

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 2018

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Fiducia LLP

[T10LL0955L]

Public Accountants and

Chartered Accountants of Singapore

71 Ubi Crescent, #08-01

Excalibur Centre, Singapore 408571

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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 2018 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.

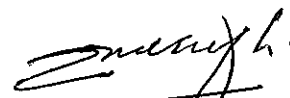
The Management Committee, comprising the following, authorised the issue of these financial statements on

Chairman	Dr Esther Tan Nee Yiu Kam Yu
Vice Chairperson	Dr Chan Kin Ming
Honorary Secretary	Lee Soo Kwan
Honorary Treasurer	Zulkifli Bin Mohammed
Assistant Honorary Treasurer	Dr Kan See Mun
Internal Auditor	Robert Fu
Committee Member	Dr Leong Keng Hong
Committee Member	Tan Kian Choon
Committee Member	Seng Yuh Jen
Committee Member	Mr James Tan Tor Yeow (Appointed on 29 July 2017)
Committee Member	Dr Cheng Yuan Shan (Appointed on 29 July 2017)

For and on behalf of the Management Committee,



Dr Esther Tan Nee Yiu Kam Yu
Chairman



Zulkifli Bin Mohammed
Honorary Treasurer

Singapore,

10 SEP 2018

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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 2018, and the statement of financial activities, statement of changes in funds and statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the 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 2018 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:

SAGE COUNSELLING CENTRE

[UEN. T08SS0025E]

[IPC No. IPC000628]

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

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:

SAGE COUNSELLING CENTRE

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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 financial 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, 10 SEP 2018

Partner in charge: Looi Chee Bin
PAB No.: 01834

STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

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

STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018 (CONT'D)

	Note	General fund S\$	Restricted funds				Total restricted funds S\$	Total funds S\$
			Community silver trust S\$	Sage counselling S\$	Art therapeutic fund S\$	The senior helpline S\$		
2018 (Cont'd)								
LESS: EXPENDITURE								
Cost of charitable activities								
Communication		0	4,044	(55)	0	4,890	8,879	
Community silver trust		0	20,000	0	0	0	20,000	
- Research project		0	3,960	0	0	0	3,960	
- Staff professional development		0	5,927	0	0	0	5,927	
- CC Staff development		0	25,000	0	0	0	25,000	
- Art therapeutic tools kits		0	480	0	0	0	480	
- CC Caregiver		0	500	0	0	0	500	
- Wise Programme		0	3,463	0	0	0	3,463	
- Inter-generation projects		0	1,708	0	0	0	1,708	
- CC setting up art therapy room		0	10,604	0	0	0	10,604	
- CC public education for senior		0	10,846	0	0	0	10,846	
- Maintenance on wheel services		0	0	2,519	0	0	2,519	
Depreciation	9	1,369	0	0	0	0	1,723	
Insurance		0	1,723	0	0	0	0	
Internet charges		0	0	0	0	0	0	
Civil and community institute scheme		0	50,253	0	0	0	50,253	
services charges		0	7,734	0	0	0	7,734	
Office maintenance – cleaning		0	0	194	0	0	194	
Public education services		0	0	55	0	0	55	
Postage		0	0	0	0	0	0	
Rental of equipment		0	4,879	0	0	0	4,879	
Staff costs		0	75,395	514,724	0	92,040	682,159	
Supplies and materials	5	0	4,631	645	0	341	5,617	
Transport		0	257	1,329	0	83	1,669	
Utilities		0	8,259	0	0	0	8,259	
Volunteer development		0	0	1,416	0	7,434	8,850	
		1,369	239,663	520,827	0	104,788	866,647	

STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018 (CONT'D)

	Restricted funds						Total funds S\$
	General fund S\$	Community silver trust S\$	Sage counselling S\$	Art therapeutic fund S\$	The senior helpline S\$	Total restricted funds S\$	
2018 (Cont'd)							
LESS: EXPENDITURE (CONT'D)							
Governance and other administrative costs							
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
Total expenditure	1,422	264,083	521,358	0	104,788	890,229	891,651
NET INCOME FOR THE FINANCIAL YEAR	6,520	75,339	91,565	0	77,885	244,789	251,309

STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018 (CONT'D)

	Note	Restricted funds						Total restricted funds S\$
		General fund S\$	Community silver trust S\$	Sage counselling S\$	Art therapeutic fund S\$	The senior helpline S\$	Total restricted funds S\$	
2017 INCOME								
Voluntary income								
Government subvention - MSF		0	0	282,202	0	95,313	377,515	377,515
NCSS ComChest:								
- Disbursement receivable		0	0	0	0	26,312	26,312	26,312
- Operating expenses		0	0	282,202	0	47,656	329,858	329,858
- Training grant		0	0	1,315	0	4,800	6,115	6,115
Donations	4	6,015	0	0	0	0	0	6,015
		6,015	0	565,719	0	174,081	739,800	745,815
Income from charitable activities								
Donations - Volunteer appreciation day	4	0	0	0	0	10,000	10,000	10,000
Telephone sponsorships		0	0	0	0	1,740	1,740	1,740
		0	0	0	0	11,740	11,740	11,740
Other income								
Counselling session received		0	0	220	0	0	220	220
Honorarium		500	0	0	0	0	0	500
New volunteers training fee		0	0	0	0	440	440	440
Provide services		1,125	0	0	0	0	0	1,125
Sales of books		72	0	0	0	0	0	72
Special employment credit		0	0	4,659	0	0	4,659	4,659
Temporary employment credit		0	0	4,137	0	0	4,137	4,137
Wages credit scheme pay-out		0	0	11,249	0	0	11,249	11,249
		1,697	0	20,265	0	440	20,705	22,402
Total income		7,712	0	585,984	0	186,261	772,245	779,957

STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018 (CONT'D)

	Note	Restricted funds						Total funds S\$
		General fund S\$	Community silver trust S\$	Sage counselling S\$	Art therapeutic fund S\$	The senior helpline S\$	Total restricted funds S\$	
2017 (Cont'd)								
LESS: EXPENDITURE								
Cost of charitable activities								
Advertising		0	0	0	0	19,570	19,570	19,570
Communication		0	0	1,462	0	0	1,462	1,462
Community silver trust		0	2,986	0	0	0	2,986	2,986
- CC Research project		0	473	0	0	0	473	473
- Hong Kong trip		0	2,300	0	0	0	2,300	2,300
- Research project		0	16,092	0	0	0	16,092	16,092
- Staff professional development		0	11,810	0	0	0	11,810	11,810
- CC setting up art therapy room		0	5,417	0	0	0	5,417	5,417
- CC public education for senior		0	942	0	0	0	942	942
- Revamp of telephone system		0	4,854	0	0	0	4,854	4,854
- Maintenance on wheel services		0	1,369	2,134	0	0	3,503	3,503
Depreciation		0	0	117	0	0	117	117
Insurance	9	0	0	2,831	0	0	2,831	2,831
Internet charges		0	0	0	0	0	0	0
Civil and community institute scheme services charges		0	0	34,598	0	15,654	50,252	50,252
Office maintenance – cleaning		0	0	6,721	0	0	6,721	6,721
Public education services		0	0	255	0	0	255	255
Postage		0	0	74	0	0	74	74
Rental of equipment		0	0	4,473	0	0	4,473	4,473
Replacement of equipment		0	0	2,284	0	0	2,284	2,284
Senior helpline charges		0	0	0	0	5,280	5,280	5,280
Staff costs	5	0	0	456,038	0	85,397	541,435	541,435
Balance carried forward		0	46,243	510,987	0	125,901	683,131	683,131

STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018 (CONT'D)

