

BLOSSOM SEEDS LIMITED

[UEN. 201304904N]

[A Company limited by guarantee and not
having share capital]

[Incorporated in the Republic of Singapore]

**AUDITED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
31 DECEMBER 2021**

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Fiducia LLP

(UEN. T10LL0955L)

Public Accountants and
Chartered Accountants of Singapore

71 Ubi Crescent
Excalibur Centre #08-01
Singapore 408571
T: (65) 6846.8376
F: (65) 6491.5218

DIRECTORS' STATEMENT

The directors present their statement to the members together with the audited financial statements of Blossom Seeds Limited (the "Company") for the financial year ended 31 December 2021.

In the opinion of the directors,

- a) the financial statements of the Company are drawn up so as to give a true and fair view of the financial position of the Company as at 31 December 2021 and the financial performance, changes in funds and cash flows of the Company for the financial year then ended; and
- b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

The directors of the Company in office at the date of this statement are:

Aw Cheow Thiam
Chua Mui Kiang
Goh Sock Choo
John Zaw Min
Lee Chin Chye
Pua Hwee Leng
Tan Chiew Hoon
Teo Kim Swa
Wong Yee Chee
Thet Naing Kyaw
Ong Ai Lan (Appointed on 02.02.2021)
Yeo Mui Hoon (Appointed on 02.02.2021)
Aloysius Chong Yew Mun (Appointed on 09.11.2021)

Arrangements to enable directors to acquire benefits

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose object is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Other matters

As the Company is limited by guarantee, matters relating to interest in shares, debentures or share options are not applicable.

Blossom Seeds Limited
[UEN. 201304904N]

Audited Financial Statements
Financial Year Ended 31 December 2021

DIRECTORS' STATEMENT (CONT'D)

Independent auditor

The independent auditor, Messrs. Fiducia LLP, Public Accountants and Chartered Accountants of Singapore, has expressed its willingness to accept re-appointment.

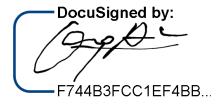
On behalf of the Board of Directors,

DocuSigned by:

0BB5850812BF47E...

Aw Cheow Thiam
Director

Singapore, 15 June 2022

DocuSigned by:

F744B3FCC1EF4BB...

Ong Ai Lan
Director

Fiducia LLP

Public Accountants and
Chartered Accountants of Singapore

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Excalibur Centre, #08-01
Singapore 408571
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Independent auditor's report to the members of:

BLOSSOM SEEDS LIMITED

[UEN. 201304904N]
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Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Blossom Seeds Limited** (the "Company"), which comprise the statement of financial position as at 31 December 2021, and the statement of financial activities, statement of changes in funds and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Companies Act"), the Charities Act 1994 and other relevant regulations (the "Charities Act and Regulations") and Charities Accounting Standard ("CAS") so as to give a true and fair view of the financial position of the Company as at 31 December 2021 and of the financial performance, changes in the funds and cash flows of the Company for the 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 Company 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 Directors' Statement (set out on pages 2 to 3), but does not include the financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report, and the annual report, which is expected to be made available to us after that date.

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

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

Fiducia LLPPublic Accountants and
Chartered Accountants of Singapore71 Ubi Crescent
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(CONT'D)

Independent auditor's report to the members of:

BLOSSOM SEEDS LIMITED[UEN. 201304904N]
[A Company limited by guarantee and not having share
capital]
[Incorporated in the Republic of Singapore]**Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Companies Act, the Charities Act and Regulations and CAS, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

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

Those charged with governance comprises the directors. Their responsibilities include overseeing the Company'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 Company's internal control.

Fiducia LLP

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Chartered Accountants of Singapore

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(CONT'D)

Independent auditor's report to the members of:

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

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

- 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 Company'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 Company 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.

Fiducia LLP

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Chartered Accountants of Singapore

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(CONT'D)

Independent auditor's report to the members of:

BLOSSOM SEEDS LIMITED


[UEN. 201304904N]
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Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required to be kept by the Company have been properly kept in accordance with the provisions of the Companies Act, and the Charities Act and Regulations.

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

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

DocuSigned by:

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Fiducia LLP
Public Accountants and
Chartered Accountants

Singapore, 15 June 2022

Partner-in-charge: Gan Chek Huat
PAB No.: 01939

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021**

| | Note | Unrestricted fund | Restricted funds | | | | Total unrestricted fund and restricted funds S\$ | |
|--|-------|---------------------|-----------------------|--|--------------------------------|--|---|-------------------------------|
| | | General Fund S\$ | Home Help Fund S\$ | Blossom Kaki (Senior Volunteerism) Programme Fund S\$ | Active Ageing Programme S\$ | Community Befriending Programme S\$ | | Total restricted funds S\$ |
| 2021 | | | | | | | | |
| INCOME | | | | | | | | |
| Income from generated funds | | | | | | | | |
| <u>Voluntary income</u> | | | | | | | | |
| Donations | 5 | 132,819 | 5,755 | 0 | 265 | 1,265 | 7,285 | 140,104 |
| Sponsorship | 5 | 0 | 100,000 | 0 | 0 | 0 | 100,000 | 100,000 |
| Room adoption | 5 | 100,000 | 0 | 0 | 0 | 0 | 0 | 100,000 |
| Bicentennial Community Fund | | 400,000 | 0 | 0 | 0 | 0 | 0 | 400,000 |
| | | <u>632,819</u> | <u>105,755</u> | <u>0</u> | <u>265</u> | <u>1,265</u> | <u>107,285</u> | <u>740,104</u> |
| <u>Activities for generating funds</u> | | | | | | | | |
| Fund raising events | 5, 16 | 589,643 | 0 | 0 | 0 | 0 | 0 | 589,643 |
| Events and activities | 5 | 39,324 | 0 | 0 | 0 | 0 | 0 | 39,324 |
| | | <u>628,967</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>628,967</u> |
| Income from charitable activities | | | | | | | | |
| <u>Grant income</u> | | | | | | | | |
| Council for Third Age (C3A) | | | | | | | | |
| - Blossom Kaki (Senior Volunteerism) Programme | | 0 | 0 | 66,637 | 0 | 0 | 66,637 | 66,637 |
| - Community Befriending Programme | | 0 | 0 | 0 | 29,498 | 0 | 29,498 | 29,498 |
| Agency for Integrated Care (AIC) | | | | | | | | |
| - Medical Escort & Transport Service | | 0 | 139,412 | 0 | 0 | 0 | 139,412 | 139,412 |
| - Active Ageing Centre | | 0 | 0 | 0 | 157,500 | 0 | 157,500 | 157,500 |
| - Others | | 6,081 | 0 | 0 | 675 | 0 | 675 | 6,756 |
| Balance carried forward | | <u>6,081</u> | <u>139,412</u> | <u>66,637</u> | <u>187,673</u> | <u>0</u> | <u>393,722</u> | <u>399,803</u> |

