

**SAGE COUNSELLING CENTRE**

[UEN. T08SS0025E]

[IPC Reg. No. IPC000628]

[Registered under the Registry of Societies]

**AUDITED FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED  
31 MARCH 2019**

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**Fiducia LLP**

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Public Accountants and

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**STATEMENT BY MANAGEMENT COMMITTEE**

In the opinion of the Management Committee, the accompanying financial statements of SAGE Counselling Centre (the "Centre") are drawn up so as to give a true and fair view of the state of affairs of the Centre as at 31 March 2019 and of the results, changes in funds and cash flows of the Centre for the year then ended.

At the date of this statement, there are reasonable grounds to believe that the Centre will be able to pay its debts as and when they fall due.

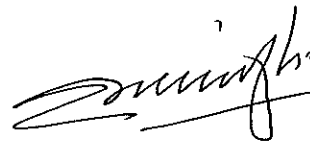
The Management Committee, comprising the following, authorised the issue of these financial statements on **01 AUG 2019**

Board Chairperson	Dr Esther Tan Nee Yiu Kam Yu
Vice Chairman	Dr Chan Kin Ming
Honorary Secretary	Lee Soo Kwan
Honorary Treasurer	Zulkifli Mohammed
Assistant Treasurer	Dr Kan See Mun
Board Member	Robert Fu Qi Guo
Board Member	Dr Leong Keng Hong
Board Member	Tan Kian Choon
Board Member	Seng Yuh Jen
Board Member	Dr Cheng Yuanshan
Board Member	Koh Eng Soon Tim

For and on behalf of the Management Committee,



Dr Esther Tan Nee Yiu Kam Yu  
Board Chairperson



Zulkifli Mohammed  
Honorary Treasurer

Singapore,

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Independent auditor's report to the members of:

### **SAGE COUNSELLING CENTRE**

[UEN. T08SS0025E]  
[IPC No. IPC000628]

[Registered under the Societies Act (Chapter 311) in the  
Republic of Singapore]

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

### **Opinion**

We have audited the financial statements of SAGE Counselling Centre (the "Centre"), which comprise the statement of financial position as at 31 March 2019, 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 Societies Act, Chapter 311 (the "Societies Act"), the Charities Act, Chapter 37 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 state of affairs of the Centre as at 31 March 2019 and the results, changes in funds and cash flows of the Centre 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 Centre in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Other Information**

Management is responsible for the other information. The other information comprises the information included in the Statement by Management Committee, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above 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.

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(CONT'D)

Independent auditor's report to the members of:

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the provisions of the Societies Act, the Charities Act and Regulations and CAS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Centre'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 Centre's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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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)**

- 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 Centre'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 Centre to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### **Report on Other Legal and Regulatory Requirements**

In our opinion, the accounting and other records required to be kept by the Centre have been properly kept in accordance with the provisions of the Societies Regulations enacted under the Societies Act, 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 Centre has not used the donation moneys in accordance with its objectives as required under Regulation 11 of the Charities (Institution of a Public Character) Regulations; and
- b. the Centre has not complied with the requirements of Regulation 15 (Fund-raising expenses) of the Charities (Institutions of a Public Character) Regulations.



**Fiducia LLP**  
Public Accountants and  
Chartered Accountants

Singapore, 01 AUG 2019

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019**

	Note	Unrestricted fund		Restricted funds			Total funds S\$
		General fund S\$	Community silver trust S\$	SAGE Counselling S\$	The Seniors Helpline S\$	Total Restricted funds S\$	
<b>2019 INCOME</b>							
<b>Voluntary income</b>							
Government subvention - MOH		0	0	296,444	100,432	396,876	396,876
NCSS ComChest:							
- Operating expenses		0	0	296,256	50,215	346,471	346,471
- Disbursement receivable		0	0	0	25,740	25,740	25,740
Donations	4	19,220	0	0	0	0	19,220
		19,220	0	592,700	176,387	769,087	788,307
<b>Income from charitable activities</b>							
SAGE Counselling centre - CST		0	142,150	0	0	142,150	142,150
Donations - Volunteer appreciation day	4	0	0	0	3,000	3,000	3,000
Telephone sponsorships		0	0	0	1,740	1,740	1,740
		0	142,150	0	4,740	146,890	146,890
<b>Other income</b>							
Fixed deposit interest		0	0	2,700	0	2,700	2,700
Government paid childcare leave		0	0	1,252	0	1,252	1,252
Health for older persons talk		0	0	900	0	900	900
Professional conversion programme		0	0	0	32,400	32,400	32,400
Provide services		0	0	1,230	0	1,230	1,230
Sales of books		0	0	464	0	464	464
Sale of painting		0	0	890	0	890	890
Special employment credit		0	0	327	0	327	327
		0	0	7,763	32,400	40,163	40,163
<b>Total income</b>		19,220	142,150	600,463	213,527	956,140	975,360

