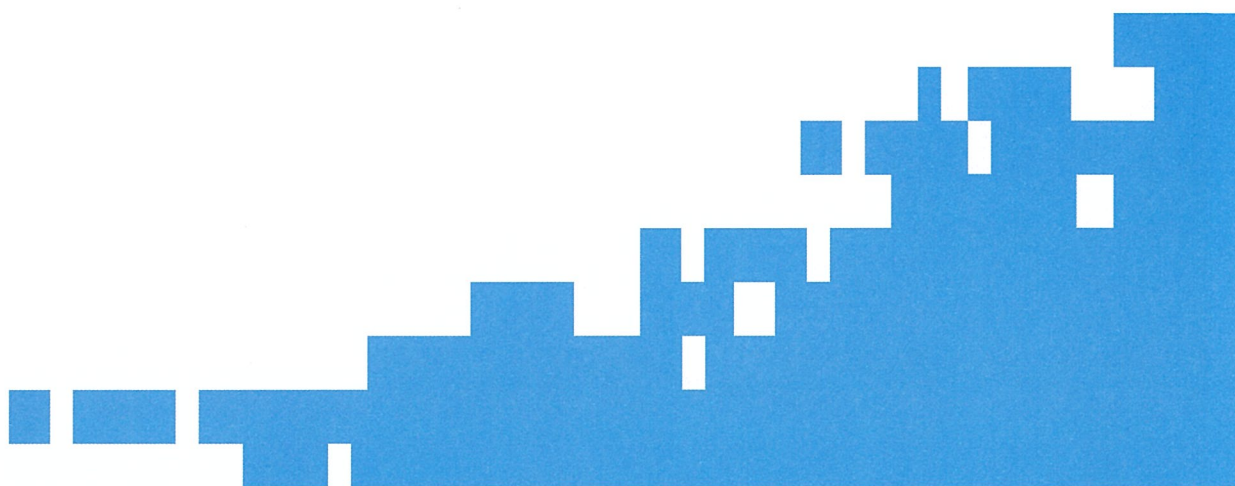


# THE HELPING HAND

(UEN No: S88SS0058F)

Statement by The Governing Board and Financial Statements

Reporting Year Ended 31 December 2023





**THE HELPING HAND**

**Statement by The Governing Board and Financial Statements**

<b>Contents</b>	<b>Page</b>
Statement by The Governing Board.....	1
Independent Auditor’s Report.....	2
Statement of Financial Activities .....	5
Statement of Financial Position.....	6
Statement of Changes in Funds.....	7
Statement of Cash Flows .....	8
Notes to the Financial Statements .....	9



### **Statement by The Governing Board**

The governing board members of the Society are pleased to present the financial statements of the Society for the reporting year ended 31 December 2023.

### **Opinion of the Governing Board**

In the opinion of the Governing Board,

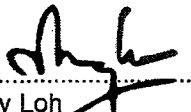
- a) the accompanying financial statements are drawn up so as to present fairly, in all material respects, the state of affairs of the Society as at 31 December 2023 and of the results changes in funds, and cash flows of the Society for the reporting year ended on that date;
- b) the Society has complied with the requirements of Regulation 15 of the Charities (Institutions of a Public Character) Regulations;
- c) the use of donation monies are in accordance with the objectives of the Society as required under Regulations 11 of the Charities (Institutions of a Public Character) Regulations; and
- d) at the date of the statement, there are reasonable grounds to believe that the Society will be able to pay its debts as and when they fall due.


The Governing Board approved and authorised these financial statements for issue.

### **Independent auditor**

RSM SG Assurance LLP has expressed willingness to accept re-appointment.  
This audit firm was known as RSM Chio Lim LLP before 1 March 2024.

On behalf of the Governing Board,

  
.....  
May Loh  
Chairman

  
.....  
Timothy Hia Yi Liang  
Vice Chairman

5 April 2024

**Independent Auditor's Report to the Members of  
THE HELPING HAND****Report on the audit of the financial statements****Opinion**

We have audited the accompanying financial statements of The Helping Hand (the "Society"), 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 reporting year then ended, and notes to the financial statements, including the material accounting policies.

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 the Financial Reporting Standards ("FRS") so as to present fairly, in all material respects, the state of affairs of the Society as at 31 December 2023 and the results changes in funds, and cash flows of the Society for the reporting year ended on that date.

**Basis for opinion**

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Society in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Other information**

Management is responsible for the other information. The other information comprises the information included in the Statement by The Governing Board and annual report but does not include the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions in accordance with SSAs.

## **Independent Auditor's Report to the Members of THE HELPING HAND**

### **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 FRS, 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 Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Society's financial reporting process.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- (a) 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.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society's internal control.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (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 Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Society to cease to continue as a going concern.

