

HCSA COMMUNITY SERVICES

UNIQUE ENTITY NUMBER: S97SS0023J

**STATEMENT OF THE BOARD  
AND FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2023

**LO HOCK LING & CO**

*Chartered Accountants Singapore*

盧鶴齡會計公司



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# HCSA COMMUNITY SERVICES

## CORPORATE INFORMATION 2023

### 1. CHARITY REGISTRATION NUMBER

001299

### 2. INSTITUTION OF A PUBLIC CHARACTER (IPC) NUMBER

IPC 000212

### 3. UNIQUE ENTITY NUMBER (UEN)

S97SS0023J

### 4. REGISTERED ADDRESS

No. 1 Lorong 23, Geylang, Singapore 388352

### 5. BOARD MEMBERS

#### Name

#### Designation

Dominique Choy

President

Yeo Jih-Shian

Vice President

Benedict Brandon Phay Yee How

Secretary

Emily Han

Assistant Secretary

Lee Soon Siang Delene

Treasurer

Francis Ding

Assistant Treasurer

Tony Lim King Leong

Board Member

Vincent Lim Kee Ang

Board Member

Harry Loh

Board Member

Lynn Hermijanto

Board Member

Rachel Ooi Wei Gee

Board Member

### 6. BANKERS

OCBC Bank Ltd

DBS Bank

Hong Leong Finance Limited

### 7. LEGAL ADVISORS

Allen & Gledhill LLP

### 8. AUDITORS

Lo Hock Ling & Co.

Public Accountants and

Chartered Accountants Singapore

## HCSA COMMUNITY SERVICES

(Registered under the Societies Act 1966)

### STATEMENT BY THE BOARD

In our opinion, the accompanying financial statements of HCSA Community Services (the "Association") set out on pages 6 to 38 which comprise the statement of financial position as at 31 December 2023, and the statement of financial activities, statement of changes in funds and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, are properly drawn up in accordance with the provisions of the Societies Act 1966, Charities Act 1994 and other relevant regulations and Financial Reporting Standards in Singapore so as to present fairly, in all material respects, the state of affairs of the Association as at 31 December 2023 and the results, changes in funds and cash flows of the Association for the year ended on that date.

On Behalf of the Board



Dominique Choy  
President



Lee Soon Siang Delene  
Treasurer

Singapore, 17 May 2024

## Report on the Audit of the Financial Statements

### Opinion

We have audited the financial statements of HCSA Community Services (the "Association") set out on pages 6 to 38, which comprise the statement of financial position (balance sheet) as at 31 December 2023, 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 material accounting policy information.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Societies Act 1966 (the "Societies Act"), the Charities Act 1994 and other relevant regulations (the "Charities Act and Regulations") and Financial Reporting Standards in Singapore ("FRSs") so as to present fairly, in all material respects, the state of affairs of the Association as at 31 December 2023 and the results, changes in funds and cash flows of the Association 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 Association in accordance with the *Accounting and Corporate Regulatory Authority 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 in the annual report but does not include the financial statements and our auditor's report thereon. Other than the information included in Corporate Information 2023 and Statement by the Board set out on pages 1 to 2 of this report which we obtained prior to the date of this auditor's report, the remaining other information included in the annual report is expected to be made available to us after that date.

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

In connection with our audit of the financial statements, our responsibility is to read the other information 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 on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of Management and the Board 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 FRSs, 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 Association'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 Association or to cease operations, or has no realistic alternative but to do so.

The Board's responsibilities include overseeing the Association's financial reporting process.



**Continued**

**Auditors' 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 Association's internal control.
- \* Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- \* Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association'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 Association 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 the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Report on Other Legal and Regulatory Requirements**

In our opinion,

- (a) the accounting and other records required to be kept by the Association have been properly kept in accordance with the provisions of the Societies Regulations enacted under the Societies Act, the Charities Act and Regulations; and
- (b) the fund-raising appeals held during the year have been carried out in accordance with Regulation 6 of the Societies Regulations issued under the Societies Act and proper accounts and other records have been kept of the fund-raising appeal.


**Continued**

**Report on Other Legal and Regulatory Requirements**

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

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

Singapore, 17 May 2024

  
LO HOCK LING & CO.  
PUBLIC ACCOUNTANTS AND  
CHARTERED ACCOUNTANTS SINGAPORE

# HCSA COMMUNITY SERVICES

(Registered under the Societies Act 1966)

## Statement of Financial Activities for the year ended 31 December 2023

		Unrestricted funds	Restricted funds	Total	Total
	Notes	2023	2023	2023	2022 (Restated)
		\$	\$	\$	\$
<b>INCOME FROM GENERATED FUNDS</b>					
<u>Voluntary Income</u>					
Amortisation of deferred capital grants	15	90,729	-	90,729	37,461
Donations					
- non-tax deductible		32,082	-	32,082	85,977
- tax deductible		306,659	-	306,659	92,772
Grants from government agencies	3	406,079	2,665,904	3,071,983	3,469,739
Residential rental		55,542	-	55,542	61,556
		<u>891,091</u>	<u>2,665,904</u>	<u>3,556,995</u>	<u>3,747,505</u>
<u>Activities for Generating Funds</u>					
Course fees		266,425	-	266,425	184,676
Income from fund-raising events	4	1,215,793	627,530	1,843,323	1,304,516
Rental income/utility recoveries		1,488,717	-	1,488,717	1,468,025
		<u>2,970,935</u>	<u>627,530</u>	<u>3,598,465</u>	<u>2,957,217</u>
<u>Investment Income</u>					
Interest income from fixed deposits		132,790	-	132,790	22,277
Changes in fair value of financial assets through profit or loss	9	57,254	-	57,254	-
		<u>190,044</u>	<u>-</u>	<u>190,044</u>	<u>22,277</u>
<u>Other Income</u>					
Gain on disposal of property, plant and equipment		3,000	-	3,000	-
Other government grants					
- Jobs Support Scheme		-	-	-	174,464
- others		91,907	-	91,907	101,002
Miscellaneous income		88,348	-	88,348	76,890
		<u>183,255</u>	<u>-</u>	<u>183,255</u>	<u>352,356</u>
<b>TOTAL INCOME</b>		<u>4,235,325</u>	<u>3,293,434</u>	<u>7,528,759</u>	<u>7,079,355</u>

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



# HCSA COMMUNITY SERVICES

(Registered under the Societies Act 1966)

## Statement of Financial Activities for the year ended 31 December 2023 (continued)

		Unrestricted funds	Restricted funds	Total	Total
	Notes	2023	2023	2023	2022 (Restated)
		\$	\$	\$	\$
<b>EXPENDITURES</b>					
<u>Costs of Generating Funds</u>					
Appreciation and training for volunteers		2,000	-	2,000	2,701
Bank charges		1,113	-	1,113	722
Clinical and therapy expenses		-	-	-	815
Depreciation on property, plant and equipment	7	12,248	-	12,248	17,975
Depreciation on right-of-use assets	8	520,330	-	520,330	504,339
Employee benefits expense	5	394,125	-	394,125	412,847
Food and refreshments		2,680	-	2,680	93
Fund-raising expenses	4	86,870	-	86,870	26,800
General expenses		10,260	-	10,260	8,945
Insurance		5,575	-	5,575	3,709
Interest expense on lease liabilities		43,758	-	43,758	50,902
Materials for culinary class		1,326	-	1,326	-
Printing, stationery and postage		21,347	-	21,347	2,199
Publicity and promotion		14,246	-	14,246	8,631
Repairs and maintenance		5,564	-	5,564	20,579
Resident/intern allowance		1,200	-	1,200	-
Retreats and special events		10,528	-	10,528	-
Sanitary and utilities		289,631	-	289,631	235,636
Telecommunication		42,998	-	42,998	12,108
Transport		3,089	-	3,089	364
		<u>1,468,888</u>	<u>-</u>	<u>1,468,888</u>	<u>1,309,365</u>

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

# HCSA COMMUNITY SERVICES

(Registered under the Societies Act 1966)