	Restricted funds				Total restricted funds	Total funds
	General fund	Community silver trust	Sage counselling	Art therapeutic fund	The senior helpline	S\$
	S\$	S\$	S\$	S\$	S\$	S\$
2017 (Cont'd)						
LESS: EXPENDITURE (CONT'D)						
Cost of charitable activities (Cont'd)						
Balance brought forward	0	46,243	510,987	0	125,901	683,131
Supplies and materials	0	0	1,831	0	10,178	12,009
Transport	0	0	3,580	0	130	3,710
Utilities	0	0	6,427	0	2,907	9,334
Volunteer development	0	0	0	0	16,764	16,764
	0	46,243	522,825	0	155,880	724,948
Governance and other administrative costs						
Audit fee	0	0	1,498	0	1,498	2,996
Bank charges	85	0	151	0	0	236
Provide services claims	763	0	0	0	0	763
Community Silver Trust						
- General expenses	0	2,932	0	0	0	2,932
- Website development	0	6,010	0	0	0	6,010
- Volunteers development	0	12,500	0	0	0	12,500
- Training for volunteers	0	3,631	0	0	0	3,631
	848	25,073	1,649	0	1,498	29,068
Total expenditure	848	71,316	524,474	0	157,378	754,016
NET INCOME / (EXPENDITURE) FOR THE FINANCIAL YEAR	6,864	(71,316)	61,510	0	28,883	25,941

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

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2018

	Note	2018 S\$	2017 S\$
ASSETS			
Current assets			
Cash and cash equivalents	6	1,499,348	1,142,130
Other receivables	7	76,776	112,325
Inventories	8	2,506	2,506
		<u>1,578,630</u>	<u>1,256,961</u>
Non-current assets			
Plant and equipment	9	<u>24,041</u>	<u>24,084</u>
Total assets		<u>1,602,671</u>	<u>1,281,045</u>
LIABILITY			
Current liability			
Other payables	10	<u>73,313</u>	<u>2,996</u>
Total liability		<u>73,313</u>	<u>2,996</u>
NET ASSETS		<u>1,529,358</u>	<u>1,278,049</u>
FUNDS			
Unrestricted fund			
General fund	11	<u>92,470</u>	<u>85,950</u>
Restricted funds			
Art therapeutic fund	12	101,607	101,607
Community silver trust	13	560,516	485,177
Sage counselling	14	533,775	442,210
The senior helpline	15	240,990	163,105
		<u>1,436,888</u>	<u>1,192,099</u>
TOTAL FUNDS		<u>1,529,358</u>	<u>1,278,049</u>

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

STATEMENT OF CHANGES IN FUNDS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

	Balance at beginning of financial year S\$	Net income for the financial year S\$	Transfers (from)/to	Balance at end of financial year S\$
2018				
Unrestricted fund				
General fund	85,950	6,520	0	92,470
Restricted funds				
Art therapeutic fund	101,607	0	0	101,607
Community silver trust fund	485,177	75,339	0	560,516
Sage counselling fund	442,210	91,565	0	533,775
The senior helpline	163,105	77,885	0	240,990
	<u>1,192,099</u>	<u>244,789</u>	<u>0</u>	<u>1,436,888</u>
	<u>1,278,049</u>	<u>251,309</u>	<u>0</u>	<u>1,529,358</u>
	Balance at beginning of financial year S\$	Net income/ (expenditure) for the financial year S\$	Transfers (from)/to	Balance at end of financial year S\$
2017				
Unrestricted fund				
General fund	29,972	6,864	49,114	85,950
Restricted funds				
Art therapeutic fund	101,607	0	0	101,607
Community silver trust fund	555,124	(71,316)	1,369	485,177
Sage counselling fund	380,700	61,510	0	442,210
Education, training and consultancy fund	15,919	0	(15,919)	0
Golden life workgroup	34,564	0	(34,564)	0
The senior helpline	134,222	28,883	0	163,105
	<u>1,222,136</u>	<u>19,077</u>	<u>(49,114)</u>	<u>1,192,099</u>
	<u>1,252,108</u>	<u>25,941</u>	<u>0</u>	<u>1,278,049</u>