**Independent Auditor's Report to the Members of  
THE HELPING HAND**

**Auditor's responsibilities for the audit of the financial statements**

- (e) 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.

We also provide the Governing Board with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**Report on other legal and regulatory requirements**

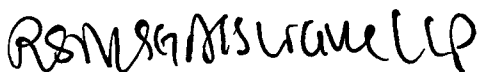
In our opinion:

- (a) the accounting and other records required to be kept by the Society have been properly kept in accordance with the provisions of the Societies Regulations enacted under the Societies Act, the Charities Act and Regulations; and
- (b) the fund-raising appeals held during the reporting 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 appeals.

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

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

The engagement partner on the audit resulting in this independent auditor's report is Woo E-Sah.



RSM SG Assurance LLP  
Public Accountants and  
Chartered Accountants  
Singapore

5 April 2024



## THE HELPING HAND

### Statement of Financial Activities Reporting Year Ended 31 December 2023

	<u>Notes</u>	<u>2023</u> S\$	<u>2022</u> S\$
<b>Incoming resources</b>			
Voluntary income	4	2,939,922	3,220,409
Fund-raising income	5	671,932	607,086
Income from charitable activities	6	1,634,446	1,620,532
Income from investment	7	21,523	(11,294)
Other income	8	208,085	61,904
<b>Total incoming resources</b>		<u>5,475,908</u>	<u>5,498,637</u>
<b>Resources expended</b>			
Expenditure of fund-raising activities	5	79,961	76,188
Expenditure of charitable activities	6	1,877,647	1,930,736
Governance and other administrative costs	10	2,931,310	3,294,624
<b>Total resources expended</b>		<u>4,888,918</u>	<u>5,301,548</u>
<b>Surplus for the year</b>		586,990	197,089
Other comprehensive income		<u>—</u>	<u>—</u>
<b>Total comprehensive income</b>		<u>586,990</u>	<u>197,089</u>

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

## THE HELPING HAND

### Statement of Financial Position As at 31 December 2023

	<u>Notes</u>	<u>2023</u> S\$	<u>2022</u> S\$
<b>ASSETS</b>			
<b><u>Non-current assets</u></b>			
Plant and equipment	12	1,756,151	1,920,430
Other financial assets	13	490,767	480,759
		<u>2,246,918</u>	<u>2,401,189</u>
<b><u>Current assets</u></b>			
Inventories	14	35,559	64,636
Trade and other receivables	15	1,036,952	1,112,096
Other assets	16	31,872	172,079
Cash and cash equivalents	17	6,532,937	5,582,020
<b>Total current assets</b>		<u>7,637,320</u>	<u>6,930,831</u>
<b>Total assets</b>		<u>9,884,238</u>	<u>9,332,020</u>
<b>FUNDS AND LIABILITIES</b>			
<b><u>Funds</u></b>			
Unrestricted funds	18	7,818,250	7,114,330
Restricted funds	18	398,569	515,499
<b>Total funds</b>		<u>8,216,819</u>	<u>7,629,829</u>
<b><u>Non-current liabilities</u></b>			
Lease liabilities	19	718,226	936,799
<b>Total non-current liabilities</b>		<u>718,226</u>	<u>936,799</u>
<b><u>Current liabilities</u></b>			
Lease liabilities	19	218,573	207,934
Trade and other payables	20	730,620	557,458
<b>Total current liabilities</b>		<u>949,193</u>	<u>765,392</u>
<b>Total liabilities</b>		<u>1,667,419</u>	<u>1,702,191</u>
<b>Total funds and liabilities</b>		<u>9,884,238</u>	<u>9,332,020</u>

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

## THE HELPING HAND

### Statement of Changes in Funds Reporting Year Ended 31 December 2023

	Unrestricted Funds			Restricted Funds								
	General Fund S\$	Investment Fund S\$	Total unrestricted funds S\$	Care and Share Matching Fund S\$	Tech Booster S\$	President's Challenge S\$	Invictus Fund S\$	CCF & CCT Funds S\$	Donations S\$	SCORE S\$	Total restricted funds S\$	Total Funds S\$
Current year:												
Opening balance at 1 January 2023	6,625,624	488,706	7,114,330	52,651	171,616	134,290	15,898	–	25,936	115,108	515,499	7,629,829
Changes in funds:												
Surplus / (deficit) for the year	682,397	21,523	703,921	(18,226)	(17,520)	(1,540)	(12,008)	22,564	24,907	(115,108)	(116,931)	586,990
Closing balance at 31 December 2023	7,308,021	510,229	7,818,250	34,425	154,096	132,750	3,890	22,564	50,844	–	398,569	8,216,819
Previous year:												
Opening balance at 1 January 2022	6,963,793	–	6,963,793	73,458	–	114,493	29,897	–	10,416	240,683	468,947	7,432,740
Changes in funds:												
Surplus / (deficit) for the year	161,831	(11,294)	150,537	(20,807)	171,616	19,797	(13,999)	–	15,520	(125,575)	46,552	197,089
Transfer from restricted fund to unrestricted fund	(500,000)	500,000	–	–	–	–	–	–	–	–	–	–
Closing balance at 31 December 2022	6,625,624	488,706	7,114,330	52,651	171,616	134,290	15,898	–	25,936	115,108	515,499	7,629,829