## Statement of Financial Activities for the year ended 31 December 2023 (continued)

		Unrestricted <u>funds</u>	Restricted <u>funds</u>	<u>Total</u>	<u>Total</u>
	<u>Notes</u>	<u>2023</u>	<u>2023</u>	<u>2023</u>	<u>2022</u> (Restated)
		\$	\$	\$	\$
<u>EXPENDITURES</u> (continued)					
<u>Charitable Activities and Programs Costs</u>					
Amortisation of intangible assets	6	67,680	4,164	71,844	17,156
Appreciation and training for volunteers		-	1,643	1,643	4,563
Bank charges		403	990	1,393	2,743
Clinical and therapy expenses		30	23,276	23,306	37,848
Community outreach and special events		19,707	37,785	57,492	53,061
Culinary course subsidies	12	-	-	-	39,210
Depreciation on property, plant and equipment	7	56,995	35,263	92,258	93,931
Depreciation on right-of-use assets	8	24,301	249,457	273,758	247,073
Employee benefits expense	5	1,204,638	2,696,501	3,901,139	3,953,732
Food and refreshments		5,149	69,212	74,361	68,983
Foreign workers levy		163	19,523	19,686	19,454
General expenses		2,879	8,648	11,527	5,928
Insurance		25,997	27,518	53,515	47,659
Interest expense on lease liabilities		-	12,096	12,096	20,092
Lease of premises		15,120	-	15,120	2,050
Materials and accessories		34,831	3,982	38,813	18,706
Printing, stationery and postage		6,690	19,105	25,795	45,651
Publicity and promotion		1,764	46,998	48,762	38,944
Repairs and maintenance		41,544	94,352	135,896	127,303
Resident/intern allowance		37,584	67,188	104,772	101,498
Sanitary and utilities		37,586	100,220	137,806	107,507
Telecommunication		32,078	57,223	89,301	67,228
Transport and vehicle expenses		2,782	33,135	35,917	76,178
Tuition		666	221,787	222,453	21,865
		<u>1,618,587</u>	<u>3,830,066</u>	<u>5,448,653</u>	<u>5,218,633</u>

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

# HCSA COMMUNITY SERVICES

(Registered under the Societies Act 1966)

## Statement of Financial Activities for the year ended 31 December 2023 (continued)

	Unrestricted <u>funds</u>	Restricted <u>funds</u>	<u>Total</u>	<u>Total</u>
	<u>2023</u>	<u>2023</u>	<u>2023</u>	<u>2022</u> (Restated)
	\$	\$	\$	\$
<u>Governance costs</u>				
Audit fees	21,242	888	22,130	36,314
Professional fees	<u>18,433</u>	<u>5,093</u>	<u>23,526</u>	<u>17,377</u>
	<u>39,675</u>	<u>5,981</u>	<u>45,656</u>	<u>53,691</u>
TOTAL EXPENDITURES	<u>3,127,150</u>	<u>3,836,047</u>	<u>6,963,197</u>	<u>6,581,689</u>
Surplus/(deficit) for the year	1,108,175	(542,613)	565,562	497,666
Total funds brought forward	5,812,100	486,221	6,298,321	5,809,555
Return to grant provider	-	-	-	(8,900)
Transfer of funds	<u>(718,688)</u>	<u>718,688</u>	<u>-</u>	<u>-</u>
Total funds carried forward	<u><u>6,201,587</u></u>	<u><u>662,296</u></u>	<u><u>6,863,883</u></u>	<u><u>6,298,321</u></u>

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

# HCSA COMMUNITY SERVICES

(Registered under the Societies Act 1966)

## Statement of Financial Position as at 31 December 2023

	Notes	2023 \$	2022 (Restated) \$
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Intangible assets	6	389,798	225,952
Property, plant and equipment	7	183,483	193,022
Right-of-use assets	8	830,664	1,601,688
Financial assets at fair value through profit or loss	9	1,257,254	-
		<u>2,661,199</u>	<u>2,020,662</u>
<b>Current Assets</b>			
Trade and other receivables	10	659,184	451,232
Fixed deposits with banks	11	3,690,483	3,605,886
Cash and bank balances		<u>2,530,207</u>	<u>3,367,978</u>
		<u>6,879,874</u>	<u>7,425,096</u>
Total Assets		<u>9,541,073</u>	<u>9,445,758</u>
<b>FUNDS AND LIABILITIES</b>			
<b>Funds</b>			
<b>Unrestricted funds</b>			
- General fund		6,144,555	5,692,100
- Training Kitchen fund	12	<u>57,032</u>	<u>120,000</u>
		6,201,587	5,812,100
Restricted funds	13	<u>662,296</u>	<u>486,221</u>
Total Funds		<u>6,863,883</u>	<u>6,298,321</u>
<b>Non-Current Liabilities</b>			
Lease liabilities	14	126,509	848,947
Deferred capital grants	15	<u>413,157</u>	<u>383,251</u>
		<u>539,666</u>	<u>1,232,198</u>
<b>Current Liabilities</b>			
Deferred capital grants	15	251,978	37,461
Deferred income	16	117,272	234,296
Lease liabilities	14	738,942	764,470
Other payables	17	<u>1,029,332</u>	<u>879,012</u>
		<u>2,137,524</u>	<u>1,915,239</u>
Total Liabilities		<u>2,677,190</u>	<u>3,147,437</u>
Total Funds and Liabilities		<u>9,541,073</u>	<u>9,445,758</u>

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

# HCSA COMMUNITY SERVICES

(Registered under the Societies Act 1966)

## Statement of Changes in Funds for the year ended 31 December 2023

	Unrestricted			Restricted								Total
	General fund	Training Kitchen fund	DRTC fund	Gilead Science fund	HKL fund	HWH fund	NCSS OD fund	Silver Volunteer fund	SPIN fund	Yellow Ribbon Emergency fund	Other funds	
Notes	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance as at 1 January 2022	5,249,287	135,001	-	94,447	173,300	-	79,702	16,571	-	7,750	53,497	5,809,555
Prior year adjustment	14,300	-	-	-	-	-	(14,300)	-	-	-	-	-
Restated balance as at 1 January 2022	5,263,587	135,001	-	94,447	173,300	-	65,402	16,571	-	7,750	53,497	5,809,555
Surplus/(deficit) for the year	855,499	(15,001)	163,092	(34,855)	(91,300)	(326,654)	(22,067)	(10,614)	(100,332)	2,300	77,598	497,666
Transfer of funds	(426,986)	-	-	-	-	326,654	-	-	100,332	-	-	-
Return of unutilised fund to grant provider	-	-	-	-	-	-	-	-	-	(8,900)	-	(8,900)
Restated balance as at 31 December 2022	5,692,100	120,000	163,092	59,592	82,000	-	43,335	5,957	-	1,150	131,095	6,298,321
Surplus/(deficit) for the year	1,171,143	(62,968)	(127,596)	151,230	99,743	(508,063)	(43,335)	15,051	(210,625)	1,900	79,082	565,562
Transfer of funds	(718,688)	-	-	-	-	508,063	-	-	210,625	-	-	-
Balance as at 31 December 2023	6,144,555	57,032	35,496	210,822	181,743	-	-	21,008	-	3,050	210,177	6,863,883

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

# HCSA COMMUNITY SERVICES

(Registered under the Societies Act 1966)

	<u>Notes</u>	<u>2023</u>	<u>2022</u> (Restated)
		\$	\$
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Surplus for the year		565,562	497,666
Adjustments for:			
Amortisation on intangible assets	6	71,844	17,156
Depreciation on property, plant and equipment	7	104,506	111,906
Depreciation on right of use assets	8	794,088	751,412
Interest expense on lease liabilities		55,854	70,994
Changes in fair value of financial assets at fair value through profit or loss	9	(57,254)	
Gain on disposal of property, plant and equipment		(3,000)	-
Amortisation of deferred capital grants	15	(90,729)	(37,461)
Interest income		(132,790)	(22,277)
Operating surplus before working capital changes		1,308,081	1,389,396
(Increase)/decrease in receivables		(191,867)	57,685
Increase/(decrease) in payables		150,320	(52,922)
(Decrease)/increase in deferred income		(117,024)	47,320
Net cash from operating activities		1,149,510	1,441,479
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Interest received		116,705	22,277
Increase in fixed deposits with maturity over 3 months		(84,597)	(2,504,187)
Purchase of intangible assets	6	(235,690)	(211,375)
Purchase of property, plant and equipment	7	(94,967)	(126,960)
Purchase of financial asset at fair value through profit or loss		(1,200,000)	-
Proceeds on disposal of property, plant and equipment		3,000	-
Net cash used in investing activities		(1,495,549)	(2,820,245)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Grants received as deferred capital grants	15	335,152	367,668
Return of unutilised funds		-	(8,900)
Repayment of lease liabilities	14	(771,030)	(743,607)
Payment of interest on lease liabilities	14	(55,854)	(70,994)
Net cash used in financing activities		(491,732)	(455,833)
Net decrease in cash and cash equivalents		(837,771)	(1,834,599)
Cash and cash equivalents at beginning of the year		3,367,978	5,202,577
Cash and cash equivalents at end of the year	18	2,530,207	3,367,978