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

STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

	Note	2018 S\$	2017 S\$
Cash flows from operating activities			
Net income for the financial year		251,309	25,941
Adjustments for:			
- Depreciation	9	<u>3,888</u>	<u>3,503</u>
Operating cash flow before changes in working capital		255,197	29,444
Changes in working capital			
- Inventories		0	68
- Other receivables		35,549	(94,382)
- Other payables		<u>70,317</u>	<u>(4,528)</u>
Net cash generated from / (used in) operating activities		<u>361,063</u>	<u>(69,398)</u>
Cash flows from investing activity			
Purchases of plant and equipment	9	<u>(3,845)</u>	<u>0</u>
Net cash used in investing activity		<u>(3,845)</u>	<u>0</u>
Net increase / (decrease) in cash and cash equivalents			
		357,218	(69,398)
Cash and cash equivalents at beginning of financial year		<u>1,142,130</u>	<u>1,211,528</u>
Cash and cash equivalents at end of financial year	6	<u>1,499,348</u>	<u>1,142,130</u>

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

**NOTES TO THE FINANCIAL STATEMENTS FOR THE
FINANCIAL YEAR ENDED 31 MARCH 2018**

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.

2. Significant accounting policies

2.1 Basis of preparation

The financial statements have been prepared in accordance with Charities Accounting Standard ("CAS"). 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.

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 judgment 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 of such monies.

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

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.

2.5 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 3 August 1996. Consequently, the income of the Centre is exempted from tax under the provisions of Section 13 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)

2.7.3 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 or of groups of similar items.

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	10 years

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

The residual values and estimated useful lives of plant and equipment are reviewed, and adjusted as appropriate, at each statement of financial position 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. There are no 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.

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.

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

	2018 S\$	2017 S\$
Voluntary income		
Donations	7,932	6,015
Income from charitable activities		
Donations – Volunteer appreciation day	8,550	10,000
	<u>16,482</u>	<u>16,015</u>

5. Staff costs		2018	2017
		S\$	S\$
5.1 Community silver trust:			
CPF and SDL contributions		13,977	0
Executive director's remuneration		2,505	0
Salaries and bonuses		47,084	0
Staff medical and welfare benefits		11,829	0
		<u>75,395</u>	<u>0</u>
5.2 The seniors helpline:			
CPF and SDL contributions		8,393	12,359
Salaries and bonuses		83,100	71,775
Staff medical and welfare benefits		547	1,263
		<u>92,040</u>	<u>85,397</u>
5.3 Sage Counselling:			
CPF and SDL contributions		53,322	50,178
Executive director's remuneration		142,204	130,026
Salaries and bonuses		318,158	268,425
Staff medical and welfare benefits		1,040	7,409
		<u>514,724</u>	<u>456,038</u>
		<u>682,159</u>	<u>541,435</u>

6. Cash and cash equivalents		2018	2017
		S\$	S\$
Cash at bank		1,348,848	991,886
Cash in hand		500	244
Fixed deposit		150,000	150,000
		<u>1,499,348</u>	<u>1,142,130</u>

In the current financial year, fixed deposit has maturity term of 18 (2017: 18) months and has interest rate of 1.2% (2017: 1.2%) per annum.

Long-term fixed deposits, excluding the pledged deposits, are included as cash and cash equivalents as these can be readily converted into cash without incurring significant penalty.

At the reporting date, the carrying amounts of cash and cash equivalents approximated their fair values.

7. Other receivables		2018	2017
		S\$	S\$
Other receivables		14,250	0
Grant receivables		47,063	96,862
Deposits		15,463	15,463
		<u>76,776</u>	<u>112,325</u>

At the reporting date, the carrying amounts of other receivables approximated their fair values.

8. Inventory

	2018 S\$	2017 S\$
Stock-Grab Bars	<u>2,506</u>	<u>2,506</u>

9. Plant and equipment

	Balance at beginning of financial year S\$	Additions S\$	(Disposals) S\$	Balance at end of financial year S\$
2018				
Cost				
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 back/off) S\$	Balance at end of financial year S\$
Accumulated depreciation				
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\$
Carrying amount				
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>

9. Plant and equipment (Cont'd)

	Balance at beginning financial of year S\$	Additions S\$	(Disposals) S\$	Balance at end of financial year S\$
2017				
Cost				
Furniture and fittings and office equipment				
General fund	13,689	0	0	13,689
Sage Counselling	22,076	0	0	22,076
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>0</u>	<u>0</u>	<u>174,289</u>