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

## THE HELPING HAND

### Statement of Cash Flows Reporting Year Ended 31 December 2023

	<u>2023</u> S\$	<u>2022</u> S\$
<b><u>Cash flows from operating activities</u></b>		
Surplus for the year	586,990	197,089
Adjustments for:		
Depreciation of plant and equipment	550,235	578,243
Fair value (gains) / loss	(10,008)	19,241
Loss on disposal of plant and equipment	6,421	1,096
Gain on derecognition of right-of-use asset	–	(645)
Interest expense on lease liabilities	51,426	61,439
Interest income	(161,068)	(45,844)
<b>Operating surplus before changes in working capital</b>	<u>1,023,996</u>	<u>810,619</u>
Inventories	29,077	10,680
Trade and other receivables	110,762	(238,756)
Other assets	140,207	44,758
Trade and other payables	173,162	(12,671)
Other liabilities	–	(22,700)
Cash restricted in use	–	10,416
<b>Net cash flows from operating activities</b>	<u>1,477,204</u>	<u>602,346</u>
<b><u>Cash flows used in investing activities</u></b>		
Interest received	125,450	32,203
Purchase of plant and equipment	(392,377)	(346,888)
Investment in bonds	–	(500,000)
<b>Net cash flows used in investing activities</b>	<u>(266,927)</u>	<u>(814,685)</u>
<b><u>Cash flows used in financing activities</u></b>		
Interest paid	(51,426)	(61,439)
Payment of principal portion of lease liabilities	(207,934)	(197,768)
<b>Net cash flows used in financing activities</b>	<u>(259,360)</u>	<u>(259,207)</u>
<b>Net increase / (decrease) in cash and cash equivalents</b>	950,917	(471,546)
Cash and cash equivalents, beginning balance	5,572,020	6,043,566
<b>Cash and cash equivalents, ending balance (Note 17A)</b>	<u>6,522,937</u>	<u>5,572,020</u>

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

## THE HELPING HAND

### Notes to the Financial Statements 31 December 2023

#### 1. General

The Helping Hand (the “Society”) is a society registered in Singapore under the Societies Act 1966. It was granted the status of an Institutions of a Public Character (IPC Registration No. IPC000344) under the Charities Act 1994 until 30 June 2026 subject to renewal. The financial statements are presented in Singapore Dollars.

The Governing Board approved and authorised these financial statements for issue on the date of statement by the Governing Board.

The objective of the Society is to promote social concern in the community and to establish halfway house programmes based on Christian principles to help recovering addicts and ex-offenders rehabilitate and re-integrate into society.

The registered office is located at 819 Upper Serangoon Road, Singapore 534678. The Society is situated in Singapore.

#### Statement of compliance with financial reporting standards

These financial statements have been prepared in accordance with the Financial Reporting Standards (“FRSs”) and the related interpretations to FRS (“INT FRS”) as issued by the Accounting Standards Committee under ACRA (ASC).

#### Basis of preparation of the financial statements

The financial statements are prepared on a going concern basis under the historical cost convention except where a financial reporting standard requires an alternative treatment (such as fair values) as disclosed where appropriate in these financial statements. The accounting policies in the financial reporting standards may not be applied when the effect of applying them is not material. The disclosures required by financial reporting standards may not be provided if the information resulting from that disclosure is not material.

#### 2. Disclosures of material accounting policy information and other explanatory information

Disclosures are made on the accounting policy information and other explanatory information relating to material transactions, other events or conditions if that information is material to the financial statements or is required by a financial reporting standard.

## THE HELPING HAND

### 2. Disclosures of material accounting policy information and other explanatory information (cont'd)

#### 2A. Material accounting policy information and other explanatory information

##### Incoming resources

##### Government grants and similar non-government grants

Government grants and similar non-government grants are recognised at fair value when there is reasonable assurance that the conditions attaching to it will be complied with and that the grant will be received. Grants in recognition of specific expenses are recognised as income over the periods necessary to match them with the related costs that they are intended to compensate, on a systematic basis. A grant related to depreciable assets is recognised as income when such assets are used in the project subsidised by the grant. The relevant fund will then be reduced over the useful life of the asset in line with its depreciation. The deferred grants recognised in the Statement of Financial Position represent grants received not yet utilised.