# HCSA COMMUNITY SERVICES

(Registered under the Societies Act 1966)

## NOTES TO THE FINANCIAL STATEMENTS - 31 December 2023

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

### 1. GENERAL INFORMATION

HCSA Community Services (the "Association") is registered with the Registrar of Societies in the Republic of Singapore. It is also a charity registered under the Charities Act 1994. Its registered office is located at No. 1 Lorong 23 Geylang, Singapore 388352.

The principal activities of the Association are to operate a halfway and three quarter way house to rehabilitate male ex-offenders, operate a residential treatment centre for abused teenage girls, operate a culinary training centre for the Association's beneficiaries and other vulnerable individuals, and provide community-based services to the needy, elderly and disadvantaged. The Association is also an Institution of a Public Character ("IPC") under the Ministry of Social and Family Development.

### 2. MATERIAL ACCOUNTING POLICY INFORMATION

#### 2.1 Basis of Preparation

The Association presents its financial statements in Singapore dollars ("S\$"), which is also its functional currency. These financial statements are prepared in accordance with the historical cost convention except as disclosed in the accounting policies below, and comply with Charities Act 1994, Societies Act 1966 and Singapore Financial Reporting Standards ("FRSs"), including related Interpretations promulgated by the Accounting Standards Committee, as required by the Societies Act 1966.

During the financial year, the Association adopted all the new and amended FRSs which are relevant to the Association and are effective for the current financial year. The adoption of these Standards did not have material effect on the financial performance or position of the Association.

#### 2.2 Significant Accounting Estimates and Judgments

Estimates, assumptions concerning the future and judgments are made in the preparation of the financial statements. They affect the application of the Association's accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosures made. They are assessed on an ongoing basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

##### (A) *Key sources of estimation uncertainty*

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

# HCSA COMMUNITY SERVICES

(Registered under the Societies Act 1966)

## 2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

### 2.2 Significant Accounting Estimates and Judgments (continued)

#### (A) *Key sources of estimation uncertainty* (continued)

##### (i) *Amortisation of Intangible Assets/Depreciation on Property, Plant and Equipment*

The costs of intangible assets and property, plant and equipment are amortised/depreciated on a straight line basis over their estimated useful lives. Management's estimates of the useful lives of these assets are disclosed in notes 2.8 and 2.9. Changes in the expected usage and technological developments could impact the economic useful lives and the residual values of these assets. Therefore, future amortisation/depreciation charges could be revised. The carrying amounts of these assets and the amortisation/depreciation charges for the year are disclosed in notes 6 and 7 to the financial statements respectively.

##### (ii) *Expected credit losses on trade receivables*

Expected credit losses (ECLs) are probability-weighted estimates of credit losses over the life of a financial instrument. In estimating ECLs to determine the probability of default of its debtors, the Association has used historical information, such as past credit loss experience. Where applicable, historical data are adjusted to reflect the effects of current conditions as well as management's assessment of future economic conditions based on observable market information, which involved significant estimates and judgement.

Based on management's assessment, there are no ECLs on the Association's trade receivables at the balance sheet date.

##### (iii) *Leases*

###### *Incremental Borrowing Rate*

The Association cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate to measure lease liabilities. The incremental borrowing rate is the rate of interest that the Association would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. Determining the incremental borrowing rate requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Association estimates the incremental borrowing rate using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

###### *Estimation of Lease Term*

When determining the lease term of a lease contract, management considers all relevant factors that create an economic incentive for the Association to exercise an extension option, including any expected changes in circumstances since the commencement date that is within its control and affects its ability to exercise or not to exercise an option to extend. Extension options are only included in the lease term if the lease is reasonably certain to be extended.

# HCSA COMMUNITY SERVICES

(Registered under the Societies Act 1966)

## 2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

### 2.2 Significant Accounting Estimates and Judgments (continued)

#### (B) *Critical judgments made in applying accounting policies*

In the process of applying the Association's accounting policies, the management has made certain judgments, apart from those involving estimations, which have significant effect on the amounts recognised in the financial statements.

##### *Impairment of Non-Financial Assets*

The carrying amounts of the Association's non-financial assets subject to impairment are reviewed at each balance sheet date to determine whether there is any indication of impairment. If such indication exists, the asset's recoverable amount is estimated based on the higher of the value in use and the asset's fair value less cost of disposal. Estimating the value in use requires critical judgment on the part of the management to make an estimate of the expected future cash flows from the continuing use of the assets and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

### 2.3 FRSs issued but not yet effective

The Association has not applied any new FRS that has been issued but is not yet effective. The Board plans to adopt these FRSs in the first financial year commencing on or after their respective effective dates.

The Board does not expect the adoption of the new FRSs that have been issued but are not yet effective to have material impact on the financial statements in the period of initial application.

### 2.4 Revenue Recognition

Revenue is measured based on the consideration to which the Association expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Association satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

Provided there is evidence of entitlement, as expressed in writing, donations and income from fund-raising events are recognised in profit or loss in the period of receipt or when they become receivable.

Rental income from operating lease is recognised over time on a straight line basis over the lease term.

Culinary course fees are recognised as income at a point in time upon completion of training courses.

Revenue from sale of items is recognised at a point in time when the goods are delivered to the customer and all criteria for acceptance have been satisfied.

Interest income is recognised over time on a time-proportion basis.

# HCSA COMMUNITY SERVICES

(Registered under the Societies Act 1966)

## 2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

### 2.4 Revenue Recognition (continued)

Government grants are recognised when there is reasonable assurance that the Association will comply with the conditions attaching to the grants and the grants will be received.

Grants related to income are recognised in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grant is intended to compensate

Grants related to assets are recognised as deferred capital grant in the balance sheet, and are amortised over the useful life of the assets to match the depreciation of the property, plant and equipment purchased with the related grants.

A gift in kind is included in profit or loss based on an estimate of the fair value at the date of the receipt of the gift of a non-monetary asset or the grant of a right to a monetary asset. The gift is recognised if the amount of the gift can be measured reliably and there is no uncertainty that it will be received.

### 2.5 Funds

Monies received for specific purposes are credited directly to the respective fund accounts. Income and expenditure relating to specific funds are accounted for directly in the funds to which they relate. Unless specifically indicated, fund balances are not represented by any specific assets but are represented by the total net assets of the Association. The objectives and movements of the Association's Restricted Funds and Designated Training Kitchen fund, are disclosed in the notes to the financial statements.

### 2.6 Employee Benefits

#### (i) *Defined Contribution Plans*

The Association makes contributions to the state provident fund (Central Provident Fund). Such contributions are recognised as compensation expense in the same period as the employment that gives rise to the contributions.

#### (ii) *Short-term Compensated Absences*

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

### 2.7 Leases

The Association assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### As lessee

The Association applies a single recognition and measurement approach for all leases (except for short-term leases and leases of low-value assets). The Association recognises lease liabilities representing the obligations to make lease payments and right-of-use assets representing the right to use the underlying leased assets.

# HCSA COMMUNITY SERVICES

(Registered under the Societies Act 1966)

## 2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

### 2.7 Leases (continued)

#### As lessee (continued)

##### *Right-of-use assets*

The Association recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and an estimate of the costs to dismantle and remove the underlying asset and to restore the asset to its original condition (restoration costs). Right-of-use assets are depreciated on a straight line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset is transferred to the Association at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in note 2.13.