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019 (CONT'D)**

	Note	Unrestricted fund					Restricted funds			Total funds S\$
		General fund S\$	Community silver trust S\$	SAGE Counselling S\$	The Seniors Helpline S\$	Restricted funds S\$	Total Restricted funds S\$			
<b>2019 (Cont'd)</b>										
<b>LESS: EXPENDITURE</b>										
<b>Cost of charitable activities</b>										
Advertising		0	0	0	25,858	25,858			25,858	25,858
Communication		0	4,201	1,800	4,762	10,763			10,763	10,763
Community silver trust			475	0	0	475			475	475
- Research project			625	0	0	625			625	625
- Staff professional development			5,516	0	0	5,516			5,516	5,516
- CC Staff development			20,805	0	0	20,805			20,805	20,805
- Expressive therapeutic program			19,647	0	0	19,647			19,647	19,647
- Golden life Workshop			(400)	0	0	(400)			(400)	(400)
- Wise Programme			5,003	0	0	5,003			5,003	5,003
- Website development			74,018	0	0	74,018			74,018	74,018
- Maintenance on wheel services			8,523	0	0	8,523			8,523	8,523
- Public education for senior			3,072	0	0	3,072			3,072	3,072
- Setting up art therapy room			3,648	0	0	3,648			3,648	3,648
- Staff training sponsorship			4,913	0	0	4,913			4,913	4,913
- Work plan strategic development										
- Civil and community institute scheme										
services charges			35,163	0	16,486	51,649			51,649	51,649
Depreciation	9	7,052	8,570	13,609	0	22,179			22,179	29,231
Insurance		0	0	1,917	0	1,917			1,917	1,917
Maintenance equipment		0	0	1,268	300	1,568			1,568	1,568
Office maintenance - cleaning		0	6,238	0	0	6,238			6,238	6,238
Provide services		0	6,786	0	0	6,786			6,786	6,786
Public education expense		0	0	477	0	477			477	477
Balance carried forward		7,052	206,803	19,071	47,406	273,280			273,280	280,332

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019 (CONT'D)**

	Note	Unrestricted fund		Restricted funds				Total funds S\$
		General fund S\$	Community silver trust S\$	SAGE Counselling S\$	The Seniors Helpline S\$	Total Restricted funds S\$		
<b>2019 (Cont'd)</b>								
<b>LESS: EXPENDITURE (CONT'D)</b>								
<b>Cost of charitable activities (cont'd)</b>								
Balance brought forward		7,052	206,803	19,071	47,406	273,280	280,332	
Rental of equipment		0	3,177	0	0	3,177	3,177	
Staff costs	5	0	52,672	553,283	160,469	766,424	766,424	
Supplies and materials		0	0	1,967	1,955	3,922	3,922	
Transport		0	0	783	488	1,271	1,271	
Utilities		0	8,200	0	4,100	12,300	12,300	
Volunteer development		0	0	1,633	13,815	15,448	15,448	
		<u>7,052</u>	<u>270,852</u>	<u>576,737</u>	<u>228,233</u>	<u>1,075,822</u>	<u>1,082,874</u>	
<b>Governance and other administrative costs</b>								
Audit fee		0	0	2,996	0	2,996	2,996	
Bank charges		0	0	365	20	385	385	
Miscellaneous expense		0	0	154	0	154	154	
Community Silver Trust								
- General expenses		0	6,406	0	0	6,406	6,406	
- Volunteers development		0	17,200	0	0	17,200	17,200	
- Training for volunteers		0	2,741	0	0	2,741	2,741	
		<u>0</u>	<u>26,347</u>	<u>3,515</u>	<u>20</u>	<u>29,882</u>	<u>29,882</u>	
<b>Total expenditure</b>		<u>7,052</u>	<u>297,199</u>	<u>580,252</u>	<u>228,253</u>	<u>1,105,704</u>	<u>1,112,756</u>	
<b>NET INCOME/(EXPENDITURE) FOR THE FINANCIAL YEAR</b>		<u>12,168</u>	<u>(155,049)</u>	<u>20,211</u>	<u>(14,726)</u>	<u>(149,564)</u>	<u>(137,396)</u>	



**STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019 (CONT'D)**

	Note	Unrestricted fund		Restricted funds				Total funds S\$
		General fund S\$	Community silver trust S\$	SAGE Counseling S\$	The Seniors Helpline S\$	Restricted funds S\$	Total Restricted funds S\$	
<b>2018 INCOME</b>								
<b>Voluntary income</b>								
Government subvention - MSF		0	0	290,213	97,974		388,187	388,187
NCSS ComChest:								
- Operating expenses	4	0	0	290,213	48,987		339,200	339,200
Donations		7,932	0	0	0	0	7,932	7,932
		<u>7,932</u>	<u>0</u>	<u>580,426</u>	<u>146,961</u>		<u>727,387</u>	<u>735,319</u>
<b>Income from charitable activities</b>								
Community silver trust		0	339,422	0	0		339,422	339,422
Donations - Volunteer appreciation day	4	0	0	0	8,550		8,550	8,550
Telephone sponsorships		0	0	0	1,740		1,740	1,740
		<u>0</u>	<u>339,422</u>	<u>0</u>	<u>10,290</u>		<u>349,712</u>	<u>349,712</u>
<b>Other income</b>								
Counselling session received		0	0	40	0		40	40
Maternity claim		0	0	11,632	0		11,632	11,632
New volunteers training fee		0	0	0	540		540	540
NS reimbursement		0	0	0	582		582	582
Professional conversion programme		0	0	0	24,300		24,300	24,300
Provide services		0	0	1,050	0		1,050	1,050
Sales of books		10	0	52	0		62	62
Special employment credit		0	0	1,915	0		1,915	1,915
Temporary employment credit		0	0	5,093	0		5,093	5,093
Wages credit scheme pay-out		0	0	12,715	0		12,715	12,715
		<u>10</u>	<u>0</u>	<u>32,497</u>	<u>25,422</u>		<u>57,919</u>	<u>57,929</u>
<b>Total income</b>		<u>7,942</u>	<u>339,422</u>	<u>612,923</u>	<u>182,673</u>		<u>1,135,018</u>	<u>1,142,960</u>

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019 (CONT'D)**

	Note	Unrestricted fund		Restricted funds			Total funds S\$
		General fund S\$	Community silver trust S\$	SAGE Counselling S\$	The Seniors Helpline S\$	Total Restricted funds S\$	
<b>2018 (Cont'd)</b>							
<b>LESS: EXPENDITURE</b>							
<b>Cost of charitable activities</b>							
Communication		0	4,044	(55)	4,890	8,879	8,879
Community silver trust							
- Research project		0	20,000	0	0	20,000	20,000
- Staff professional development		0	3,960	0	0	3,960	3,960
- CC Staff development		0	5,927	0	0	5,927	5,927
- Art therapeutic tools kits		0	25,000	0	0	25,000	25,000
- CC Caregiver		0	480	0	0	480	480
- Wise Programme		0	500	0	0	500	500
- Inter-generation projects		0	3,463	0	0	3,463	3,463
- CC setting up art therapy room		0	1,708	0	0	1,708	1,708
- CC public education for senior		0	10,604	0	0	10,604	10,604
- Maintenance on wheel services		0	10,846	0	0	10,846	10,846
Depreciation	9	1,369	0	2,519	0	2,519	3,888
Insurance		0	1,723	0	0	1,723	1,723
Civil and community institute scheme services charges		0	50,253	0	0	50,253	50,253
Office maintenance - cleaning		0	7,734	0	0	7,734	7,734
Public education services		0	0	194	0	194	194
Postage		0	0	55	0	55	55
Rental of equipment		0	4,879	0	0	4,879	4,879
Staff costs	5	0	75,395	514,724	92,040	682,159	682,159
Supplies and materials		0	4,631	645	341	5,617	5,617
Transport		0	257	1,329	83	1,669	1,669
Utilities		0	8,259	0	0	8,259	8,259
Volunteer development		0	0	1,416	7,434	8,850	8,850
		<b>1,369</b>	<b>239,663</b>	<b>520,827</b>	<b>104,788</b>	<b>865,278</b>	<b>865,647</b>