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONT'D)**

| | Note | Unrestricted fund | Restricted funds | | | | Total unrestricted fund and restricted funds S\$ | |
|---|------|-------------------|--------------------|---|-----------------------------|-------------------------------------|--|----------------------------|
| | | General Fund S\$ | Home Help Fund S\$ | Blossom Kaki (Senior Volunteerism) Programme Fund S\$ | Active Ageing Programme S\$ | Community Befriending Programme S\$ | | Total restricted funds S\$ |
| 2021 (CONT'D) | | | | | | | | |
| INCOME (CONT'D) | | | | | | | | |
| Income from charitable activities (Cont'd) | | | | | | | | |
| <u>Grant income (Cont'd)</u> | | | | | | | | |
| Balance brought forward | | 6,081 | 139,412 | 66,637 | 187,673 | 0 | 393,722 | 399,803 |
| National Council of Social Service | | | | | | | | |
| - Care and Share Grant | | 0 | 0 | 80,435 | 0 | 0 | 80,435 | 80,435 |
| - President's Challenge | | 0 | 0 | 0 | 60,000 | 0 | 60,000 | 60,000 |
| - NCSS grants others | | 17,117 | 0 | 0 | 0 | 0 | 0 | 17,117 |
| Grant – others | | 125,128 | 0 | 0 | 0 | 300 | 300 | 125,428 |
| | | <u>148,326</u> | <u>139,412</u> | <u>147,072</u> | <u>247,673</u> | <u>300</u> | <u>534,457</u> | <u>682,783</u> |
| Other income | 6 | <u>59,354</u> | <u>924</u> | <u>0</u> | <u>0</u> | <u>498</u> | <u>1,422</u> | <u>60,776</u> |
| Total income | | <u>1,469,466</u> | <u>246,091</u> | <u>147,072</u> | <u>247,938</u> | <u>2,063</u> | <u>643,164</u> | <u>2,112,630</u> |
| EXPENDITURE | | | | | | | | |
| Cost of generating funds | | | | | | | | |
| Fund raising expenses | 16 | 59,115 | 0 | 0 | 0 | 0 | 0 | 59,115 |
| Event expenses | | 36,285 | 0 | 0 | 0 | 0 | 0 | 36,285 |
| | | <u>95,400</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>95,400</u> |

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONT'D)**

| | Note | Unrestricted fund | Restricted funds | | | | Total unrestricted fund and restricted funds S\$ |
|--|------|-------------------|--------------------|---|-----------------------------|-------------------------------------|--|
| | | General Fund S\$ | Home Help Fund S\$ | Blossom Kaki (Senior Volunteerism) Programme Fund S\$ | Active Ageing Programme S\$ | Community Befriending Programme S\$ | |
| 2021 (CONT'D) | | | | | | | |
| EXPENDITURE | | | | | | | |
| Cost of charitable activities | | | | | | | |
| Cleaning supplies | | 5,205 | 0 | 0 | 0 | 0 | 5,205 |
| Consultant/trainers/speakers | | 25,000 | 2,500 | 500 | 0 | 0 | 28,000 |
| Depreciation | 9 | 57,901 | 84,762 | 929 | 164,933 | 605 | 309,130 |
| Employer's contribution to CPF | | 24,744 | 22,866 | 17,640 | 20,855 | 2,284 | 88,389 |
| Facility supplies | | 7,742 | 0 | 0 | 310 | 0 | 8,052 |
| Gift and goodie bags | | 2,074 | 50 | 0 | 453 | 311 | 2,888 |
| Insurance | | 6,606 | 0 | 0 | 0 | 0 | 6,606 |
| IT hardware | | 139 | 0 | 0 | 0 | 0 | 139 |
| IT software | | 3,659 | 854 | 0 | 854 | 0 | 5,367 |
| Medical consumables | | 2,414 | 242 | 0 | 98 | 0 | 2,754 |
| Loss on write-off of property, plant and equipment | | 0 | 2,113 | 0 | 0 | 0 | 2,113 |
| Newspaper | | 303 | 184 | 31 | 368 | 0 | 886 |
| Pantry supplies | | 130 | 0 | 0 | 0 | 0 | 130 |
| Postage | | 3,778 | 0 | 0 | 40 | 0 | 3,818 |
| Premises rental* | | 968 | 5,808 | 968 | 10,804 | 811 | 19,359 |
| Printing and stationery | | 5,072 | 0 | 0 | 0 | 0 | 5,072 |
| Promotional expenses | | 40,445 | 0 | 0 | 300 | 0 | 40,745 |
| Refreshments | | 1,420 | 707 | 212 | 771 | 0 | 3,110 |
| Service, repair and maintenance | | 236 | 140 | 0 | 0 | 0 | 376 |
| Staff salaries and bonuses | | 227,707 | 190,150 | 103,765 | 172,757 | 22,449 | 716,828 |
| Staff medical fee | | 196 | 433 | 168 | 638 | 190 | 1,625 |
| Staff welfare | | 2,979 | 765 | 170 | 425 | 255 | 4,594 |
| SDL | | 250 | 357 | 219 | 300 | 29 | 1,155 |
| Telecommunication costs | | 379 | 0 | 0 | 10,538 | 0 | 10,917 |
| Balance carried forward | | 419,347 | 311,931 | 124,602 | 384,444 | 26,934 | 1,267,258 |

*This includes Covid-19 related rent concession received from landlord of S\$18,288.