##### *Lease liabilities*

At the commencement date of the lease, the Association recognises lease liabilities measured at the present value of lease payments to be made over the lease term.

In calculating the present value of lease payments, the Association uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments or a change in the assessment of an option to purchase the underlying asset).

##### *Short-term leases and leases of low-value assets*

Where applicable, the Association applies the short-term lease recognition exemption to its short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of assets that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

#### As lessor

Leases in which the Association does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising from operating leases is accounted for on a straight line basis over the lease terms.



# HCSA COMMUNITY SERVICES

(Registered under the Societies Act 1966)

## 2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

### 2.8 Intangible Assets

Intangible assets are initially recorded at cost. The cost of an item of intangible assets is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the Association and the cost of the item can be measured reliably.

Intangible assets with finite useful life are stated at cost less accumulated amortisation and impairment loss, if any. Intangible assets are amortised over their expected useful lives of 3 years or duration of the licence on a straight line basis.

The amortisation period and amortisation method of intangible assets are reviewed and adjusted as appropriate, at each financial year-end.

Intangible assets are derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the assets is included in profit or loss in the year the asset is derecognised.

### 2.9 Property, Plant and Equipment

All items of property, plant and equipment are initially recorded at cost. The cost of an item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the Association and the cost of the item can be measured reliably.

Property, plant and equipment are stated at cost less accumulated depreciation and impairment loss, if any.

Any estimated costs of dismantling and removing the property, plant and equipment and reinstating the site to its original condition (reinstatement costs) are capitalised as part of the cost of the property, plant and equipment.

Depreciation is calculated on the straight line basis so as to write off the cost, less the residual value, of the assets over their estimated useful lives. The annual rates of depreciation are as follows:

Office furniture, equipment, computers and electrical appliances	3 to 5 years
Motor vehicles	5 years
Renovation	3 to 5 years

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

The residual values, useful lives and depreciation methods of property, plant and equipment are reviewed and adjusted as appropriate, at each financial year-end.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the assets is recognised in profit or loss in the year the asset is derecognised.



# HCSA COMMUNITY SERVICES

(Registered under the Societies Act 1966)

## 2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

### 2.10 Financial Assets

Financial assets are recognised when the Association becomes a party to the contractual provisions of the financial instrument. Financial assets are derecognised when the rights to receive cash flows from the assets have ceased or expired.

#### A. *Classification*

The Association's financial assets are classified at amortised cost and through profit or loss.

The basis of classification depends on the Association's business model and the contractual cash flow characteristics of the financial assets.

#### B. *At initial recognition*

At initial recognition, the Association measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial assets. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. Trade receivables that do not have a significant financing component are measured at their transaction price at initial recognition.

#### C. *At subsequent measurement*

##### (i) Financial assets at amortised cost

The Association's financial assets, comprising mainly receivables and cash and cash equivalents, are measured at amortised cost subsequent to initial recognition, as these are contractual cash flows which represent solely payments of principal and interest. A gain or loss on a financial asset that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets are recognised using the effective interest rate method.

##### (ii) Financial assets at fair value through profit or loss (FVPL)

The Association's quoted securities are classified as financial asset at FVPL and will continue to be carried at fair value subsequent to initial recognition. Gains and losses arising from the changes in fair values of these financial assets are recognised in the profit or loss in the period in which they arise.

Regular way of purchases and sales of investments are recognised on trade-date, that is, the date on which the Association commits to purchase or sell the asset. Financial assets are derecognised when the contractual rights to receive cash flows from the financial assets have expired. On derecognition of a financial asset, the difference between the carrying amount and the sum of consideration received is recognised in profit or loss.

#### D. *Impairment of Financial Assets*

The Association assesses on forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost, and recognises a loss allowance accordingly.

# HCSA COMMUNITY SERVICES

(Registered under the Societies Act 1966)

## 2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

### 2.10 Financial Assets (continued)

#### D. *Impairment of Financial Assets* (continued)

At each reporting date, the debt instruments are assessed to determine whether there is significant increase in credit risk on the debt instruments since initial recognition. If there is a significant increase in credit risk since initial recognition, lifetime expected credit losses will be calculated and recognised in the loss allowance. If credit risk on the debt instrument has not increased significantly since initial recognition, the loss allowance is measured based on 12-month expected credit losses. Adjustments to the loss allowance are recognised in profit or loss as an impairment gain or loss.

For trade receivables, the Association applies the simplified approach permitted by FRS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

### 2.11 Trade and Other Receivables

Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses, as explained in note 2.10 (D). Receivables with a short duration are not discounted.

### 2.12 Cash and Cash Equivalents

Cash and cash equivalents comprise cash in hand, cash at banks and bank deposits which are subject to insignificant risks of changes in value. Cash equivalents are stated at amounts at which they are convertible into cash.

For the purpose of the statement of cash flows, fixed deposits with original maturities over 3 months are excluded from cash and cash equivalents.

### 2.13 Impairment of Non-Financial Assets

The carrying amounts of the Association's assets subject to impairment are reviewed at each balance sheet date to determine whether there is any indication of impairment. If such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's fair value less cost of disposal and its value in use. The value in use is the present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life.

An impairment loss on a non-revalued asset is recognised in profit or loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount or when there is an indication that the impairment loss recognised for the asset no longer exists or decreases. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognised.

### 2.14 Payables

Payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. Payables with a short duration are not discounted.

Payables are recognised when the Association becomes a party to the contractual provisions of the financial instrument. Payables are derecognised when the obligation under the liability is extinguished.

# HCSA COMMUNITY SERVICES

(Registered under the Societies Act 1966)

## 2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

### 2.15 Provisions

Provisions are recognised when the Association has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

### 2.16 Related Parties

A related party is defined as follows:

- (A) A person or a close member of that person's family is related to the Association if that person:
- (i) Has control or joint control over the Association;
  - (ii) Has significant influence over the Association; or
  - (iii) Is a member of the key management personnel of the Association or of a parent of the Association.
- (B) An entity is related to the Association if any of the following conditions applies:
- (i) The entity and the Association are members of the same group (which means that each parent, subsidiary and fellow subsidiary are related to each other).
  - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
  - (iii) Both entities are joint ventures of the same third party.
  - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
  - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Association or an entity related to the Association.
  - (vi) The entity is controlled or jointly controlled by a person identified in (A).
  - (vii) A person identified in (A)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
  - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Association or to the parent of the Association.

## 3. GRANTS FROM GOVERNMENT AGENCIES

	<u>2023</u>	<u>2022</u>
	\$	\$
Grants relating to unrestricted funds	406,079	304,695
Grants relating to restricted funds	<u>2,665,904</u>	<u>3,165,044</u>
	<u>3,071,983</u>	<u>3,469,739</u>

# HCSA COMMUNITY SERVICES

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## 4. FUND-RAISING ACTIVITIES

Income from fund-raising events comprises donations received classified as:

	<u>2023</u>	<u>2022</u>
	\$	\$
Income relating to unrestricted funds	1,215,793	1,072,006
Income relating to restricted funds	<u>627,530</u>	<u>232,510</u>
	<u>1,843,323</u>	<u>1,304,516</u>
Tax deductible donations from fund raising activities	<u>1,135,838</u>	<u>767,827</u>
Fund-raising expenses	<u>86,870</u>	<u>26,800</u>

Total expenses incurred on public fund-raising appeals during the financial year did not exceed 30% of total donations collected through the public appeals in the same year. The Association had complied with the requirements of the 30/70 fund-raising rule stated in Regulation 15 of the Charities (Institutions of a Public Character) Regulations.