##### Donations subject to restrictions

Income from donations subject to restrictions are recognised at a point in time when the Society has entitlement to the income and accounted for as restricted funds. The relevant restricted fund will then be reduced when the donation is utilised for its restricted purpose.

##### Donations and sponsorships

Income from donations and sponsorships are recognised at a point in time when received, except for committed donations and sponsorships that are rewarded when there is certainty over the amount committed by the donors and over the timing of the receipt of the donations and sponsorships. Income from any fund raising event is recognised when the event has occurred.

##### Sale of merchandise

Revenue is recognised at a point in time when the performance obligation is satisfied by transferring a promised good or service to the customer. Control of the goods is transferred to the customer on delivery of the goods.

##### Interest income

Interest revenue is recognised on a time-proportion basis using the effective interest rate.

##### Gifts-in-kind

A gift-in-kind (if any) is included in the statement of financial activities based on an estimate of the fair value at the date of the receipt of the gift of the non-monetary asset or the grant of a right to the monetary asset. The gift is recognised if the amount of the gift can be measured reliably and there is certainty that it will be received. Gift-in-Kind received for some events that are deemed not of substantial values though can be reasonably quantified, are not recorded as income of the Society. No value is ascribed to volunteer services.

## THE HELPING HAND

### 2. Disclosures of material accounting policy information and other explanatory information (cont'd)

#### 2A. Material accounting policy information and other explanatory information (cont'd)

##### **Expenditure**

Expenditure is recognised when it is incurred and is reported gross of related income. Charitable expenditure comprises direct expenditure, including direct staff costs attributable to its activities. Where costs cannot be directly attributed, they have been allocated to activities on a basis consistent with the use of resources.

Expenditure has been classified by reference to specific activity categories: all direct costs relating to a specific activity have been aggregated; costs of raising funds include all direct fundraising expenses. All direct expenditure in furtherance of the charity's objects is included under the charitable activities heading. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulations and good practice. Irrecoverable GST is charged as a cost.

##### **Employee benefits expense**

Contributions to a defined contribution retirement benefit plan are recorded as an expense as they fall due. The entity's legal or constructive obligation is limited to the amount that it is obligated to contribute to an independently administered fund (such as the Central Provident Fund in Singapore, a government managed defined contribution retirement benefit plan). For employee leave entitlement the expected cost of short-term employee benefits in the form of compensated absences is recognised in the case of accumulating compensated absences, when the employees render service that increases their entitlement to future compensated absences; and in the case of non-accumulating compensated absences, when the absences occur. A liability for bonuses is recognised where the entity is contractually obliged or where there is constructive obligation based on past practice.

##### **Income tax**

As an approved charity under the Charities Act 1994, the Society is exempted from income tax under section 13(1)(zm) of the Income Tax Act 1947.

##### **Foreign currency transactions**

The functional currency is the Singapore Dollar as it reflects the primary economic environment in which the Society operates. Transactions in foreign currencies are recorded in the functional currency at the rates ruling at the dates of the transactions. At each end of the reporting year, recorded monetary balances and balances measured at fair value that are denominated in non-functional currencies are reported at the rates ruling at the end of the reporting year and fair value measurement dates respectively. All realised and unrealised exchange adjustment gains and losses are dealt with in the statement of financial activities. The presentation is in the functional currency.

## THE HELPING HAND

### 2. Disclosures of material accounting policy information and other explanatory information (cont'd)

#### 2A. Material accounting policy information and other explanatory information (cont'd)

##### Plant and equipment

Property, plant and equipment are carried at cost on initial recognition and after initial recognition at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is provided on a straight-line method to allocate the gross carrying amounts of the assets less their residual values over their estimated useful lives of each part of an item of these assets (or, for certain leased assets, the shorter lease term). An asset is depreciated when it is available for use until it is derecognised even if during that period the item is idle.

The useful lives are as follows:

Computer equipment	3 years
Electrical equipment	3 years
Furniture and fittings	5 years
Motor vehicles	5 to 10 years
Office equipment	3 years
Renovation	5 years
Right-of-use asset – premise	6 years
Right-of-use asset – copiers	4 to 5 years

An asset is depreciated when it is available for use until it is derecognised even if during that period the item is idle. Fully depreciated assets still in use are retained in the financial statements.