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONT'D)**

| | Note | Unrestricted fund | Restricted funds | | | | Total unrestricted fund and restricted funds S\$ | |
|--|------|--|----------------------------------|---|----------------------------------|-------------------------------------|--|------------------------------|
| | | General Fund S\$ | Home Help Fund S\$ | Blossom Kaki (Senior Volunteerism) Programme Fund S\$ | Active Ageing Programme S\$ | Community Befriending Programme S\$ | | Total restricted funds S\$ |
| 2021 (CONT'D) | | | | | | | | |
| EXPENDITURE (CONT'D) | | | | | | | | |
| Cost of charitable activities (Cont'd) | | | | | | | | |
| Balance brought forward | | 419,347 | 311,931 | 124,602 | 384,444 | 26,934 | 847,911 | 1,267,258 |
| Training | | 1,585 | 1,513 | 997 | 1,284 | 716 | 4,510 | 6,095 |
| Transport and travelling | | 210 | 3,576 | 88 | 760 | 402 | 4,826 | 5,036 |
| Utilities | | 501 | 3,006 | 501 | 5,913 | 100 | 9,520 | 10,021 |
| Vehicle | | 0 | 31,978 | 0 | 0 | 0 | 31,978 | 31,978 |
| Volunteer expenses | | 0 | 59,575 | 0 | 1,305 | 3,250 | 64,130 | 64,130 |
| Workshop | | 21 | 0 | 0 | 20 | 0 | 20 | 41 |
| | | <u>421,664</u> | <u>411,579</u> | <u>126,188</u> | <u>393,726</u> | <u>31,402</u> | <u>962,895</u> | <u>1,384,559</u> |
| Governance and other administrative costs | | | | | | | | |
| Audit fee | | 7,843 | 1,316 | 0 | 0 | 0 | 1,316 | 9,159 |
| Bank charges | | 357 | 82 | 0 | 6 | 17 | 105 | 462 |
| Professional fee | | 11,720 | 0 | 0 | 21,400 | 0 | 21,400 | 33,120 |
| | | <u>19,920</u> | <u>1,398</u> | <u>0</u> | <u>21,406</u> | <u>17</u> | <u>22,821</u> | <u>42,741</u> |
| Total expenditure | | <u>536,984</u> | <u>412,977</u> | <u>126,188</u> | <u>415,132</u> | <u>31,419</u> | <u>985,716</u> | <u>1,522,700</u> |
| NET INCOME/(EXPENDITURE) FOR THE FINANCIAL YEAR | | | | | | | | |
| TOTAL FUNDS BROUGHT FORWARD | | 932,482 | (166,886) | 20,884 | (167,194) | (29,356) | (342,552) | 589,930 |
| Transfer of funds | 11.3 | <u>1,254,246</u> <u>(1,454,707)</u> | <u>663,809</u> <u>693,832</u> | <u>114,844</u> <u>232,819</u> | <u>244,358</u> <u>328,056</u> | <u>136,952</u> <u>200,000</u> | <u>1,159,963</u> <u>1,454,707</u> | <u>2,414,209</u> <u>0</u> |
| TOTAL FUNDS CARRIED FORWARD | | <u>732,021</u> | <u>1,190,755</u> | <u>368,547</u> | <u>405,220</u> | <u>307,596</u> | <u>2,272,118</u> | <u>3,004,139</u> |

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONT'D)**

| | Note | Unrestricted fund | Restricted funds | | | | Total unrestricted fund and restricted funds S\$ |
|--|------|-------------------|--------------------|---|-----------------------------|-------------------------------------|--|
| | | General Fund S\$ | Home Help Fund S\$ | Blossom Kaki (Senior Volunteerism) Programme Fund S\$ | Active Ageing Programme S\$ | Community Befriending Programme S\$ | |
| 2020 INCOME | | | | | | | |
| Income from generated funds | | | | | | | |
| <u>Voluntary income</u> | | | | | | | |
| Donations | 5 | 71,769 | 65,415 | 0 | 10,000 | 573 | 147,757 |
| <u>Activities for generating funds</u> | | | | | | | |
| Fund raising events | 5,16 | 519,442 | 0 | 0 | 0 | 0 | 519,442 |
| Events and activities | 5 | 2,210 | 0 | 0 | 0 | 0 | 2,210 |
| | | 521,652 | 0 | 0 | 0 | 0 | 521,652 |
| Income from charitable activities | | | | | | | |
| <u>Grant income</u> | | | | | | | |
| Council for Third Age (C3A) | | | | | | | |
| - Blossom Kaki (Senior Volunteerism) Programme | | 0 | 0 | 70,795 | 0 | 0 | 70,795 |
| - Community Befriending Programme | | 0 | 0 | 0 | 0 | 64,028 | 64,028 |
| Agency for Integrated Care (AIC) | | | | | | | |
| - Medical Escort & Transport Service | | 0 | 122,678 | 0 | 0 | 0 | 122,678 |
| Tote Board Community Healthcare Fund | | | | | | | |
| - 4As Senior Health Programme | | 0 | 0 | 0 | 6,177 | 0 | 6,177 |
| Community Silver Trust | 12 | 220,199 | 0 | 0 | 0 | 0 | 220,199 |
| Balance carried forward | | 220,199 | 122,678 | 70,795 | 6,177 | 64,028 | 483,877 |

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONT'D)**

| | Note | Unrestricted fund | Restricted funds | | | | Total unrestricted fund and restricted funds S\$ | |
|---|------|-------------------|--------------------|---|-----------------------------|-------------------------------------|--|----------------------------|
| | | General Fund S\$ | Home Help Fund S\$ | Blossom Kaki (Senior Volunteerism) Programme Fund S\$ | Active Ageing Programme S\$ | Community Befriending Programme S\$ | | Total restricted funds S\$ |
| 2020 (CONT'D) | | | | | | | | |
| INCOME (CONT'D) | | | | | | | | |
| Income from charitable activities (Cont'd) | | | | | | | | |
| <u>Grant income (Cont'd)</u> | | | | | | | | |
| Balance brought forward | | 220,199 | 122,678 | 70,795 | 6,177 | 64,028 | 263,678 | 483,877 |
| Community Chest Charity Support Fund for Active Ageing Programmes | | 0 | 0 | 0 | 50,000 | 0 | 50,000 | 50,000 |
| National Council of Social Service | | | | | | | | |
| - Invictus Fund | | 0 | 50,000 | 0 | 0 | 0 | 50,000 | 50,000 |
| - Care and Share Grant | | 0 | 0 | 7,213 | 0 | 0 | 7,213 | 7,213 |
| - Charities Capability Fund | | 3,000 | 24,780 | 0 | 0 | 0 | 24,780 | 27,780 |
| Grant – others | | 4,395 | 338 | 0 | 3,000 | 0 | 3,338 | 7,733 |
| | | <u>227,594</u> | <u>197,796</u> | <u>78,008</u> | <u>59,177</u> | <u>64,028</u> | <u>399,009</u> | <u>626,603</u> |
| Other income | 6 | <u>129,534</u> | <u>12,801</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>12,801</u> | <u>142,335</u> |
| Total income | | <u>950,549</u> | <u>276,012</u> | <u>78,008</u> | <u>69,177</u> | <u>64,601</u> | <u>487,798</u> | <u>1,438,347</u> |
| EXPENDITURE | | | | | | | | |
| Cost of generating funds | | | | | | | | |
| Fund raising expenses | 16 | 9,771 | 0 | 0 | 0 | 0 | 0 | 9,771 |
| Event expenses | | 6,401 | 0 | 0 | 0 | 0 | 0 | 6,401 |
| | | <u>16,172</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>16,172</u> |