## 5. EMPLOYEE BENEFITS EXPENSE

	<u>2023</u>	<u>2022</u>
	\$	\$
<i>Employee benefits expenses relating to unrestricted funds</i>		
<u>Cost of Generating Funds</u>		
Salaries and related costs	344,286	349,251
Employer's contributions to Central Provident Fund	46,622	57,598
Other benefits	<u>3,217</u>	<u>5,998</u>
(i)	394,125	412,847
<u>Charitable Activities and Programs Costs</u>		
Salaries and related costs	1,097,937	1,061,135
Employer's contributions to Central Provident Fund	94,244	88,404
Other benefits	<u>12,457</u>	<u>38,059</u>
(ii)	1,204,638	1,187,598
<i>Employee benefits expenses relating to restricted funds</i>		
<u>Charitable Activities and Programs Costs</u>		
Salaries and related costs	2,370,336	2,407,256
Employer's contributions to Central Provident Fund	263,142	256,329
Other benefits	<u>63,023</u>	<u>102,549</u>
[note 13] (iii)	<u>2,696,501</u>	<u>2,766,134</u>
Total (i + ii + iii)	<u>4,295,264</u>	<u>4,366,579</u>

The above employee benefits expense includes key management personnel compensation as disclosed in note 21 to the financial statements.

# HCSA COMMUNITY SERVICES

(Registered under the Societies Act 1966)

## 6. INTANGIBLE ASSETS

	<u>Computer software licences</u>
	\$
<u>Cost</u>	
At 1 January 2022 and 31 December 2022	412,642
Additions	<u>235,690</u>
At 31 December 2023	<u>648,332</u>
<u>Accumulated amortisation</u>	
At 1 January 2022	169,534
Charged to charitable activities and programs costs	
- unrestricted fund	17,156
- restricted fund	-
	<u>17,156</u>
At 31 December 2022	186,690
Charged to charitable activities and programs costs	
- unrestricted fund	67,680
- restricted fund (note 13)	4,164
	<u>71,844</u>
At 31 December 2023	<u>258,534</u>
<u>Net carrying amount</u>	
At 31 December 2023	<u>389,798</u>
At 31 December 2022	<u>225,952</u>

Cost relating to computer software licences acquired is not an integral part of the related hardware.

# HCSA COMMUNITY SERVICES

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## 7. PROPERTY, PLANT AND EQUIPMENT

	Office furniture, equipment, computers and electrical appliances	Motor vehicles	Renovation	Total
<u>Cost</u>	\$	\$	\$	\$
At 1 January 2022	784,599	116,595	1,538,523	2,439,717
Additions	107,760	-	19,200	126,960
At 31 December 2022	892,359	116,595	1,557,723	2,566,677
Additions	13,009	-	81,958	94,967
Disposals	-	(116,595)	-	(116,595)
At 31 December 2023	905,368	-	1,639,681	2,545,049
<u>Accumulated Depreciation</u>				
At 1 January 2022	688,382	116,595	1,456,772	2,261,749
Charged to cost of generating funds	17,975	-	-	17,975
Charged to charitable activities and programs costs				
- unrestricted funds	25,852	-	4,359	30,211
- restricted funds (note 13)	17,587	-	46,133	63,720
Charge for the year	61,414	-	50,492	111,906
At 31 December 2022	749,796	116,595	1,507,264	2,373,655
Charged to cost of generating funds	1,758	-	10,490	12,248
Charged to charitable activities and programs costs				
- unrestricted funds	45,877	-	11,118	56,995
- restricted funds (note 13)	25,265	-	9,998	35,263
Charge for the year	72,900	-	31,606	104,506
Disposals	-	(116,595)	-	(116,595)
At 31 December 2023	822,696	-	1,538,870	2,361,566
<u>Net Book Value</u>				
At 31 December 2023	82,672	-	100,811	183,483
At 31 December 2022	142,563	-	50,459	193,022



# HCSA COMMUNITY SERVICES

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## 8. RIGHT OF USE ASSETS

	<u>Operating premises</u>
	\$
<u>Cost</u>	
At 1 January 2022	2,276,606
Additions	2,201,224
Written off due to termination of lease	<u>(2,276,606)</u>
At 31 December 2022	2,201,224
Additions	<u>23,064</u>
At 31 December 2023	<u><u>2,224,288</u></u>
<u>Accumulated depreciation</u>	
At 1 January 2022	2,124,730
Depreciation for the year	
Charged to cost of generating funds	504,339
Charged to charitable activities and programs costs	
- unrestricted funds	16,139
- restricted funds (note 13)	230,934
	<u>751,412</u>
Written off due to termination of lease	<u>(2,276,606)</u>
At 31 December 2022	599,536
Depreciation for the year	
Charged to cost of generating funds	520,330
Charged to charitable activities and programs costs	
- unrestricted funds	24,301
- restricted funds (note 13)	249,457
	<u>794,088</u>
At 31 December 2023	<u><u>1,393,624</u></u>
<u>Net Book Value</u>	
At 31 December 2023	<u><u>830,664</u></u>
At 31 December 2022	<u><u>1,601,688</u></u>

## 9. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<u>2023</u>	<u>2022</u>
	\$	\$
Unit Trust		
Balance as at 1 January	-	-
Additions during the year	1,200,000	-
Changes in fair value for the year	57,254	-
Balance as at 31 December	<u><u>1,257,254</u></u>	<u><u>-</u></u>

# HCSA COMMUNITY SERVICES

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## 10. TRADE AND OTHER RECEIVABLES

	<u>2023</u>	<u>2022</u>
	\$	\$
Trade receivables	32,948	19,984
Non-trade receivables	118,345	107,557
Grants receivables	193,877	29,336
Deposits	240,005	218,779
Prepayments	57,924	75,576
Interest receivables on fixed deposits	16,085	-
	<u>659,184</u>	<u>451,232</u>

Trade receivables are non-interest bearing and are generally on 30 day's (2022: 30 day's) terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Non-trade receivables and deposits are unsecured, non-interest bearing and expected to be repayable on demand.

## 11. FIXED DEPOSITS WITH BANKS

Fixed deposits have original maturity terms between 6 and 24 months (2022: 6 and 24 months) and earn interest at rates ranging from 0.20% to 3.48% (2022: 0.10% to 3.97%) per annum.

The Association regards all fixed deposits as current assets, notwithstanding that one (2022: one) deposit has maturity period of more than 12 months from the balance sheet date, in view of its highly liquid nature. The Board has the discretion to terminate a fixed deposit prematurely when necessary so as to improve the cash flow management of the Association.

## 12. TRAINING KITCHEN FUND

	<u>2023</u>	<u>2022</u>
	\$	\$
Balance as at 1 January	120,000	135,001
Movements during the year		
Funds received from donors	-	53,024
Less: Funds utilised		
Culinary course subsidies	-	39,210
Other costs	62,968	28,815
	<u>62,968</u>	<u>68,025</u>
Balance as at 31 December	<u>57,032</u>	<u>120,000</u>

The Training Kitchen fund is designated by donors to support the cost of setting up a training kitchen and renovating the premises at Highpoint Halfway House, and the culinary courses launched by HCSA Academy Culinary Training Centre.