The gain or loss arising from the derecognition of an item of property, plant and equipment is recognised in the statement of financial activities. The residual value and the useful life of an asset is reviewed at least at each end of the reporting year and, if expectations differ significantly from previous estimates, the changes are accounted for as a change in an accounting estimate, and the depreciation charge for the current and future periods are adjusted.

Cost also includes acquisition cost, borrowing cost capitalised and any cost directly attributable to bringing the asset or component to the location and condition necessary for it to be capable of operating in the manner intended by management. Subsequent costs are recognised as an asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of financial activities when they are incurred.

##### Lease of lessee

A lease conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration. Where a lease arrangement is identified, a liability to the lessor is recognised as a lease obligation calculated at the present value of minimum unavoidable lease payments. A corresponding right-of-use asset is recorded. Lease payments are apportioned between finance costs and reduction of the lease liability so as to reflect the interest on the remaining balance of the liability. Finance charges are recorded as a finance cost. Leases with a term of 12 months or less and leases for low value are not recorded as a liability and lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term.



## THE HELPING HAND

### 2. Disclosures of material accounting policy information and other explanatory information (cont'd)

#### 2A. Material accounting policy information and other explanatory information (cont'd)

##### **Inventories**

Inventories are stated at the lower of cost and selling price less costs to complete and sell. Cost is calculated using the weighted average method.

##### **Cash and cash equivalent**

Cash comprises cash on hand and demand deposits.

For the statement of cash flows, cash and cash equivalents includes cash and cash equivalents less cash subject to restriction that form an integral part of cash management. Cash equivalents are short-term, liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

##### **Fair value measurement:**

The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fair values are categorised into different levels in a fair value hierarchy: Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (ie as prices) or indirectly (ie derived from prices). Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value. The fair values of non-current financial instruments may not be disclosed separately unless there are material differences at the end of the reporting year and in the event the fair values are disclosed in the relevant notes to the financial statements. The recurring measurements are made at each reporting year end date.

## THE HELPING HAND

### 2. Disclosures of material accounting policy information and other explanatory information (cont'd)

#### 2B. Other explanatory Information

##### Fund accounting

Unrestricted funds are expendable at the discretion of the governing board members in furtherance of the charity's objects. Unrestricted funds can be used to supplement expenditure incurred in restricted funds.

Designated funds are set aside from unrestricted funds by the governing board members, at their discretion, to be used for a particular future project or commitment. By earmarking funds in this way, the governing board members have set up a designated fund that remains part of the unrestricted funds of the charity. This is because the designation has an administrative purpose only and does not legally restrict the governing board members' discretion in how to apply the unrestricted funds that they have earmarked.

Restricted funds are funds subject to specific restrictions imposed by donors or by the purpose of the appeal, but still within the wider objects of the charity.

Further details of the purposes of each fund are disclosed in Note 18.

Transfers between the funds are made when it is considered appropriate and authorised by the governing board members.

#### 2C. Critical judgements, assumptions and estimation uncertainties

The critical judgements made in the process of applying the accounting policies that have the most significant effect on the amounts recognised in the financial statements and the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting year, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities currently or within the next reporting year are discussed below. These estimates and assumptions are periodically monitored to ensure they incorporate all relevant information available at the date when financial statements are prepared. However, this does not prevent actual figures differing from estimates.

##### *Estimating useful lives of plant and equipment*

The estimates for the useful lives and related depreciation charges for property, plant and equipment are based on commercial and other factors that could change materially because of innovations and in response to market conditions. The depreciation charge is increased where useful lives are less than previously estimated lives, or the carrying amounts written off or written down for technically obsolete items or assets that have been abandoned. It is impracticable to disclose the extent of the possible effects. It is reasonably possible, based on existing knowledge, that outcomes within the next reporting year that are different from assumptions could require a material adjustment to the carrying amount of the balances affected.

## THE HELPING HAND

### 2. Disclosures of material accounting policy information and other explanatory information (cont'd)

#### 2C. Critical judgements, assumptions and estimation uncertainties

##### *Recognising government grants*

Government grants to meet expenses and/or assets are recognised as income in the statement of financial activities on the accrual basis in the financial year these expenses and/or assets were incurred and there is reasonable assurance that the Society will comply with the conditions attached to them. 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 Society if the conditions are not met.

### 3. Related party relationships and transactions

The financial reporting standard on related party disclosures requires the reporting entity to disclose: (a) transactions with its related parties; and (b) relationships between parents and subsidiaries irrespective of whether there have been transactions between those related parties. A party is related to a party if the party controls, or is controlled by, or can significantly influence or is significantly influenced by the other party.