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONT'D)**

| | Note | Unrestricted fund | Restricted funds | | | | Total unrestricted fund and restricted funds S\$ | |
|--------------------------------------|------|-------------------|--------------------|---|-----------------------------|-------------------------------------|--|----------------------------|
| | | General Fund S\$ | Home Help Fund S\$ | Blossom Kaki (Senior Volunteerism) Programme Fund S\$ | Active Ageing Programme S\$ | Community Befriending Programme S\$ | | Total restricted funds S\$ |
| 2020 (CONT'D) | | | | | | | | |
| EXPENDITURE | | | | | | | | |
| Cost of charitable activities | | | | | | | | |
| Cleaning supplies | | 3,878 | 206 | 0 | 0 | 0 | 206 | 4,084 |
| Consultant/trainers/speakers | | 13,434 | 300 | 6,200 | 620 | 0 | 7,120 | 20,554 |
| Depreciation | 9 | 13,319 | 112,739 | 497 | 2,545 | 842 | 116,623 | 129,942 |
| Employer's contribution to CPF | | 28,542 | 25,250 | 8,792 | 14,159 | 10,099 | 58,300 | 86,842 |
| Equipment rental | | 321 | 0 | 0 | 321 | 0 | 321 | 642 |
| Facility supplies | | 262 | 400 | 0 | 0 | 0 | 400 | 662 |
| Gift and goodie bags | | 20,990 | 1,118 | 0 | 502 | 1,187 | 2,807 | 23,797 |
| Insurance | | 7,352 | 0 | 0 | 0 | 0 | 0 | 7,352 |
| IT hardware | | 1,189 | 0 | 0 | 0 | 0 | 0 | 1,189 |
| IT software | | 7,862 | 1,731 | 0 | 0 | 0 | 1,731 | 9,593 |
| Licenses & permit | | 200 | 0 | 0 | 32 | 0 | 32 | 232 |
| Medical consumables | | 0 | 2,270 | 0 | 0 | 0 | 2,270 | 2,270 |
| Minor assets | | 705 | 150 | 0 | 590 | 0 | 740 | 1,445 |
| Newspaper | | 28 | 0 | 0 | 34 | 0 | 34 | 62 |
| Pantry supplies | | 4 | 8 | 0 | 0 | 0 | 8 | 12 |
| Postage | | 264 | 0 | 0 | 0 | 0 | 0 | 264 |
| Premises rental* | | 1,506 | 9,029 | 1,505 | 16,553 | 1,505 | 28,592 | 30,098 |
| Printing and stationery | | 1,704 | 144 | 0 | 0 | 0 | 144 | 1,848 |
| Promotional expenses | | 14,166 | 0 | 0 | 64 | 0 | 64 | 14,230 |
| Refreshments | | 1,559 | 100 | 246 | 1,938 | 0 | 2,284 | 3,843 |
| Staff salaries and bonuses | | 206,219 | 187,201 | 63,520 | 85,049 | 70,988 | 406,758 | 612,977 |
| Staff medical fee | | 315 | 476 | 19 | 42 | 17 | 554 | 869 |
| SDL | | 485 | 504 | 156 | 229 | 188 | 1,077 | 1,562 |
| Telecommunication costs | | 468 | 8,026 | 0 | 0 | 0 | 8,026 | 8,494 |
| Balance carried forward | | 324,772 | 349,652 | 80,935 | 122,678 | 84,826 | 638,091 | 962,863 |

*This includes Covid-19 related rent concession received from landlord of S\$13,543 and rental reimbursement from Ministry of Health of 18,288.

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONT'D)**

| | Unrestricted fund | Restricted funds | | | | Total unrestricted fund and restricted funds S\$ | |
|--|-------------------|--------------------|---|-----------------------------|-------------------------------------|--|----------------------------|
| | General Fund S\$ | Home Help Fund S\$ | Blossom Kaki (Senior Volunteerism) Programme Fund S\$ | Active Ageing Programme S\$ | Community Befriending Programme S\$ | | Total restricted funds S\$ |
| 2020 (CONT'D) | | | | | | | |
| EXPENDITURE (CONT'D) | | | | | | | |
| Cost of charitable activities (Cont'd) | | | | | | | |
| Balance brought forward | 324,772 | 349,652 | 80,935 | 122,678 | 84,826 | 638,091 | 962,863 |
| Training | 2,612 | 1,309 | 910 | 1,285 | 1,000 | 4,504 | 7,116 |
| Transport and travelling | 678 | 59,924 | 169 | 100 | 3,541 | 63,734 | 64,412 |
| Utilities | 420 | 2,426 | 420 | 4,620 | 420 | 7,886 | 8,306 |
| Vehicle | 0 | 25,819 | 0 | 0 | 0 | 25,819 | 25,819 |
| Workshop | 0 | 0 | 0 | 268 | 0 | 268 | 268 |
| | <u>328,482</u> | <u>439,130</u> | <u>82,434</u> | <u>128,951</u> | <u>89,787</u> | <u>740,302</u> | <u>1,068,784</u> |
| Governance and other administrative costs | | | | | | | |
| Audit fee | 5,029 | 0 | 0 | 0 | 0 | 0 | 5,029 |
| Bank charges | 339 | 172 | 0 | 0 | 0 | 172 | 511 |
| Professional fee | 24,303 | 0 | 0 | 0 | 0 | 0 | 24,303 |
| | <u>29,671</u> | <u>172</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>172</u> | <u>29,843</u> |
| Total expenditure | <u>374,325</u> | <u>439,302</u> | <u>82,434</u> | <u>128,951</u> | <u>89,787</u> | <u>740,473</u> | <u>1,114,799</u> |
| NET INCOME/(EXPENDITURE) FOR THE FINANCIAL YEAR | 576,224 | (163,290) | (4,426) | (59,774) | (25,186) | (252,676) | 323,548 |
| TOTAL FUNDS BROUGHT FORWARD | <u>678,022</u> | <u>827,099</u> | <u>119,270</u> | <u>304,132</u> | <u>162,138</u> | <u>1,412,639</u> | <u>2,090,661</u> |
| TOTAL FUNDS CARRIED FORWARD | <u>1,254,246</u> | <u>663,809</u> | <u>114,844</u> | <u>244,358</u> | <u>136,952</u> | <u>1,159,963</u> | <u>2,414,209</u> |