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019 (CONT'D)**

	Unrestricted fund		Restricted funds				Total funds S\$
	General fund S\$	Community silver trust S\$	SAGE Counselling S\$	The Seniors Helpline S\$	Restricted funds S\$	Total funds S\$	
<b>2018 (Cont'd)</b>							
<b>LESS: EXPENDITURE (CONT'D)</b>							
<b>Governance and other administrative costs</b>							
Audit fee	0	3,852	0	0	0	3,852	3,852
Bank charges	53	0	351	0	0	351	404
Provide services claims	0	0	180	0	0	180	180
Community Silver Trust							
- General expenses	0	760	0	0	0	760	760
- Volunteers development	0	16,000	0	0	0	16,000	16,000
- Training for volunteers	0	3,808	0	0	0	3,808	3,808
	53	24,420	531	0	0	24,951	25,004
<b>Total expenditure</b>	1,422	264,083	521,358	104,788	890,229	891,651	891,651
<b>NET INCOME FOR THE FINANCIAL YEAR</b>	6,520	75,339	91,565	77,885	244,789	251,309	251,309

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

**STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2019**

	Note	2019 S\$	2018 S\$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	6	1,233,275	1,499,348
Other receivables	7	186,493	76,776
Inventories	8	5,368	2,506
		<u>1,425,136</u>	<u>1,578,630</u>
<b>Non-current asset</b>			
Plant and equipment	9	<u>20,522</u>	<u>24,041</u>
<b>Total assets</b>		<u>1,445,658</u>	<u>1,602,671</u>
<b>LIABILITY</b>			
<b>Current liability</b>			
Other payables	10	<u>53,696</u>	<u>73,313</u>
<b>Total liability</b>		<u>53,696</u>	<u>73,313</u>
<b>NET ASSETS</b>		<u>1,391,962</u>	<u>1,529,358</u>
<b>FUNDS</b>			
<b>Unrestricted fund</b>			
General fund	11	<u>104,638</u>	<u>92,470</u>
<b>Restricted funds</b>			
Art therapeutic fund	12	101,607	101,607
Community silver trust fund	13	405,467	560,516
SAGE Counselling fund	14	553,986	533,775
The Seniors Helpline fund	15	226,264	240,990
		<u>1,287,324</u>	<u>1,436,888</u>
<b>TOTAL FUNDS</b>		<u>1,391,962</u>	<u>1,529,358</u>

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

**STATEMENT OF CHANGES IN FUNDS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019**

	Balance at beginning of financial year S\$	Net expenditure for the financial year S\$	Balance at end of financial year S\$
<b>2019</b>			
<b>Unrestricted fund</b>			
General fund	92,470	12,168	104,638
<b>Restricted funds</b>			
Art therapeutic fund	101,607	0	101,607
Community silver trust fund	560,516	(155,049)	405,467
SAGE Counselling fund	533,775	20,211	553,986
The Seniors Helpline	240,990	(14,726)	226,264
	<u>1,436,888</u>	<u>(149,564)</u>	<u>1,287,324</u>
	<u>1,529,358</u>	<u>(137,396)</u>	<u>1,391,962</u>
	Balance at beginning of financial year S\$	Net income for the financial year S\$	Balance at end of financial year S\$
<b>2018</b>			
<b>Unrestricted fund</b>			
General fund	85,950	6,520	92,470
<b>Restricted funds</b>			
Art therapeutic fund	101,607	0	101,607
Community silver trust fund	485,177	75,339	560,516
SAGE Counselling fund	442,210	91,565	533,775
The Seniors Helpline	163,105	77,885	240,990
	<u>1,192,099</u>	<u>244,789</u>	<u>1,436,888</u>
	<u>1,278,049</u>	<u>251,309</u>	<u>1,529,358</u>

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

**STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019**

	Note	2019 S\$	2018 S\$
<b>Cash flows from operating activities</b>			
Net (expenditure)/ income for the financial year		(137,396)	251,309
Adjustment for:			
- Depreciation	9	29,231	3,888
Operating cash flow before changes in working capital		(108,165)	255,197
Changes in working capital			
- Other receivables		(109,717)	35,549
- Other payables		(19,617)	70,317
- Inventories		(2,862)	0
<b>Net cash (used in)/generated from operating activities</b>		<b>(240,361)</b>	<b>361,063</b>
<b>Cash flows from investing activity</b>			
Purchases of plant and equipment	9	(25,712)	(3,845)
<b>Net cash used in investing activity</b>		<b>(25,712)</b>	<b>(3,845)</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>		<b>(266,073)</b>	<b>357,218</b>
Cash and cash equivalents at beginning of financial year		1,499,348	1,142,130
<b>Cash and cash equivalents at end of financial year</b>	6	<b>1,233,275</b>	<b>1,499,348</b>

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019**

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

**1. General information**

SAGE Counselling Centre ("the Centre") was registered on 20 May 2008 under the Societies Act (Chapter 311). The Centre is a non-profit organisation. The Centre is a charity registered under the Charities Act (chapter 37) since 1 July 2008.