A related party includes the committee members and key management of the Society. It also includes an entity or person that directly or indirectly controls, is controlled by, or is under common or joint control with these persons; members of the key management personnel or close members of the family of any individual referred to herein and others who have the ability to control, jointly control or significantly influence by or for which significant voting power in such entity resides with, directly or indirectly, any such individual. Key management personnel include the Chief Executive Officer ("CEO"), Executive Director ("ED") and the direct reporting senior members.

All members of the Governing Board, sub-committees and staff members of the Society are required to read and understand the conflict of interest policy in place and make full disclosure of interests and relationships that could potentially result in a conflict of interests. When a conflict of interest situation arises, the members or staff shall abstain from participating in the discussion, decision making and voting on the matter.

The members of the Governing Board and sub-committees are volunteers and receive no monetary remuneration for their contribution, except for reimbursement of out-of-pocket expenses, if any claimed.

There are no paid staff who are close members of the family of the Governing Board, and whose remuneration each exceeds \$50,000 during the year.

#### 3A. Related party transactions:

There are transactions and arrangements between the Society and related parties and the effects of these on the basis determined between the parties are reflected in these financial statements. The related party balances and transfer of resources, services or obligations if any are unsecured, without fixed repayment terms and interest or charge unless stated otherwise.

	<u>2023</u> S\$	<u>2022</u> S\$
Insurance expenses paid to a company in which the Managing Director is also a board member (the board member has retired from the board w.e.f 1 May 2023)	<u>87,376</u>	<u>74,123</u>

## THE HELPING HAND

### 3. Related party relationships and transactions (cont'd)

#### 3B. Key management compensation:

	<u>2023</u> S\$	<u>2022</u> S\$
Short-term employee benefits	703,738	754,076
Defined contribution plan	82,186	75,907
	<u>785,924</u>	<u>829,983</u>

The above amounts are included under employee benefit expense and other administrative expense.

Number of key management in remuneration bands:	<u>2023</u>	<u>2022</u>
S\$100,001 – S\$200,000	2	2
S\$50,001 – S\$100,000	5	6
Below S\$50,000	<u>0</u>	<u>1</u>

Key management personnel comprise CEO, ED and the direct reporting senior members.

### 4. Voluntary income

	<u>2023</u> S\$	<u>2022</u> S\$
Donations	456,605	407,580
Government and other grants (Note 4A)	559,631	801,156
Singapore Prison Service Grant (Note 4B)	1,923,686	2,011,673
	<u>2,939,922</u>	<u>3,220,409</u>

#### 4A. Government and other grants

	<u>2023</u> S\$	<u>2022</u> S\$
Jobs Support Scheme	–	25,802
Special employment and wage credit	30,707	97,861
Premises Rental Grant (i)	252,948	252,948
Other grants	275,976	424,545
	<u>559,631</u>	<u>801,156</u>

(i) The purpose of the premises rental grant is to provide rental support to the Society for the rental of the rehabilitation facility by Singapore Prison Service.

#### 4B. Singapore Prison Service Grant

Included in the Singapore Prison Service Grant is an adjustment of \$939,412 (2022: \$1,027,399) which has been confirmed after the financial year end but yet to be received.

## THE HELPING HAND

### 5. Fund-raising income

	<u>2023</u> S\$	<u>2022</u> S\$
Income resources from fund-raising activities:		
Annual magazine revenue	74,246	176,026
Charity golf	519,400	188,150
Ride to restore	78,286	242,910
Total	<u>671,932</u>	<u>607,086</u>
Expenditure of fund-raising activities:		
Annual magazine printing cost	12,062	3,964
Charity golf	56,937	35,259
Ride to restore	10,962	36,965
Total	<u>79,961</u>	<u>76,188</u>
Net proceeds	<u>591,971</u>	<u>530,898</u>

### 6. Income from charitable activities

	<u>2023</u> S\$	<u>2022</u> S\$
Income resources from charitable activities:		
Sale of furniture and plants	439,319	506,473
Revenue from removal services	1,138,187	1,053,006
Revenue from home baked products	37,143	54,254
Revenue from bike servicing and sales	2,049	6,799
Revenue from urban farming	17,748	—
Total	<u>1,634,446</u>	<u>1,620,532</u>
Expenditure of charitable activities:		
Advertisement	1,878	80
Containers transport and freight	6,538	18,504
Cost of furniture and plants	118,879	185,517
Cost of removal services	112,145	89,852
Cost of home baked products	9,925	22,865
Cost of bike servicing and sales	—	442
Depreciation of plant and equipment	115,770	135,555
Upkeep of vehicles	184,894	253,812
Overseas shipping fee	2,182	2,648
Rental fees for tentage	14,176	5,503
Employee benefits expense (Note 11)	1,311,260	1,215,958
Total	<u>1,877,647</u>	<u>1,930,736</u>
Net expenditures	<u>(244,201)</u>	<u>(310,204)</u>