# HCSA COMMUNITY SERVICES

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## 13. RESTRICTED FUNDS

	DTRC FUND	GILEAD SCIENCE FUND	HKL FUND	HWH FUND	NCSS OD FUND	SILVER VOLUNTEER FUND	SPIN FUND	YELLOW RIBBON EMERGENCY FUND	OTHER RESTRICTED FUNDS	TOTAL
Notes	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(note 13A)	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance as at 1 January 2022	-	94,447	173,300	-	79,702	16,571	-	7,750	53,497	425,267
Prior period adjustment	-	-	-	-	(14,300)	-	-	-	-	(14,300)
Restated balance as at 1 January 2022	-	94,447	173,300	-	65,402	16,571	-	7,750	53,497	410,967
Movements during the year										
Funds received/receivable	-	35,000	124,500	601,830	241,835	71,590	345,708	4,000	201,462	1,625,925
MSF subvention	3	-	-	-	-	-	-	-	-	-
- per capita grant	3	1,735,989	-	-	-	-	-	-	-	1,735,989
- rental	3	67,701	-	-	-	-	-	-	-	67,701
Reclassify to deferred grant income	-	-	-	(25,661)	-	-	-	-	-	(25,661)
Reclassify to deferred capital grant	-	-	-	-	-	-	-	-	(6,400)	(6,400)
	3,4	1,803,690	35,000	576,169	241,835	71,590	345,708	4,000	195,062	3,397,554
Funds utilised										
Depreciation of property, plant and equipment	7	(15,427)	-	(13,923)	-	-	(34,370)	-	-	(63,720)
Depreciation on right-of-use assets	8	(73,856)	-	(137,664)	-	(2,256)	(17,158)	-	-	(230,934)
Interest expense on lease	-	-	-	-	-	-	(1,586)	-	-	(1,586)
Employee benefits expense	5	(1,313,194)	(29,602)	(584,314)	(213,723)	(61,709)	(347,362)	-	(93,665)	(2,766,134)
Repair and maintenance	-	(43,099)	-	(34,241)	-	(340)	(11,864)	-	-	(89,544)
Other costs	-	(195,022)	(40,253)	(132,681)	(50,179)	(17,899)	(33,700)	(1,700)	(23,799)	(588,468)
	-	(1,640,598)	(69,855)	(902,823)	(263,902)	(82,204)	(446,040)	(1,700)	(117,464)	(3,740,386)
Supplus/(deficit)	-	163,092	(34,855)	(91,300)	(22,067)	(10,614)	(100,332)	2,300	77,598	(342,832)
Transfer to general fund	-	-	-	-	-	-	100,332	-	-	426,986
Return of utilised fund to Yellow Ribbon Fund	-	-	-	-	-	-	-	(8,900)	-	(8,900)
Restated balance as at 31 December 2022	-	163,092	82,000	-	43,335	5,957	-	1,150	131,095	486,221
Movements during the year										
Funds received/receivable	-	179,560	307,000	346,595	223,835	71,053	339,354	4,300	551,306	2,023,003
MSF subvention	3	-	-	-	-	-	-	-	-	-
- per capita grant	3	1,446,607	-	-	-	-	-	-	-	1,446,607
- rental	3	88,096	-	-	-	-	-	-	-	88,096
Reversal of deferred grant income	-	-	-	-	-	-	-	-	16,000	16,000
Reclassify to deferred capital grant	-	-	-	-	(91,826)	-	-	-	(188,646)	(280,272)
	3,4	1,534,703	179,560	307,000	132,209	71,053	339,354	4,300	378,660	3,293,434
Funds utilised										
Amortisation of intangible asset	6	(4,164)	-	-	-	-	-	-	-	(4,164)
Depreciation on property, plant and equipment	7	(16,705)	-	(13,144)	-	-	(5,414)	-	-	(35,263)
Depreciation on right-of-use assets	8	(89,608)	-	(128,780)	-	-	(17,327)	-	(13,742)	(249,457)
Interest expenses on lease liabilities	-	(1,552)	-	(9,293)	-	-	(1,250)	-	-	(12,095)
Salaries and related costs	5	(1,146,533)	(42,160)	(489,840)	(122,200)	(39,142)	(401,504)	-	(128,957)	(2,370,336)
Employer's contributions to Central Provident Fund	5	(132,297)	-	(53,232)	(18,196)	-	(48,150)	-	(11,267)	(263,142)
Other benefits	5	(35,556)	-	(4,797)	(1,052)	-	(2,948)	-	(300)	(63,023)
Repair and maintenance	-	(50,453)	-	(22,408)	-	(272)	(11,405)	-	(9,814)	(94,352)
Other costs	-	(185,431)	(9,960)	(133,164)	(34,096)	(16,588)	(61,981)	(2,400)	(135,498)	(744,215)
	-	(1,662,299)	(28,330)	(854,658)	(175,544)	(56,002)	(549,979)	(2,400)	(299,578)	(3,836,047)
(Deficit)/surplus	-	(127,596)	151,230	99,743	(43,335)	15,051	(210,625)	1,900	79,082	(542,613)
Transfer from general fund	-	-	-	508,063	-	-	210,625	-	-	718,688
	-	35,496	210,822	181,743	-	21,008	-	3,050	210,177	662,296

# **HCSA COMMUNITY SERVICES**

(Registered under the Societies Act 1966)

## **13. RESTRICTED FUNDS (continued)**

### **13A. OTHER RESTRICTED FUNDS**

	ALLEN OVERY STEPUP FUND	HP ACRONIS ITLAB FUND	ISHK TOLALAM WELLNESS FUND	MAJORITY TRUST TRAMPOLINE FUND	NCSS CTT COMCAP TRUST FUND	NCSS EVMS FUND	NCSS PEERS SUPPORT FUND	NCSS TECH BOOSTER FUND	PC - EMPOWERING FOR LIFE FUND	TECH- AND-GO! GRANT 2 FUND	TOTAL OTHER RESTRICTED FUNDS
	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(note 13)
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance as at 1 January 2022	50,000	-	-	-	-	(9,036)	-	12,533	-	-	53,497
Movements during the year											
Funds received/receivable	50,000	-	23,010	-	-	53,713	15,971	-	52,368	6,400	201,462
Reclassify to deferred grant income	-	-	-	-	-	-	-	-	-	(6,400)	(6,400)
	50,000	-	23,010	-	-	53,713	15,971	-	52,368	-	195,062
Funds utilised	-	-	(2,121)	-	-	(32,296)	(6,880)	-	(52,368)	-	(93,665)
Employee benefits expense	-	-	(20,799)	-	-	(3,000)	-	-	-	-	(23,799)
Other costs	-	-	(22,920)	-	-	(35,296)	(6,880)	-	(52,368)	-	(117,464)
	50,000	-	90	-	-	18,417	9,091	-	-	-	77,598
Surplus/(deficit)											
Balance as at 31 December 2022	100,000	-	90	-	-	9,381	9,091	12,533	-	-	131,095
Movements during the year											
Funds received/receivable	100,730	100,000	14,240	10,000	138,513	12,804	-	458	174,561	-	551,306
Reversal of deferred grant income	-	-	-	16,000	-	-	-	-	-	-	16,000
Reclassify to deferred capital grant	-	(50,133)	-	-	(138,513)	-	-	-	-	-	(188,646)
	100,730	49,867	14,240	26,000	-	12,804	-	458	174,561	-	378,660
Funds utilised	-	-	-	-	-	-	-	-	(13,742)	-	(13,742)
Depreciation on right-of-use assets	-	(500)	-	-	-	(19,185)	(9,091)	-	(100,181)	-	(128,957)
Salaries and related costs	-	-	-	-	-	-	-	-	-	-	-
Employer's contributions to Central Provident Fund	-	-	-	-	-	-	-	-	(11,267)	-	(11,267)
Other benefits	-	-	(300)	-	-	-	-	-	-	-	(300)
Repair and maintenance	(41,184)	(1,050)	(400)	(10,000)	-	-	-	-	(8,764)	-	(9,814)
Other costs	(41,184)	(40,307)	(400)	(10,000)	-	(3,000)	-	-	(40,607)	-	(135,498)
	(41,184)	(41,857)	(700)	(10,000)	-	(22,185)	(9,091)	-	(174,561)	-	(299,578)
	59,546	8,010	13,540	16,000	-	(9,381)	(9,091)	458	-	-	79,082
Surplus/(deficit)											
Balance as at 31 December 2023	159,546	8,010	13,630	16,000	-	-	12,991	458	-	-	210,177

## HCSA COMMUNITY SERVICES

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### 13. RESTRICTED FUND (continued)