The Centre's registered address and principal place of activities is located at 1 Jurong West Central 2, #06-04, Jurong Point Shopping Centre, Singapore 648886.

The objectives of the Centre are:

- To promote professionalism in remedial services and in developmental programmes for older persons;
- To inculcate greater public awareness about caring for and supporting the aging population; and
- To establish and manage programmes, activities or projects which are incidental or conducive to any of the objects of the Centre, either independently or in partnership with related or unrelated organisations.

The Centre has been granted Institution of a Public Character ("IPC") status for the period from 1 June 2017 to 31 May 2019 and was renewed for another period from 1 June 2019 to 31 May 2022.

**2. Significant accounting policies**

**2.1 Basis of preparation**

The financial statements have been prepared in accordance with Charities Accounting Standard ("CAS") and the disclosure requirements of the Societies Act (Chapter 311) and Charities Act (Chapter 37). 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 Dollar ("S\$"), which is the Centre's functional currency. Functional currency is the currency of the primary economic environment in which the Centre operates. All financial information presented are denominated in Singapore Dollar unless otherwise stated.

The preparation of these financial statements in conformity with CAS requires management to exercise its judgement in the process of applying the Centre'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 assumptions and estimates are significant to the financial statements are disclosed in Note 3.

## **2. Significant accounting policies (Cont'd)**

### **2.2 Income recognition**

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

#### **2.2.1 Government grants**

Government grants are recognised as income in the financial statements when the conditions attached are fulfilled before the Centre has unconditional entitlement to the income. When there is sufficient evidence that such conditions will be met, the income is recognised. Where uncertainty exists as to whether the conditions can be fulfilled, the income will not be recognised and is deferred as a liability until there is sufficient evidence that the conditions imposed can be met.

#### **2.2.2 Donations**

Donation income is recognised as income upon receipt.

#### **2.2.3 Interest income**

Interest income is recognised on a time-proportion basis using the effective interest method.

#### **2.2.4 Other income**

Other income is recognised upon receipt.

### **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 charitable activities**

Cost of charitable activities comprises all costs incurred in the pursuit of the charitable objects of the Centre. The total costs of charitable expenditure include an apportionment of overhead and shared costs.

#### **2.3.2 Governance and other administrative costs**

Governance and other administrative costs include the costs of governance arrangement, which relate to the general running of the Centre, 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 Employee benefits**

#### **2.4.1 Defined contribution plans**

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

#### **2.4.2 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 leave as a result of services rendered by employees up to the reporting date.

### **2.5 Operating lease**

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. Contingent rents are recognised as an expense in the statement of financial activities in the financial year in which they are incurred.

### **2.6 Income tax**

The Centre is a charity registered under the Charities Act since 1 July 2008. Consequently, the income of the Centre is exempted from tax under the provisions of Section 13(zm) of the Income Tax Act Cap. 134.

### **2.7 Financial assets**

#### **2.7.1 Recognition and measurement**

Other receivables are initially recognised at their transaction price, excluding transaction costs, if any. Transaction costs will be recognised as expenditure in the statement of financial activities as incurred.

Other receivables are subsequently measured at cost less accumulated impairment losses.

#### **2.7.2 Derecognition**

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

## **2. Significant accounting policies (Cont'd)**

### **2.7 Financial assets (Cont'd)**

#### **2.7.2 Impairment**

The Centre 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 financial assets is recognised when there is objective evidence that the Centre 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 undiscounted future cash flows that the Centre expects to receive. 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 Centre will reverse the previously recognised impairment loss. The reversal will not result in any carrying amount of the financial asset (net of any allowance account) exceeding 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.

### **2.8 Cash and cash equivalents**

Cash and cash equivalents include cash on hand, deposits with financial institutions which are subject to an insignificant risk of change in value.