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

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2021

| | Note | 2021 S\$ | 2020 S\$ |
|---|------|------------------|------------------|
| ASSETS | | | |
| Current assets | | | |
| Cash and cash equivalents | 7 | 2,458,527 | 2,359,387 |
| Other receivables | 8 | <u>165,640</u> | <u>282,084</u> |
| | | <u>2,624,167</u> | <u>2,641,471</u> |
| Non-current assets | | | |
| Property, plant and equipment | 9 | <u>801,991</u> | <u>292,482</u> |
| Total assets | | <u>3,426,158</u> | <u>2,933,953</u> |
| LIABILITIES | | | |
| Current liabilities | | | |
| Other payables | 10 | <u>422,019</u> | <u>519,744</u> |
| Total liabilities | | <u>422,019</u> | <u>519,744</u> |
| NET ASSETS | | <u>3,004,139</u> | <u>2,414,209</u> |
| FUNDS | | | |
| Unrestricted fund | | | |
| General fund | 11 | <u>732,021</u> | <u>1,254,246</u> |
| Restricted funds | | | |
| Home Help Fund | 11 | 1,190,755 | 663,809 |
| Blossom Kaki (Senior Volunteerism) Programme Fund | 11 | 368,547 | 114,844 |
| Active Ageing Programme | 11 | 405,220 | 244,358 |
| Community Befriending Programme | 11 | <u>307,596</u> | <u>136,952</u> |
| | | <u>2,272,118</u> | <u>1,159,963</u> |
| TOTAL FUNDS | | <u>3,004,139</u> | <u>2,414,209</u> |

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

**STATEMENT OF CHANGES IN FUNDS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021**

| | Balance at beginning of financial year S\$ | Net income/ (expenditure) for the financial year S\$ | Transfer of funds (Note 11) S\$ | Balance at end of financial year S\$ |
|---|--|--|--|--|
| 2021 | | | | |
| Unrestricted fund | | | | |
| General fund | <u>1,254,246</u> | <u>932,482</u> | <u>(1,454,707)</u> | <u>732,021</u> |
| Restricted funds | | | | |
| Home Help Fund | 663,809 | (166,886) | 693,832 | 1,190,755 |
| Blossom Kaki (Senior Volunteerism) Programme Fund | 114,844 | 20,884 | 232,819 | 368,547 |
| Active Ageing Programme | 244,358 | (167,194) | 328,056 | 405,220 |
| Community Befriending Programme | <u>136,952</u> | <u>(29,356)</u> | <u>200,000</u> | <u>307,596</u> |
| | <u>1,159,963</u> | <u>(342,552)</u> | <u>1,454,707</u> | <u>2,272,118</u> |
| Total funds | <u>2,414,209</u> | <u>589,930</u> | <u>0</u> | <u>3,004,139</u> |
| | Balance at beginning of financial year S\$ | Net income/ (expenditure) for the financial year S\$ | Transfer of funds S\$ | Balance at end of financial year S\$ |
| 2020 | | | | |
| Unrestricted fund | | | | |
| General fund | <u>678,022</u> | <u>576,224</u> | <u>0</u> | <u>1,254,246</u> |
| Restricted funds | | | | |
| Home Help Fund | 827,099 | (163,290) | 0 | 663,809 |
| Blossom Kaki (Senior Volunteerism) Programme Fund | 119,270 | (4,426) | 0 | 114,844 |
| Active Ageing Programme | 304,132 | (59,774) | 0 | 244,358 |
| Community Befriending Programme | <u>162,138</u> | <u>(25,186)</u> | <u>0</u> | <u>136,952</u> |
| | <u>1,412,639</u> | <u>(252,676)</u> | <u>0</u> | <u>1,159,963</u> |
| Total funds | <u>2,090,661</u> | <u>323,548</u> | <u>0</u> | <u>2,414,209</u> |

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

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

| | Note | 2021 S\$ | 2020 S\$ |
|---|------|------------------|------------------|
| Cash flows from operating activities | | | |
| Net income for the financial year | | 589,930 | 323,548 |
| Adjustments for: | | | |
| - Depreciation | 9 | 309,130 | 129,942 |
| - Loss on write-off of property, plant and equipment | | 2,113 | 0 |
| Operating cash flow before working capital changes | | <u>901,173</u> | <u>453,490</u> |
| Changes in working capital | | | |
| - Other receivables | | 116,444 | (174,204) |
| - Other payables | | <u>(97,725)</u> | <u>474,518</u> |
| Net cash generated from operating activities | | <u>919,892</u> | <u>753,804</u> |
| Cash flows from investing activity | | | |
| Purchase of property, plant and equipment, representing net cash used in investing activity | 9 | <u>(820,752)</u> | <u>(153,979)</u> |
| Net increase in cash and cash equivalents | | 99,140 | 599,825 |
| Cash and cash equivalents at beginning of financial year | | <u>2,359,387</u> | <u>1,759,562</u> |
| Cash and cash equivalents at end of financial year | 7 | <u>2,458,527</u> | <u>2,359,387</u> |

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021**

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

1. General information

Blossom Seeds Limited (the "Company") is incorporated and domiciled in Singapore. The Company's registered office and principal place of business is located at 105 Canberra Street, #02-01 Singapore 750105.

The Company is a company limited by guarantee. The Company was registered as a charity under the Charities Act 1994 on 4 April 2016. The Company has been accorded an Institution of a Public Character ("IPC") status from 01 January 2019 to 31 January 2022 and subsequently renewed from 1 February 2022 to 31 January 2025.

The principal activities of the Company are those of charitable and other supporting activities aimed at humanitarian work.

The liabilities of the Members is limited whereby every member of the Company undertakes to contribute to the assets of the Company in the event of its being wound up while he is a member or within one year afterwards for payment of debts and liabilities of the Company contracted before he ceased to be a member and of the costs and expenses of winding-up and for the adjustment of the right of the contributories among themselves such amount as may be required not exceeding S\$10 only. As at reporting date, the Company has 13 members (2020: 12 members).

2. Significant accounting policies**2.1 Basis of preparation**

The financial statements have been prepared in accordance with Charities Accounting Standard ("CAS") and disclosure requirements of the Charities Act 1994. The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

These financial statements are presented in Singapore Dollars ("S\$"), which is the Company's functional currency.

The preparation of the financial statements in conformity with CAS requires measurement to exercise its judgement in the process of applying Company's accounting policies. It also requires the use of certain critical accounting estimates and assumptions

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

2.2 Income recognition

Income comprises the fair value of the consideration received or receivable in the ordinary course of the Company's activities. Income is recognised as follows:

2.2.1 Donations

Donations are taken up and accrued as and when they are committed. Those uncommitted donations, income from charity events and all income except as listed below, are recognised on receipt basis. Donations-in-kind are recognised when the fair value of the assets received can be reasonably ascertained.

2. Significant accounting policies (Cont'd)**2.2 Income recognition (Cont'd)**

Income is recognised as follows: (Cont'd)

2.2.2 Government grants

The recognition of a promised grant is evidence of entitlement which normally exists when the grant is formally expressed in writing. Where the entitlement is demonstrable, and no conditions are attached, such promises are recognised as income once the criteria or certainty and measurability are met. When conditions are attached, they must be fulfilled before the Company has unconditional entitlement to the income. Income is deferred as a liability where uncertainty exists as to whether the Company can meet the conditions and is recognised as income when there is sufficient evidence that the conditions imposed can be met.