- (a) DRTC fund is a restricted fund funded by Ministry of Social and Family Development for the operation of the approved operation of the Therapeutic Group Home Programme. The deficit of DRTC fund is met by the general fund. Upon approval from the fund provider, surplus could be transferred back to the general fund for the deficit which was previously met by general fund.
- (b) Gilead Science Grant is a restricted fund set up to provide financial support for Highpoint Halfway House Hepatitis C – Educate, Test and Treat Project.
- (c) Hongkong Land Grant is a restricted fund set up to provide financial support for HCSA's Dayspring Clinical Therapies for abused teenage girls, Alternate schooling / Home schooling programme, online learning and tuition programme for single-parent children, digitalisation hardware provision of notebook computer, Culinary training scholarship for youths at risk and young adults.
- (d) HWH fund is a restricted fund funded by Yellow Ribbon Singapore for the operation of the approved HCSA Shelter Programme. The deficit of HWH fund is met by the general fund. Upon approval from the fund provider, surplus could be transferred back to the general fund for the deficit which was previously met by general fund.
- (e) NCSS OD fund is a restricted fund set up for the approved programme, Organisation Development Programme ("OD"), of which NCSS is the administrator, in partnership with Singapore Totalisator Board. The objective of the OD is to enable the non-profit organisation to go through a diagnostic using Enterprise SG's Business Excellence framework, leading to the conceptualisation of a time-bound strategy plan. The fund will be used to cover expenditure in running the NCSS OD.
- (f) The Silver Volunteer fund is a restricted fund set up for the approved programme, Giving a Future and a Hope.
- (g) SPIN fund is a restricted fund set up for the approved programme, Single Parents: Informed, Involved, Included (SPIN). The deficit of SPIN fund is met by the general fund. Upon approval from the fund provider, surplus could be transferred back to the general fund for the deficit which was previously met by general fund.
- (h) Yellow Ribbon Emergency fund is a restricted fund set up to provide financial support to newly released ex-offenders as well as families who are affected by recent incarceration of a sole bread-winner. The fund will be used strictly for food and transportation of beneficiaries.
- (i) Allen Overy Stepup Fund is a restricted fund set up to provide financial support to launch aftercare programme that aims to support ex-offenders and teenage girls who have suffered trauma after they are discharged from our rehabilitative programmes through Highpoint Halfway House and Dayspring Residential Treatment Centre.
- (j) HP Acronis ITLab fund is a restricted fund funded by Yellow Ribbon Singapore to assist ex-offenders to understand their personal capability and capacity, aiding in their job match and assisting them in developing work ethics through an enhanced employment and employability framework.
- (k) Ishk Tolalam Wellness Fund is a restricted fund designated for wellness and selfcare for Dayspring RTC staff (counselling and self-care) and Highpoint staff (self-care).
- (l) Majority Trust Trampoline Fund is a restricted fund set up to deliver academic support programmes to young girls in HCSA DRTC who experience abuse to continue schooling and children of single-parents and provide stipends for job training for ex-offenders through the HCSA Academy.

## HCSA COMMUNITY SERVICES

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### 13. RESTRICTED FUND (continued)

- (m) NCSS Community Capability Trust is NCSS grant disbursement to our modern workplace initiative for acquiring laptops bundled with software.
- (n) NCSS EVMFS, Enhanced Volunteer Manager Funding Scheme is a 2-year restricted funding programme set up to provide financial support for dedicated volunteer managers to strengthen the volunteer management capabilities.
- (o) NCSS Peers Support Funding is funded by NCSS supported through Community Chest (ComChest) to provide manpower support for Highpoint's Shelter programme.
- (p) NCSS Tech Booster Fund (Grant) is a restricted fund set up to provide financial support to ramp up ready technologies adoption to enhance operational efficiency, alleviate demand for vacant positions and increase client centricity of services. The fund will be used strictly for the implementation of technologies, along with change management for stakeholders and redesign of processes affected by the adoption of technologies.
- (q) The President's Challenge (PC) – Empowering for life fund is funded by PC fund for the operation of the HCSA Academy Culinary Training Centre.
- (r) Tech-and-go! Grant 2 is NCSS grant disbursement to our modern workplace initiative for acquiring IT solutions – Digital software.

### 14. LEASE LIABILITIES

	<u>2023</u>		<u>2022</u>	
	<u>Contractual lease liabilities</u>	<u>Present value of lease liabilities</u>	<u>Contractual lease liabilities</u>	<u>Present value of lease liabilities</u>
	\$	\$	\$	\$
Lease liabilities payable:				
- within 1 year	760,506	738,942	819,860	764,470
- after 1 year but not later than 5 years	<u>126,751</u>	<u>126,509</u>	<u>870,337</u>	<u>848,947</u>
	887,257	865,451	1,690,197	1,613,417
Less: Amounts representing interest	<u>21,806</u>	<u>-</u>	<u>76,780</u>	<u>-</u>
	<u>865,451</u>	<u>865,451</u>	<u>1,613,417</u>	<u>1,613,417</u>

The Association leases operating premises with lease periods of 1.5 to 3 years. The leases have varying terms and provide renewal rights.

The present values of lease liabilities are calculated based on incremental borrowing rates of 4.63% (2022: 4.63%) per annum.



# HCSA COMMUNITY SERVICES

(Registered under the Societies Act 1966)

## 14. LEASE LIABILITIES (continued)

### Reconciliation of changes in liabilities arising from financing activities

Movements in lease liabilities arising from financing cash flows during the year are as follows.

	<u>2023</u>	<u>2022</u>
	\$	\$
Lease liabilities as at 1 January	1,613,417	155,800
Additional lease liabilities during the year	<u>23,064</u>	<u>2,201,224</u>
	1,636,481	2,357,024
<u>Non-cash movement</u>		
Accretion of interest	55,854	70,994
<u>Cash movements</u>		
Less:		
Payments of lease liabilities during the year		
- Principal portion	771,030	743,607
- Interest	<u>55,854</u>	<u>70,994</u>
	<u>826,884</u>	<u>814,601</u>
Lease liabilities as at 31 December	<u>865,451</u>	<u>1,613,417</u>

# **HCSA COMMUNITY SERVICES**

(Registered under the Societies Act 1966)

## **15. DEFERRED CAPITAL GRANTS**

	<u>Intangible assets</u>	<u>Computer</u>	<u>Furniture and fittings</u>	<u>Total</u>
	\$	\$	\$	\$
<u>Gross carrying value</u>				
At 1 January 2022	51,467	50,336	-	101,803
Additions	357,088	-	10,580	367,668
At 31 December 2022	408,555	50,336	10,580	469,471
Additions	335,152	-	-	335,152
At 31 December 2023	743,707	50,336	10,580	804,623
<u>Less: Accumulated amortisation</u>				
At 1 January 2022	1,875	9,423	-	11,298
Amortisation for the year	17,156	16,779	3,526	37,461
At 31 December 2022	19,031	26,202	3,526	48,759
Amortisation for the year	72,553	14,650	3,526	90,729
At 31 December 2023	91,584	40,852	7,052	139,488
<u>Net carrying value</u>				
At 31 December 2023	652,123	9,484	3,528	665,135
At 31 December 2022	389,524	24,134	7,054	420,712

## HCSA COMMUNITY SERVICES

(Registered under the Societies Act 1966)

### 15. DEFERRED CAPITAL GRANTS (continued)

	<u>2023</u>	<u>2022</u>
	\$	\$
<u>Classification:</u>		
- Current	251,978	37,461
- Non-current	<u>413,157</u>	<u>383,251</u>
	<u>665,135</u>	<u>420,712</u>

### 16. DEFERRED INCOME

	<u>2023</u>	<u>2022</u>
	\$	\$
Deferred income	<u>117,272</u>	<u>234,296</u>

Deferred income represents grants in respect of and receivable in the next financial year, for which the Association has fulfilled the grant requirements as at the balance sheet date. Grants which are used to fund the costs of programs relating to the subsequent years are deferred and will be unutilized as income over the periods necessary to match them with the related costs which they are intended to compensate.

### 17. OTHER PAYABLES

	<u>2023</u>	<u>2022</u>
	\$	\$
Accruals	572,788	525,021
Deposits received	289,866	287,835
Provision for unutilized leave	50,114	54,821
Sundry payables	<u>116,564</u>	<u>11,335</u>
	<u>1,029,332</u>	<u>879,012</u>

Other payables are unsecured, non-interest bearing and are normally settled within 90 days or on demand.

### 18. CASH AND CASH EQUIVALENTS

Cash and cash equivalents in the statement of cash flows comprise cash and bank balances as shown in the statement of financial position.

### 19. TAXATION

As a registered charity under the Charities Act 1994, the Association is exempt from income tax under Section 13(1)(zm) of the Income Tax Act 1947.

During the financial year, the Company issued tax-exempt receipts for donations collected amounting to \$1,440,017 (2022: \$860,599).

## HCSA COMMUNITY SERVICES

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### 20. COMMITMENTS

#### *Capital Commitment*

As at 31 December FY2023, the company has capital commitments amounting to \$54,846 (FY2022: \$185,745) in respect of contracted expenditure for intangible assets which have not been provided for in the financial statements.