### **2.9 Inventories**

The amount at which inventories are stated in the financial statements shall be the lower of cost and net realisable value of the separate items of inventories.

### **2.10 Plant and equipment**

#### **2.10.1 Measurement**

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

The initially recognised cost of an item of plant and equipment includes its purchase price and any costs that are 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.

## **2. Significant accounting policies (Cont'd)**

### **2.10 Plant and equipment (Cont'd)**

#### 2.10.2 Depreciation

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

	Useful lives
Furniture and fittings and office equipment	3 - 5 years

Fully depreciated assets are retained in the Centre's records until they are no longer in use.

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

#### 2.10.3 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 Centre and the cost of the item can be measured reliably. Other subsequent expenditure is recognised as repair and maintenance expenses in the statement of financial activities during the financial year in which it is incurred.

#### 2.10.4 Disposal

On disposal of an item of plant and equipment, the difference between the net disposals proceeds and its carrying amount is taken to the statement of financial activities.

### **2.11 Financial liabilities**

Financial liabilities are recognised when the Centre becomes a party to the contractual arrangements of the 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 are discharged, cancelled or expire. When existing financial liabilities are replaced by another from the same lender on substantially different terms 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.

### **2.12 Other payables**

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

**2. Significant accounting policies (Cont'd)****2.13 Funds**

Fund balances restricted by outside sources are so indicated and are distinguished from unrestricted funds allocated to specific purpose, if any, by action of the Management Committee. Externally restricted funds may only be utilised in accordance with the purposes for which they are established. The Management Committee retains full control over the use of unrestricted funds for any of the Centre's purposes.

**3. Critical accounting estimates, assumptions and judgements**

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**3.1 Critical accounting estimates and assumptions**

The Centre makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions 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.

**3.1.1 Estimated useful lives of plant and equipment**

The Centre reviews annually the estimated useful lives of plant and equipment based on factors such as expected level of usage and future technological developments. It is possible that future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned.

The carrying amount of plant and equipment and the depreciation charge for the financial year are disclosed in Note 9 to the financial statements.

**3.2 Critical judgements in applying the entity's accounting policies**

The key critical judgements in applying the entity'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.

**3.2.1 Government grants**

Government grants to meet operating expenses are recognised as income in the income and expenditure statement on the accrual basis in the year these operating expenses were incurred and there is reasonable assurance that the Centre 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 Centre if the conditions are not met.

**4. Tax-exempt donations**

	2019	2018
	S\$	S\$
<b>Voluntary income</b>		
Donations	19,220	7,932
<b>Income from charitable activities</b>		
Donations – Volunteer appreciation day	3,000	8,550
	<u>22,220</u>	<u>16,482</u>

**5. Staff costs**

	2019 S\$	2018 S\$
<b>5.1 Community silver trust:</b>		
CPF and SDL contributions	5,770	13,977
Executive director's remuneration	0	2,505
Salaries and bonuses	46,902	47,084
Staff medical and welfare benefits	0	11,829
	<u>52,672</u>	<u>75,395</u>
<b>5.2 The Seniors Helpline:</b>		
CPF and SDL contributions	23,247	8,393
Salaries and bonuses	134,928	83,100
Staff medical and welfare benefits	2,294	547
	<u>160,469</u>	<u>92,040</u>
<b>5.3 SAGE Counselling:</b>		
CPF and SDL contributions	69,303	53,322
Executive director's remuneration	138,377	142,204
Salaries and bonuses	342,663	318,158
Staff medical and welfare benefits	2,940	1,040
	<u>553,283</u>	<u>514,724</u>
	<u>766,424</u>	<u>682,159</u>

**6. Cash and cash equivalents**

	2019 S\$	2018 S\$
Cash at bank	1,077,214	1,348,848
Cash in hand	6,061	500
Fixed deposit	150,000	150,000
	<u>1,233,275</u>	<u>1,449,348</u>

In the current financial year, fixed deposit has maturity term of 15 (2018: 18) months and has interest rate of 1.75% (2018: 1.2%) per annum.

Long-term fixed deposit is included as cash and cash equivalents as this can be readily converted into cash without incurring significant penalty.

