646	977,604	119,619	1,115,869
Facilities & Administration	12,686	470,607	79,921	563,214
Procurement	5,345	198,267	33,671	237,283
Finance	20,306	753,284	127,926	901,516
Human Resources	16,097	843,976	103,268	963,341
Information Technology	18,035	945,572	115,699	1,079,306
	101,663	4,580,616	646,558	5,328,837

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

	Cost of generating voluntary income \$	Charitable activities \$	Governance costs \$	Total costs \$
2023				
Staff costs	70,516	3,464,389	493,013	4,027,918
Staff associated costs	1,924	94,529	13,452	109,905
Maintenance expenses	3,890	191,104	27,196	222,190
Depreciation	5,288	259,791	36,970	302,049
2022				
Staff costs	72,944	3,286,609	463,908	3,823,461
Staff associated costs	2,120	95,524	13,483	111,127
Maintenance expenses	3,751	169,029	23,859	196,639
Depreciation	6,079	273,909	38,662	318,650

17. Fund-raising appeals

	2023	2022
	\$	\$
Gross donations, representing total receipts from fund-raising (Note 4)	5,950,985	5,696,633
Direct fund-raising expenses (Note 4)	190,580	202,125
Percentage of direct fund-raising expenses to total receipts	3.20%	3.55%

18. Donations from President's Challenge

The Society received donations of \$418,573 (2022: \$443,573) from President's Challenge during the financial year. The Society utilised \$218,569 (2022: \$234,324) during the financial year for Intensive Supported Employment Programme ("ISEP") and \$89,292 (2022: \$Nil) to assist low-income people with disabilities (PwDs) to have access to Assistive Technology (AT) assessment and training through affordable fees; and the building of AT capability in community partners. The unutilised fund as at the end of the financial year of \$364,961 (2022: \$254,249) is included in donations received in advance in Note 12.

19. Tax deductible receipts

As an Institution of a Public Character ("IPC"), the Society enjoys a concessionary tax treatment whereby qualifying donors are granted 2.5 times tax deduction for the donations made to the Society. During the financial year, the Society issued tax deductible receipts for donations received amounting to \$3,993,579 (2022: \$4,010,610).

20. Operating lease commitments

The Society has entered into operating leases for the use of the photocopier machines and for rental of premise 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 (net of rebates) for the photocopier machines, premise and service centres recognised in the statement of financial activities amounted to \$837,911 (2022: \$606,197).

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

	2023	2022
	\$	\$
Within one financial year	503,084	644,319
Within two to five financial years	101,195	455,561
	604,279	1,099,880

Included in the operating lease commitments above are rental of premises payable of \$387,936 (2022: \$960,860) by the Society for its leasehold land. The land rental expenses are partially subsidised by the Ministry of Health and the Ministry of Social and Family Development (Note 7).

21. Reserve management

The Board of Management regularly reviews the financial performance and budgets to ensure that unrestricted funds are adequate to fulfil our continuing obligations. The Board of Management's current policy is for the Society to maintain reserves that are freely available for operating purposes of no more than two (2) years of its total operating expenditure for financial sustainability. This should enable services with unanticipated reduction or disruption in funding to continue running smoothly until new funding is available.

22. Capital commitments

At the end of the financial year, capital commitments not provided for in the financial statements:

	2023 \$	2022 \$
Expenditure for property, plant and equipment, approved by Board of Members and not contracted for	–	1,564,340
Expenditure for property, plant and equipment, approved by Board of Members and contracted for	2,390,107	3,408,816

23. Related party transactions

Save as the remuneration paid to key management personnel as disclosed in Note 6(c), there are no significant related party transactions which took place between the Society and related parties during the financial year. The members of the Board of Management are volunteers and did not receive any remuneration from the Society during the financial year. The Society did not provide any sponsorship to other charities during the financial year ended 31 March 2023 and 31 March 2022.

24. Comparative figures

During the financial year ended 31 March 2022, the Society received donations from donors restricted specifically for the purchase of property, plant and equipment and which were recorded in General Fund (unrestricted fund) instead of Property, Plant and Equipment Fund (restricted fund).

A restatement has been made to the previous year's financial statements to reclassify donations received from donors restricted specifically for the purchase of property, plant and equipment from General Fund (unrestricted fund) to Property, Plant and Equipment Fund (restricted fund).

As a result, the following line items on the balance sheet and the related notes to the balance sheet have been restated for the previous financial year ended 31 March 2022 as follows:

	As previously reported \$	Amount restated \$	As restated \$
Balance Sheet			
<i>Unrestricted funds</i>			
General Fund	29,406,850	(470,000)	28,936,850
<i>Restricted funds</i>			
Property, plant and equipment fund (Note 13(c))	–	470,000	470,000

24. Comparative figures (cont'd)

The restatement did not have any effect on the balance sheet as at 1 April 2021 as there were no restricted donations received and recorded in General Fund prior to 1 April 2021.

25. Authorisation of financial statements

The financial statements of the Society for the financial year ended 31 March 2023 were authorised for issue in accordance with a resolution of the Board of Management dated 10 July 2023.