#### *Lease Commitment*

As at the balance sheet date, the Association has the following lease commitments under non-cancellable operating leases where the Association is the lessor:

	<u>2023</u>	<u>2022</u>
	\$	\$
Receivable within 1 year	1,448,078	1,231,188
Receivable after 1 year but not later than 5 years	556,276	205,198
	<u>2,004,354</u>	<u>1,436,386</u>

The above operating lease receivables relate to the sublet of the Association's premises to non-related parties and do not provide for contingent rents.

### 21. RELATED PARTIES

The Association is governed by the Board. The Chief Executive Officer and management personnel are responsible for organising and supervising the daily activities of the Association.

The Association has in place a conflict of interest policy which sets out documented procedures requiring the Board members and staff in management positions to declare actual or potential conflicts of interests to the Board, and to abstain from voting or participating in decision making where such conflicts arise.

#### *Key management personnel compensation*

	<u>2023</u>	<u>2022</u>
	\$	\$
Short-term employee benefits:		
Salaries and related costs	1,196,487	1,238,874
Employer's contribution to Central Provident Fund	144,489	152,936
	<u>1,340,976</u>	<u>1,391,810</u>

Key management personnel are employees holding management position in the Association.

The annual remuneration of the top three highest paid staff classified by remuneration bands are as follows:

	<u>Number of staff</u>	
	<u>2023</u>	<u>2022</u>
Annual remuneration		
\$100,001 to \$200,000	<u>3</u>	<u>3</u>

The members of the Board are volunteers and do not receive any monetary remuneration for their service.

# HCSA COMMUNITY SERVICES

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## 22. FINANCIAL RISKS MANAGEMENT

The Association is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks are credit risk, liquidity risk and interest rate risk. The management reviews and agrees on policies for managing each of these risks and they are summarised below:

### 22.1 Credit risk

Credit risk is the potential risk of financial loss resulting from the failure of customers or other counterparties to settle their financial and contractual obligations to the Association as and when they fall due.

#### (i) *Risk Management*

The Association's exposure to credit risk arises primarily from trade and other receivables. Credit evaluations are performed on all tenants. Tenants are required to place security deposits with the Association at the commencement of each tenancy term.

At the balance sheet date, there was no significant concentration of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet.

#### *Recognition of expected credit losses (ECL)*

The Association's financial assets that are subject to credit losses where the expected credit loss model has been applied are trade and other receivables. The Association assesses on forward looking basis the expected credit losses on its trade receivables, and recognises a loss allowance in accordance with FRS 109.

Based on the Association's historical collection trend, most trade and other receivables are settled within the credit term. Trade and other receivables are assessed on a collective basis to determine whether there are changes in credit risk. Lifetime ECLs are recognised for specific receivables for which credit risk is deemed to have increased significantly.

Based on the management's assessment, there is no significant ECL on the Association's receivables as at the balance sheet date.

### 22.2 Liquidity risk

Liquidity risk is the risk that the Association will encounter difficulty in meeting financial obligations due to shortage of funds.

The Association manages its operating cash flows and the availability of funding so as to ensure that a sufficient level of cash and cash equivalents is maintained to meet its working capital requirement.

# HCSA COMMUNITY SERVICES

(Registered under the Societies Act 1966)

## 22. FINANCIAL RISKS MANAGEMENT (continued)

### 22.2 Liquidity risk (continued)

The table below summarises the maturity profile of the Association's financial liabilities at the balance sheet date based on contractual undiscounted payments.

	Within 1 year	After 1 year but not later than 5 years	Total
	\$	\$	\$
<u>2023</u>			
Lease liabilities	760,506	126,751	887,257
Other payables	979,218	-	979,218
	<u>1,739,724</u>	<u>126,751</u>	<u>1,866,475</u>
<u>2022</u>			
Lease liabilities	819,860	870,337	1,690,197
Other payables	824,191	-	824,191
	<u>1,644,051</u>	<u>870,337</u>	<u>2,514,388</u>

### 22.3 Market price risk

At the balance sheet date, the Association held unit trust as financial asset at fair value through profit or loss.

#### *Sensitivity analysis*

A 10% increase in the underlying unit trust prices at the reporting date would increase equity and profit by \$125,725 as a result of higher fair value gains on the basis that all other variables remain constant.

A 10% decrease in the underlying unit trust prices would have had the equal but opposite effects on equity and profit, on the basis that all other variables remain constant.

The Association is exposed to the risk of impairment in the value of investments held. The Association manages the risk of impairment by evaluating investment opportunities, continuously monitoring the performance of investments held and assessing market risk relevant to which the investments operate.

### 22.4 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Association's financial instruments will fluctuate because of changes in market interest rates.

The Association does not have any interest-bearing financial liabilities. Its only exposure to changes in interest rates relates to interest-earning bank deposits. The management monitors movements in interest rates to ensure deposits are placed with financial institutions offering optimal rates of return.

The interest rates and terms of maturity of financial assets of the Association are disclosed in note 11 to the financial statements.



## HCSA COMMUNITY SERVICES

(Registered under the Societies Act 1966)

### 23. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

The fair values of financial instruments which are carried at fair value are classified based on a three-level fair value measurement hierarchy defined as follows:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 - valuation techniques using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3 - valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs)

The fair value of the Association's financial assets at fair value through profit or loss is based on unit trust market price as at the balance sheet date and is classified under level 2 of the fair value hierarchy.

The carrying amounts of cash and cash equivalents, receivables and payables approximate their fair values due to their short term nature.

The carrying amounts of lease liabilities are reasonable approximation of their fair values as they are measured at the present value of lease payments based on the incremental borrowing rate.

There were no assets or liabilities transferred between Level 1 and Level 2 or transfers into or out of Level 3. The Association's policy is to recognise transfers (if any) between levels of fair value hierarchy at the end of the reporting period during which they occur.

### 24. FINANCIAL INSTRUMENTS BY CATEGORY

The aggregate carrying amounts of financial instruments by category are as follows:

	<u>2023</u>	<u>2022</u>
	\$	\$
Financial assets at FVPL	1,257,254	-
Financial assets at amortised cost	6,020,622	7,349,520
Financial liabilities at amortised cost	1,844,669	2,437,607

### 25. RESERVE POLICY

The Association will work towards building up reserves of up to one year of operating expenditures from the Association's unrestricted funds that are freely available for operating purposes in order to ensure long term sustainability.

The Board of the Association will review its reserve requirement annually.

Designated and restricted funds disclosed in notes 13 and notes 13A to the financial statements are only used for the specific purposes for which the funds were set up.

The Association is not subject to externally imposed reserve management requirements.

There were no changes to the Association's approach to reserve management since the previous financial year.

## HCSA COMMUNITY SERVICES

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### 26. PRIOR PERIOD ADJUSTMENTS

These represent adjustments to the Association's funds due to reclassification of certain expenses so as to better reflect the nature of the transactions and report the appropriate balances of the affected funds for the corresponding financial years ended.

The effects to the restatement are disclosed as follows:

At 1 January 2022

	<u>As previously reported</u>	<u>Prior period adjustments</u>	<u>As restated</u>
	\$	\$	\$
<u>Statement of Financial Position</u>			
<i>Funds</i>			
- General fund	5,249,287	14,300	5,263,587
- NCSS OD fund	79,702	(14,300)	65,402

The third statement of financial position at the beginning of the preceding reporting year is not presented because of the above reclassification have no material effect on the information in the statement of financial position at the beginning of the preceding period.

At 31 December 2022

	<u>As previously reported</u>	<u>Prior period adjustments</u>	<u>As restated</u>
	\$	\$	\$
<u>Statement of Financial Position</u>			
<i>Funds</i>			
- General fund	5,646,502	45,598	5,692,100
- NCSS OD fund	92,933	(49,598)	43,335

#### Statement of Comprehensive Income

<i>Charitable Activities and Programs Costs</i>			
- Salaries and related costs	178,425	35,298	213,723

### 27. AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements of the Association for the year ended 31 December 2023 were authorised for issue by the HCSA Community Services Board on 17 May 2024.

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