**7. Other receivables**

	2019 S\$	2018 S\$
Other receivables	0	14,250
Grant receivables	167,889	47,063
Deposits	18,604	15,463
	<u>186,493</u>	<u>76,776</u>

**8. Inventories**

	2019 S\$	2018 S\$
Stock-Grab Bars	<u>5,368</u>	<u>2,506</u>

**9. Plant and equipment**

	Balance at beginning of financial year S\$	Additions S\$	(Written off) S\$	Balance at end of financial year S\$
<b>2019</b>				
<b>Cost</b>				
Furniture and fittings and office equipment				
General fund	13,689	0	0	13,689
SAGE Counselling	25,921	0	0	25,921
Community Silver Trust Fund	0	25,712	0	25,712
The Seniors Helpline	510	0	(330)	180
Golden Life Workgroup	428	0	0	428
SAGE Renovation Fund	137,586	0	0	137,586
	<u>178,134</u>	<u>25,712</u>	<u>(330)</u>	<u>203,516</u>
	Balance at beginning of financial year S\$	Depreciation S\$	(Written off) S\$	Balance at end of financial year S\$
<b>Accumulated depreciation</b>				
Furniture and fittings and office equipment				
General Fund	4,107	7,052	0	11,159
SAGE Counselling	11,462	13,609	0	25,071
Community Silver Trust Fund	0	8,570	0	8,570
The Seniors Helpline	510	0	(330)	180
Golden Life Workgroup	428	0	0	428
SAGE Renovation Fund	137,586	0	0	137,586
	<u>154,093</u>	<u>29,231</u>	<u>(330)</u>	<u>182,994</u>
	Balance at beginning of financial year S\$			Balance at end of financial year S\$
<b>Carrying amount</b>				
Furniture and fittings and office equipment				
General fund	9,582			2,530
SAGE Counselling	14,459			850
Community Silver Trust Fund	0			17,142
The Seniors Helpline	0			0
Golden Life Workgroup	0			0
SAGE Renovation Fund	0			0
	<u>24,041</u>			<u>20,522</u>

During the financial year, the Centre conducted a review on the useful lives of plant and equipment. The Centre revised the estimated useful lives of furniture and fitting and office equipment from 10 years to 5 years and IT equipments from 10 years to 3 years to align with the actual life span and industry practise. The revision in estimate has been applied on a prospective basis from 9 February 2019, resulting in additional depreciation charge of S\$16,730 for the year.

The change in estimate of the useful lives on the equipment has approved by the management.

**9. Plant and equipment (Cont'd)**

	Balance at beginning financial of year S\$	Additions S\$	(Written off) S\$	Balance at end of financial year S\$
<b>2018</b>				
<b>Cost</b>				
Furniture and fittings and office equipment				
General fund	13,689	0	0	13,689
SAGE Counselling	22,076	3,845	0	25,921
The Seniors Helpline	510	0	0	510
Golden Life Workgroup	428	0	0	428
SAGE Renovation Fund	137,586	0	0	137,586
	<u>174,289</u>	<u>3,845</u>	<u>0</u>	<u>178,134</u>
	Balance at beginning of financial year S\$	Depreciation S\$	(Written off) S\$	Balance at end of financial year S\$
<b>Accumulated depreciation</b>				
Furniture and fittings and office equipment				
General fund	2,738	1,369	0	4,107
SAGE Counselling	8,943	2,519	0	11,462
The Seniors Helpline	510	0	0	510
Golden Life Workgroup	428	0	0	428
SAGE Renovation Fund	137,586	0	0	137,586
	<u>150,205</u>	<u>3,888</u>	<u>0</u>	<u>154,093</u>
	Balance at beginning of financial year S\$			Balance at end of financial year S\$
<b>Carrying amount</b>				
Furniture and fittings and office equipment				
General fund	10,951			9,582
SAGE Counselling	13,133			14,459
The Seniors Helpline	0			0
Golden Life Workgroup	0			0
SAGE Renovation Fund	0			0
	<u>24,084</u>			<u>24,041</u>

**10. Other payables**

	2019 S\$	2018 S\$
Accruals	53,696	72,923
Other payable	0	390
	<u>53,696</u>	<u>73,313</u>

**11. General fund**

The Centre has full autonomy of this fund for full pursuit of its objectives and goals.

**12. Art therapeutic fund**

The Art therapeutic fund was set-up to facilitate program use for the provision of services for art and expressive therapy to aid people with emotional and psychological issues to help stave off depression and dementia.

**13. Community silver trust (CST) fund**

The Community Silver Trust (CST) fund is a dollar-for-dollar donation matching grant provided by the Government to enhance the services of voluntary welfare organisations (VWOs) in the intermediate and long-term care (ILTC) sector. The CST is managed by the Ministry of Health (MOH) and administered by the Agency for Integrated Care (AIC).