## THE HELPING HAND

### 7. Income / (losses) from investment

	<u>2023</u> S\$	<u>2022</u> S\$
Fair value gain / (loss) (Note 13)	10,008	(19,241)
Interest income	11,515	7,947
	<u>21,523</u>	<u>(11,294)</u>

### 8. Other income

	<u>2023</u> S\$	<u>2022</u> S\$
Gain on derecognition of right-of-use asset	—	645
Sponsorships	25,594	—
Interest on auto-save accounts	124	124
Interest on fixed deposits	149,429	37,773
Others	32,938	23,362
	<u>208,085</u>	<u>61,904</u>

### 9. Tax exempt receipts

Qualifying donors are granted tax deduction for donations made to the Society. The quantum of the tax deduction for each calendar year may vary as announced in the Singapore budget. The Institutions of a Public Character status granted to the Society is for the period from 1 October 2023 to 30 June 2026.

	<u>2023</u> S\$	<u>2022</u> S\$
Tax-exempt receipts issued for donations collected	<u>679,355</u>	<u>747,208</u>

### 10. Governance and other administrative costs

	<u>2023</u> S\$	<u>2022</u> S\$
Depreciation of plant and equipment	434,465	442,689
Employee benefits expense (Note 11)	1,652,907	1,934,286
NCSS secondment fee	100,199	158,651
Finance cost	51,426	61,439
Kitchen related cost	208,296	213,305
Others	484,017	484,254
	<u>2,931,310</u>	<u>3,294,624</u>

## THE HELPING HAND

### 11. Employee benefits expense

	<u>2023</u> S\$	<u>2022</u> S\$
CPF and SDL contributions	300,644	304,343
Residents costs	421,109	458,797
Staff incentive	130,658	176,800
Staff insurance	36,891	51,972
Staff medical expenses	18,502	19,589
Staff salaries and bonus	2,025,134	2,068,819
Staff training expenses	20,057	19,479
Staff uniforms	894	1,549
Staff welfare / benefits	10,278	48,896
	<u>2,964,167</u>	<u>3,150,244</u>
The staff costs were allocated as follows:		
Expenditure of charitable activities (Note 6)	1,311,260	1,215,958
Governance and other administration costs (Note 10)	1,652,907	1,934,286
	<u>2,964,167</u>	<u>3,150,244</u>

THE HELPING HAND

12. Plant and equipment

	Computer Equipment S\$	Electrical Equipment S\$	Furniture and Fittings S\$	Motor Vehicles S\$	Office Equipment S\$	Renovation S\$	Right-of-use Premise S\$	Right-of-use Copiers S\$	Total S\$
<u>Cost:</u>									
At 1 January 2022	46,535	161,937	72,615	1,808,827	20,659	885,400	1,314,307	25,809	4,336,089
Additions	22,223	9,979	13,911	260,672	–	40,103	–	15,963	362,851
Disposals	(7,701)	(1,545)	(4,384)	(99,300)	–	–	–	(13,303)	(126,233)
At 31 December 2022	61,057	170,371	82,142	1,970,199	20,659	925,503	1,314,307	28,469	4,572,707
Additions	187,500	19,293	–	80,286	–	105,298	–	–	392,377
Written-off	–	(6,887)	–	(123,441)	(1,677)	–	–	–	(132,005)
At 31 December 2023	248,557	182,777	82,142	1,927,044	18,982	1,030,801	1,314,307	28,469	4,833,079

Accumulated depreciation:

At 1 January 2022	28,450	132,643	33,923	1,424,563	16,983	549,150	–	8,359	2,194,071
Depreciation for the year	17,072	18,216	15,611	135,555	3,498	163,457	219,051	5,783	578,243
Disposals	(7,701)	(1,545)	(3,288)	(99,300)	–	–	–	(8,203)	(120,037)
At 31 December 2022	37,821	149,314	46,246	1,460,818	20,481	712,607	219,051	5,939	2,652,277
Depreciation for the year	19,024	17,149	15,349	114,585	177	159,206	219,051	5,694	550,235
Written-off	–	(6,887)	–	(117,021)	(1,676)	–	–	–	(125,584)
At 31 December 2023	56,845	159,576	61,595	1,458,382	18,982	871,813	438,102	11,633	3,076,928

Carrying value:

At 1 January 2022	18,085	29,294	38,692	384,264	3,676	336,250	1,314,307	17,450	2,142,018
At 31 December 2022	23,236	21,057	35,896	509,381	178	212,896	1,095,256	22,531	1,920,430
At 31 December 2023	191,712	23,202	20,547	468,662	–	158,988	876,205	16,836	1,756,151