2.2.3 Income from events

Income from events is recognised upon completion of event.

2.2.4 Other income

Other income is recognised when received.

2.3 Expenditure recognition

All expenditure is accounted for on accrual basis, aggregated under the respective areas. Direct costs are attributed to the activity where possible. Where costs are not wholly attributable to an activity, they are apportioned on a basis consistent with the use of resources.

2.3.1 Cost of generating funds

Cost of generating funds comprises all directly attributable costs incurred in the generating voluntary income and fundraising activities. These costs include costs related to constitutional and statutory requirements and an apportionment of overhead and shared costs.

2.3.2 Cost of charitable activities

Cost of charitable activities comprises all directly attributable costs incurred in the pursuit of the charitable objects of the Company and an apportionment of overhead and shared costs.

2.3.3 Governance and administrative costs

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

2. Significant accounting policies (Cont'd)**2.4 Property, plant and equipment**

2.4.1 Measurement

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

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if:

- It is probable that future economic benefits associated with the item will flow to the Company; and
- The cost of the item can be measured reliably.

The cost of an item of property, plant and equipment comprises all of the following:

- a) Its purchase price, including legal and brokerage fees, import duties and non-refundable purchase taxes, after deducting trade discounts and rebates;
- b) Any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. These can include the costs of site preparation, initial delivery and handling, installation and assembly, and testing of functionality; and
- c) The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which the Company incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during the period.

Property, plant and equipment are not revalued and are not required to be assessed for impairment under CAS.

Where the cost of an item is S\$3,000 and below, it is expensed off to statement of financial activities in the year of purchase.

2.4.2 Depreciation

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

| | Useful lives |
|-----------------------------|--------------|
| Renovation | 3 years |
| Office and centre equipment | 3 years |
| Motor vehicles | 5 years |
| Furniture | 3 years |

Fully depreciated assets are retained in the financial statements until they are no longer in use.

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each reporting date. The effects of any revision are recognised in the statement of financial activities for the financial year in which the changes arise.

2. Significant accounting policies (Cont'd)**2.4 Property, plant and equipment (Cont'd)****2.4.3 Subsequent expenditure**

Subsequent expenditure relating to plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in the statement of financial activities when incurred.

2.4.4 Disposal

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

2.5 Financial assets**2.5.1 Recognition and measurement**

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 as incurred. Prepayments are initially recognised at the amount paid in advance for the economic resources expected to be received in the future.

Receivables in financial assets are subsequently measured at amortised cost, using the effective interest method.

2.5.2 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

2.5.3 Impairment

The Company assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired.

An allowance for impairment of other receivables is recognised when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the receivable is impaired. The amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The amount of the allowance for impairment is recognised in the statement of financial activities within "Governance and other administrative costs".

Subsequently, if 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. The reversal will not result in any carrying amount of the financial asset (net of any allowance account) that exceeds what the carrying amount would have been had the impairment not previously been recognised. The amount of reversal is recognised in the statement of financial activities.

2. Significant accounting policies (Cont'd)**2.6 Cash and cash equivalents**

Cash and cash equivalents include deposits with financial institutions, which are subject to an insignificant risk of changes in values.

2.7 Financial liabilities

Financial liabilities are recognised when and only when the Company becomes a party to the contractual provisions of the financial instrument and are classified according to the substance of the contractual arrangements entered into. All interest related charges are recognised in the statement of financial activities. Financial liabilities include "Other payables" on the statement of financial position.

Financial liabilities are derecognised when the obligations under the liability is discharged or cancelled or expire. When existing financial liabilities are replaced by another from the same lender on substantially different terms of an existing liability or are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognised in the statement of financial activities.

2.8 Other payables

Other payables excluding accruals, are recognised at their transaction price, excluding transaction cost, if any, both at 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.

2.9 Provisions for other liabilities and charges

Provisions for other liabilities and charges are recognised when the Company has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

2.10 Operating leases as lessee

Leases of assets in which 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. 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.

Rental on operating lease is charged to statement of financial activities.

2.11 Employee compensation**2.11.1 Defined contribution plans**

Defined contribution plans are post-employment benefit plans under which the Company pays fixed contributions into separate entities such as the Central Provident Fund ("CPF"), on a mandatory, contractual or voluntary basis. The Company has no further payment obligations once the contributions have been paid. The Company's contribution to defined contribution plans are recognised as employee compensation expense when they are due.

2.11.2 Short-term employee benefits

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

2. Significant accounting policies (Cont'd)**2.12 Funds**

Restricted funds balance are restricted by outside sources and may only be utilised in accordance with the purposes for which they are established. Designated funds are earmarked for specific purposes and are largely made up of funds allocated at the discretion of the Board of Directors. These designated funds are treated as restricted funds as they contain funds restricted by outside sources.

The Board of Directors retains full control over the use of unrestricted funds for any of the Company's purposes.

2.13 Contingencies

Contingent liabilities are not recognised in the financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is not recognised in the financial statements but disclosed when an inflow of economic benefit is probable.

2.14 Events after the reporting date

Events after the reporting date that provide additional information about the Company's position at the reporting date (adjusting events) are reflected in the financial statements. Events after the reporting date that are not adjusting events are disclosed in the notes to the financial statements when material.

3. Significant accounting judgements and estimates

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

3.1 Judgements made in applying accounting policies

The key critical judgements in applying the Company's accounting policies concerning the future at the reporting 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.

Government grants

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

3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting date are discussed below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

3. Significant accounting judgements and estimates (Cont'd)**3.2 Key sources of estimation uncertainty (Cont'd)**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.

The estimation of the useful lives of the property, plant and equipment could change significantly due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of property, plant and equipment. The depreciation charge is increased where useful lives are less than previously estimated lives.

The carrying value of property, plant and equipment as of 31 December 2021 and 2020 are disclosed in Note 9.

Based on Management's assessment, no change in the estimated useful lives of property, plant and equipment is required as of 31 December 2021 and 2020.

4. Income tax

The Company is a charity registered under the Charities Act since 4 April 2016. Consequently, the income of the Company is exempted from tax under the provisions of Section 13 of the Income Tax Act 1947.

5. Donations

| | 2021 S\$ | 2020 S\$ |
|------------------------------|-----------------------|-----------------------|
| Tax deductible donations | 794,375 | 386,269 |
| Non-tax deductible donations | <u>174,696</u> | <u>283,140</u> |
| | <u><u>969,071</u></u> | <u><u>669,409</u></u> |

The donations were allocated as follows:

| | | |
|-------------------------|-----------------------|-----------------------|
| • Donations | 140,104 | 147,757 |
| • Events and activities | 39,324 | 2,210 |
| • Fund raising events | 589,643 | 519,442 |
| • Room adoption | 100,000 | 0 |
| • Sponsorship | <u>100,000</u> | <u>0</u> |
| | <u><u>969,071</u></u> | <u><u>669,409</u></u> |

During the financial year, the Company issued tax deductible receipts for donations totalling S\$730,317 (2020: S\$314,464) pursuant to its IPC status.