The following have been included in arriving at the Community Silver Trust fund as at the reporting date:

	2019 S\$	2018 S\$
Opening balance	560,516	485,177
Total income	142,150	339,422
Total expenditure	<u>(297,199)</u>	<u>(264,083)</u>
Closing balance	<u>405,467</u>	<u>560,516</u>

**14. SAGE Counselling fund**

The surplus funds for the year are subject to refund from National Council of Social Services (NCSS) and Ministry of Social and Family Development (MSF) pending their computation of refund. The amount of refund for the current financial year will be determined based on the income and expenditure recorded by SAGE Counselling Centre and non-operating expenses.

**15. The Seniors Helpline**

The Seniors Helpline is funded by NCSS and MSF. This fund mainly aims to facilitate the provision of toll-free phone counselling to older persons aged 50 and above as well as their caregivers. Examples of such services include the support from counsellors as well as information on or referral of eldercare services.



**16. Operating lease commitment**

As at the reporting date, the Centre has commitments for future minimum lease payments under non-cancellable operating leases as follows:

	2019 S\$	2018 S\$
<b>16.1 Lease of premises</b>		
Not later than one year	36,294	51,648
Later than one year but not later than five years	<u>234,512</u>	<u>270,806</u>
	<u>270,806</u>	<u>322,454</u>
<b>16.2 Lease of equipment</b>		
Not later than one year	4,879	4,879
Later than one year but not later than five years	<u>8,539</u>	<u>13,418</u>
	<u>13,418</u>	<u>18,297</u>

The above operating lease commitments are based on known rental rates as at the date of this report and do not include any revision in rates which may be determined by the lessor.

**17. Remuneration of key management personnel**

The key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Centre. The key management personnel during the reporting period is the Executive Director.

The annual remuneration of key management personnel is classified as follows:

	2019 S\$	2018 S\$
Short-term benefits	147,568	134,587
Post-employment benefits-contribution to CPF	<u>8,038</u>	<u>10,122</u>
	<u>155,606</u>	<u>144,709</u>
	No. of key management personnel	
The remuneration band:	2019	2018
Between S\$100,001 to \$150,000	<u>1</u>	<u>1</u>

**18. Reserve position and policy**

The Centre's reserve position for financial year ended 31 March 2019 and 31 March 2018 are as follows:

		2019	2018	Increase/ (Decrease)
		S\$'000	S\$'000	%
<b>A</b>	<b>Unrestricted Funds</b>			
	Accumulated general funds	104	92	13.04
<b>B</b>	<b>Restricted or designated funds</b>			
	Art therapeutic fund	102	102	0
	Community Silver Trust	405	560	(27.68)
	SAGE Counselling	554	534	3.75
	The Seniors Helpline	226	241	(6.22)
<b>C</b>	<b>Endowment funds</b>	N/A	N/A	N/A
<b>D</b>	<b>Total funds</b>	<b>1,391</b>	<b>1,529</b>	<b>(9.03)</b>
<b>E</b>	<b>Total annual operating expenditure</b>	<b>1,113</b>	<b>892</b>	<b>24.78</b>
<b>F</b>	<b>Ratio of funds to annual operating expenditure (A/E)</b>	<b>0.09</b>	<b>0.10</b>	

Reference:

- C. An endowment fund consists of assets, funds or properties, which are held in perpetuity, which produce annual income flow for a foundation 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 charitable activities and governance and other administrative costs.

The Centre's reserve policy is as follows:

The reserves that the Centre has set aside provide financial stability and the means for the development of its principal activity. It intends to maintain reserves at a level, which is no more than two times of the annual operating expenditure. The Executive Director reviews on a half-yearly basis the amount of reserves that are required to ensure that they are adequate to fulfil the Centre's continuing obligations.

**19. Management of conflict of interest**

None of the Committee members received any remuneration during the year.

Committee members are required to disclose any interest that they may have, whether directly or indirectly, that the centre may enter into or in any organisations that the Centre has dealings with or is considering dealing with; and any personal interests accruing to them as among the Centre's suppliers, users of services or beneficiaries. Should there be any potential conflict of interest, the affected Management Committee member 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.

**20. Authorisation of financial statements**

The financial statements were authorised for issue in accordance with a resolution of the Management Committee on **01 AUG 2019**