	Balance at beginning of financial year S\$	Depreciation S\$	(Written back/off) S\$	Balance at end of financial year S\$
Accumulated depreciation				
Furniture and fittings and office equipment				
General fund	1,369	1,369	0	2,738
Sage Counselling	6,809	2,134	0	8,943
The Seniors Helpline	510	0	0	510
Golden Life Workgroup	428	0	0	428
SAGE Renovation Fund	137,586	0	0	137,586
	<u>146,702</u>	<u>3,503</u>	<u>0</u>	<u>150,205</u>

	Balance at beginning of financial year S\$	Balance at end of financial year S\$
Carrying amount		
Furniture and fittings and office equipment		
General fund	12,320	10,951
Sage Counselling	15,267	13,133
The Seniors Helpline	0	0
Golden Life Workgroup	0	0
SAGE Renovation Fund	0	0
	<u>27,587</u>	<u>24,084</u>

10. Other payables

	2018 S\$	2017 S\$
Accounts payable	390	0
Accruals	72,923	2,996
	<u>73,313</u>	<u>2,996</u>

At the reporting date, the carrying amounts of other payables approximated their fair values.

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:

	2018	2017
	S\$	S\$
Opening balance	485,177	555,124
Total income	339,422	0
Total expenditure	(264,083)	(71,316)
Transfer of funds	0	1,369
Closing balance	<u>560,516</u>	<u>485,177</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 Senior 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. Education, training and consultancy fund

The Education, training and consultancy Fund was set-up to provide additional education and training support to the staff for further development. This was funded by selling books, organising training programmes and donations.

On 8 October 2016, the Centre's management committee approved the transfer of the remaining money from the education, training and consultancy fund to the general fund amounting to S\$15,919 in order to facilitate more efficacious management of the accounts.

17. Golden life workgroup

The Golden Life Workgroup was a secretarial support for the interests of the organisation.

On 8 October 2016, the Centre's management committee approved the transfer of the remaining money from the Golden Life Workgroup to the general fund amounting to S\$34,564 in order to facilitate more efficacious management of the accounts.

18. Income tax

The Centre is registered as a charity organisation under Charities Act, Chapter 37. As an approved charity, it is exempted from income tax under Section 13(1)(zm) of the Income Tax Act.

19. Operating lease commitment

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

	2018 S\$	2017 S\$
19.1 Lease of premises		
Not later than one year	51,648	50,253
Later than one year but not later than five years	<u>270,806</u>	<u>33,501</u>
	<u>322,454</u>	<u>83,754</u>
19.2 Lease of equipment		
Not later than one year	4,879	4,879
Later than one year but not later than five years	<u>13,418</u>	<u>18,297</u>
	<u>18,297</u>	<u>23,176</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.

20. 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:

	2018 S\$	2017 S\$
Short-term benefits	134,587	130,026
Post-employment benefits-contribution to CPF	<u>10,122</u>	<u>12,474</u>
	<u>144,709</u>	<u>142,500</u>

20. Remuneration of key management personnel (Cont'd)

The remuneration band:	No. of key management personnel	
	2018	2017
Between S\$100,001 to \$150,000	<u>1</u>	<u>1</u>

21 Reserve position and policy

The Centre's reserve position for financial year ended 31 March 2018 and 31 March 2017 are as follows:

		2018	2017	Increase/ (Decrease)
		S\$'000	S\$'000	%
A	Unrestricted Funds			
	Accumulated general funds	92	86	6.9
B	Restricted or designated funds			
	Art therapeutic fund	102	102	0
	Community Silver Trust	560	485	15.5
	Sage Counselling	534	442	20.7
	The Senior Helpline	241	163	47.7
C	Endowment funds	N/A	N/A	N/A
D	Total funds	1,529	1,278	19.6
E	Total annual operating expenditure	892	754	18.3
F	Ratio of funds to annual operating expenditure (A/E)	0.10	0.11	

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 Operating and Administration expenses.

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.

22. 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.

23. Authorisation of financial statements

The financial statements were authorised for issue in accordance with a resolution of the Management Committee on 10 SEP 2013