6. Other income

| | 2021 S\$ | 2020 S\$ |
|----------------------------|---------------|----------------|
| Enabling employment credit | 3,720 | 0 |
| Jobs support scheme | 41,891 | 129,534 |
| Special employment credit | 3,175 | 2,428 |
| Wages credit scheme | 11,957 | 10,373 |
| Others | 33 | 0 |
| | <u>60,776</u> | <u>142,335</u> |

7. Cash and cash equivalents

| | 2021 S\$ | 2020 S\$ |
|---------------|------------------|------------------|
| Cash on hand | 2,050 | 3,830 |
| Cash at banks | <u>2,456,477</u> | <u>2,355,557</u> |
| | <u>2,458,527</u> | <u>2,359,387</u> |

8. Other receivables

| | Note | 2021 S\$ | 2020 S\$ |
|--|------|----------------|----------------|
| Advances to suppliers | 15.2 | 0 | 135,693 |
| Deposits | | 5,244 | 5,044 |
| Grant receivables | | | 0 |
| - Agency for Integrated Care Pte. Ltd. | | 35,315 | 0 |
| - Council for Third Age (C3A) | | 17,742 | 0 |
| - Jobs Support Scheme | | 0 | 15,440 |
| - Ministry of Health | | 18,288 | 0 |
| - President's challenge | | 42,000 | 0 |
| - Singapore Business Federation | | 4,800 | 0 |
| Prepayments | | 42,251 | 28,393 |
| Other receivables | | 0 | 97,514 |
| | | <u>165,640</u> | <u>282,084</u> |

The Jobs Support Scheme (JSS) provides wage support to employers to help them retain their local employees (Singapore citizens and Permanent Residents) during this period of economic and pandemic uncertainty. JSS payouts are intended to offset local employees wages and help protect their jobs.

9. Property, plant and equipment

| | Renovation S\$ | Office and centre equipment S\$ | Motor vehicles S\$ | Furniture S\$ | Total S\$ |
|---------------------------------|-------------------|--|--------------------------|------------------|--------------|
| Cost | | | | | |
| At 1 January 2020 | 171,782 | 49,953 | 145,776 | 2,289 | 369,800 |
| Additions | 64,468 | 89,511 | 0 | 0 | 153,979 |
| 31 December 2020 | 236,250 | 139,464 | 145,776 | 2,289 | 523,779 |
| Additions | 513,779 | 178,061 | 128,912 | 0 | 820,752 |
| Write-off | 0 | (4,856) | 0 | 0 | (4,856) |
| At 31 December 2021 | 750,029 | 312,669 | 274,688 | 2,289 | 1,339,675 |
| Accumulated Depreciation | | | | | |
| At 1 January 2020 | 56,484 | 15,431 | 28,840 | 600 | 101,355 |
| Depreciation | 71,041 | 28,984 | 29,155 | 762 | 129,942 |
| At 31 December 2020 | 127,525 | 44,415 | 57,995 | 1,362 | 231,297 |
| Depreciation | 182,507 | 94,557 | 31,304 | 762 | 309,130 |
| Write-off | 0 | (2,743) | 0 | 0 | (2,743) |
| At 31 December 2021 | 310,032 | 136,229 | 89,299 | 2,124 | 537,684 |
| Carrying amount | | | | | |
| 31 December 2020 | 108,725 | 95,049 | 87,781 | 927 | 292,482 |
| 31 December 2021 | 439,997 | 176,440 | 185,389 | 165 | 801,991 |

10. Other payables

| | 2021 S\$ | 2020 S\$ |
|--|----------------|----------------|
| Accruals | 32,968 | 82,628 |
| Deferred grant income – Jobs Support Scheme | 0 | 30,358 |
| Deferred grant income – Care and share grant | 0 | 36,063 |
| Deferred rent | 0 | 3,512 |
| Donation received in advance | 309,345 | 367,183 |
| Provision for reinstatement costs | 53,500 | 0 |
| Others | 26,206 | 0 |
| | <u>422,019</u> | <u>519,744</u> |

The deferred grant income – Jobs Support Scheme (JSS) will be recognised as a grant income, on a systematic basis, over the estimated 17 months of economic uncertainty till August 2021 in which the entity recognises the related salary costs.

Deferred rent pertained to timing difference on the recognition of actual rental expenses and the payment amounts recorded in the Company's financial statements. The Company was given with 4 months' rent free (fitting-up) period under the lease agreement signed for the office premises. The Company account the rental expense for the fitting up period on straight-line basis through dividing the total lease payables by total lease term including the rent free period.

Donations received in advance pertain to donations received for our inaugural flag day.

11. Funds

11.1 Unrestricted fund

General Fund

General fund are expendable at the discretion of the Board of Directors for achieving of their overall objectives.

11.2 Restricted funds

Home Help Fund

To provide medical escort and transport (MET) services partnering Agency for Integrated Care (AIC). The funds are also used for befriending, grocery assistance, house cleaning and bring the vulnerable seniors to our centres for activities so that they can live and age well at home and in the community. These are not funded under government schemes. Plans are also underway to provide nursing support to the vulnerable seniors.

Included are also funds used to maintain three wheelchair enabled buses for the transportation of vulnerable seniors for their medical appointments and for the renovation of the Home Help Centre at #02-01.

Blossom Kaki (Senior Volunteerism) Programme Fund

To engage seniors for active ageing by volunteering in our events and serving the needy elderly.

Active Ageing Programme

To conduct programmes to empower seniors in different areas of health including physical, social, cultural, emotional and financial health, so that the seniors can stay healthy and happy.

Included are also funds for the renovation of the Activity Centre for Seniors at #02-06 and Gym equipment.

Community Befriending Programme

Befriending programme that befriends seniors that are living alone, frail and at high risk of social isolation.

11.3 Transfer of funds

On 25 June 2021 and 31 December 2021, the Board of Directors approved the transfer of S\$593,421 and S\$861,286 from general fund to respective restricted funds for the provision of Intermediate and Long-Term Care (ILTC) services as follows:

| | Amount S\$ |
|---|------------------|
| Home Help Fund | 693,832 |
| Blossom Kaki (Senior Volunteerism) Programme Fund | 232,819 |
| Active Ageing Programme | 328,056 |
| Community Befriending Programme | 200,000 |
| | <u>1,454,707</u> |

12. Community Silver Trust

The Community Silver Trust is a matching grant of one dollar for every donation dollar raised by the Company for programmes supported by Ministry of Health (MOH).

The objectives are to encourage donations and provide additional resources for service providers in the Intermediate and Long-Term Care (ILTC) sector to enhance our capabilities, provide value added services to achieve higher quality care and enhance affordability of step down care for service users. Up to 40% of the funds can be claimed for recurring operating costs incurred.

13. Related party transactions**(a) Related party transactions and balances**

There was no transaction between the Company and related party for the financial years ended 31 December 2021 and 31 December 2020.

None of the directors received any remuneration from the Company for the financial years ended 31 December 2021 and 31 December 2020.

(b) Key management personnel compensation

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

| | 2021 S\$ | 2020 S\$ |
|---|----------------|----------------|
| <u>Key Executives</u> | | |
| Salaries and other short-term employee benefits | 110,620 | 210,172 |
| Post-employment benefits – Contribution to CPF | 17,192 | 26,246 |
| SDL | 169 | 358 |
| | <u>127,981</u> | <u>236,776</u> |

Number of key management personnel whose remuneration was in the S\$100,000 band and above is 1 (2020: 1).

14. Number of employees

The number of employees in the Company at the end of the reporting date was 19 (2020: 20). As disclosed in the statement of financial activities, total staff costs as at year end amounted to S\$806,372 (2020: S\$701,381) which includes payroll for seven SGUT staff amounting to S\$136,317 (2020: Nil).

15. Commitments**15.1 Operating lease commitments**

The Company leases office premise from non-related parties under non-cancellable operating lease agreement.

The future minimum rental payable under non-cancellable operating lease contracted for at the end of the reporting period but not recognised as liabilities, are as follows:

| | 2021 S\$ | 2020 S\$ |
|---|----------------|---------------|
| Not later than one year | 54,172 | 28,089 |
| More than a year but not more than five years | 85,772 | 0 |
| | <u>139,944</u> | <u>28,089</u> |

15. Commitments (Cont'd)**15.2 Capital commitments**

At the reporting date, the Company has capital commitments in respect to purchase of office and centre equipment and renovation, are as follow:

| | Note | 2021 S\$ | 2020 S\$ |
|-------------------------------------|------|-------------|----------------|
| Commitments for the acquisition of: | | | |
| - Office and centre equipment | | 0 | 158,484 |
| - Renovation | | 0 | 563,931 |
| Recorded as advances to suppliers | 8 | 0 | (135,693) |
| | | <u>0</u> | <u>586,722</u> |

16. Fund-raising expenses

| | 2021 S\$ | 2020 S\$ |
|---|---------------|--------------|
| Gross donations | 589,643 | 519,442 |
| Direct cost of fund-raising expenses | <u>59,115</u> | <u>9,771</u> |
| Percentage of direct fund-raising expenses over gross donations | <u>10.0%</u> | <u>1.9%</u> |

For the financial year ended 31 December 2021, the Company kept their fund-raising efficiency ratio below 30%. This is commonly known as the 30/70 rule.

As a result of the COVID-19 pandemic, all physical fundraising events were cancelled. During the Circuit Breaker, the Company organised a fundraising campaign - COVID-19 Funds for Needy Seniors on Giving.sg, to raise funds to continue the service and support for the vulnerable seniors in our community.

The fund-raising event above was duly audited by another audit firm.

17. Reserves position and policy

The Company's reserves position for financial year ended 31 December 2021 and 2020 are as follows:

| | | 2021 | 2020 | Increase / (Decrease) |
|---|---|---------|---------|--------------------------|
| | | S\$'000 | S\$'000 | % |
| A | Unrestricted Fund | | | |
| | General fund | 732 | 1,254 | (42%) |
| B | Restricted / Designated Funds | 2,272 | 1,160 | 96% |
| C | Endowment Fund | N/A | N/A | N/A |
| D | Total Funds | 3,004 | 2,414 | 24% |
| E | Total Annual Operating Expenditure | 1,523 | 1,115 | 37% |
| F | Ratio of Reserves to Annual Operating Expenditure (A/E) | 0.48 | 1.12 | |

Reference:

- C. Endowment fund consists of assets, funds or properties, which are held in perpetuity, which produce annual income flow for an entity to spend as grants.
- D. Total funds include unrestricted, restricted, designated and endowment funds.
- E. Total annual operating expenditure includes expenses related to Cost of Generating Funds, Cost of Charitable Activities and Governance and Other Administrative Costs.

17. Reserves position and policy (Cont'd)

The Company's Reserve Policy is as follows:

- a) The reserves of the Company provide financial stability and the means for the development of the Company's activities.
- b) The Board intends to maintain reserves five times of the Company's operating needs.
- c) The Company reviews the level of reserves regularly for the Company's continuing obligations.

18. Management of conflict of interest

There is no paid staff on the Company's Board of Directors.

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

19. Impact of COVID-19 (Coronavirus Disease 2019)

The COVID-19 pandemic has affected almost all countries of the world, and resulted in border closures, production stoppages, workplace closures, movement controls and other measures imposed by the various governments. The Company's significant operations are in Singapore which have been affected by the spread of COVID-19 in 2021. The nature of the Company's business are those of charitable and other supporting activities aimed at humanitarian work. Summarise the impact of COVID-19 as below on the Company's financial performance reflected in this set of financial statements for the year ended 31 December 2021:

- i. The Company has assessed that the going concern basis of preparation for this set of financial statements remains appropriate. The Board of Directors is continuously monitoring the COVID-19 pandemic situation and will take further action as necessary in response to the service disruptions.
- ii. In 2021, the Company has received rental waiver for its office rental for S\$13,543 (2020: \$16,051) from landlord during the circuit breaker period enforced by the Singapore Multi-Ministry Taskforce. The Company also received rental reimbursement of \$18,288 from the Ministry of Health due to the newly on-boarding of Eldercare centre.
- iii. As a result of the COVID-19 pandemic, all physical fundraising events were cancelled. During the Circuit Breaker, the Company organised a fundraising campaign - COVID-19 Funds for Needy Seniors on Giving.sg, to raise funds to continue the service and support for the vulnerable seniors in our community.
- iv. The government has also implemented assistance measure which might mitigate some of the impact of COVID-19 on the Company's results and liquidity.

As the global COVID-19 situation remains very fluid as at the date these financial statements were authorised for issuance, the Company cannot reasonably ascertain the full extent of the probable impact of the COVID-19 disruptions on its operating and financial performance for the financial year ending 31 December 2022. If the situation persists beyond management's current expectations, the Company's assets may be subject to further write downs in the subsequent financial periods.

20. Authorisation of financial statements

The financial statements for the financial year ended 31 December 2021 were authorised for issue in accordance with a resolution of the Board of Directors of the Company on 15 June 2022.