## THE HELPING HAND

### 12. Plant and equipment (cont'd)

The depreciation expense is charged to Statement of Financial Activities under:

	<u>2023</u> S\$	<u>2022</u> S\$
Administrative expenses	359,274	384,087
Care and Share Matching Fund	18,226	20,807
TechBooster	12,445	6,119
President's Challenge	26,290	27,453
Invictus Fund	12,008	13,999
CCF & CCT Fund (Note 18 (vii))	435	—
Donation	6,449	203
SCORE (Note 18 (ix))	115,108	125,575
Total	<u>550,235</u>	<u>578,243</u>

### 13. Other financial assets

	<u>2023</u> S\$	<u>2022</u> S\$
Investments at FVTPL	<u>490,767</u>	<u>480,759</u>

#### Investments at fair value through profit or loss

	<u>2023</u> S\$	<u>2022</u> S\$
Movements during the year:		
Fair value at beginning of the year	480,759	—
Additions	—	500,000
Decrease in fair value through profit or loss under other losses (Note 7)	10,008	(19,241)
Fair value at end of the year	<u>490,767</u>	<u>480,759</u>

Details of the investment portfolio, including the fair value hierarchy, are as follows:

<u>Name</u>	<u>Level</u>	<u>2023</u> S\$	<u>2022</u> S\$	<u>2023</u> %	<u>2022</u> %
LGI Short Duration Bond	2	286,027	284,491	60	60
UOBAM United SGD Fund	2	204,740	196,268	40	40

The unquoted funds are exposed to the market price risk arising from uncertainties about future values of the investment securities.

Sensitivity analysis: The effect is as follows:

	<u>2023</u> S\$	<u>2022</u> S\$
A hypothetical 10% increase in the market index that relate to funds would have a favourable effect on fair value of :	<u>49,077</u>	<u>48,076</u>

## THE HELPING HAND

### 13. Other financial assets (cont'd)

For similar price decreases in the fair value of the above financial assets, there would be comparable impact in the opposite direction.

The hypothetical changes in basis points are not based on observable market data (unobservable inputs).

See Note 22 on financial instruments.

### 14. Inventories

	<u>2023</u> S\$	<u>2022</u> S\$
Furniture at cost	<u>35,559</u>	<u>64,636</u>

### 15. Trade and other receivables

	<u>2023</u> S\$	<u>2022</u> S\$
<u>Trade receivables</u>		
Outside parties (Note 15A)	<u>20,318</u>	<u>5,624</u>
<u>Other receivables</u>		
Grant receivables – Singapore Prison Service (Note 4B)	939,412	1,027,399
Grant receivables – Pass it on	20,003	60,003
Interest receivable on fixed deposit	52,682	17,092
Interest receivable on investment	1,986	1,958
Other	2,551	20
Total other receivables (Note 15B)	<u>1,016,634</u>	<u>1,106,472</u>
Total	<u>1,036,952</u>	<u>1,112,096</u>

### 15A. Trade receivables

Trade receivables are subject to the expected credit loss model under the financial reporting standard on financial instruments. These amounts have been settled after the end of reporting year.

As part of the process of setting customer credit limits, different credit terms are used. The average credit period generally granted to trade receivables customer is about 30 days (2022: 30 days).

### 15B. Other receivables

Other receivables at amortised cost shown above are subject to the expected credit loss model under the financial reporting standard on financial instruments. Other receivables at amortised cost and which can be graded as low risk individually are considered to have low credit risk. No loss allowance is necessary.

## THE HELPING HAND

### 16. Other assets

	<u>2023</u> S\$	<u>2022</u> S\$
Deposits to secure services	20,548	114,748
Prepayments	11,324	57,331
	<u>31,872</u>	<u>172,079</u>

### 17. Cash and cash equivalents

	<u>2023</u> S\$	<u>2022</u> S\$
Cash and bank balances	1,599,902	1,364,005
Fixed deposits with financial institutions	4,933,035	4,218,015
	<u>6,532,937</u>	<u>5,582,020</u>

The fixed deposits earn interest at 0.30% to 3.4% (2022: 0.10% to 3.5%) per annum.

### 17A. Cash and cash equivalents in the statement of cash flows

	<u>2023</u> S\$	<u>2022</u> S\$
Amount as shown above	6,532,937	5,582,020
Less: Cash restricted in use (a)	(10,000)	(10,000)
Cash and cash equivalents for statement of cash flows purposes at end of the year	<u>6,522,937</u>	<u>5,572,020</u>

(a) Cash restricted in use comprise the following:

	<u>2023</u> S\$	<u>2022</u> S\$
Fixed deposit (security deposit for e-commerce payment gateway)	<u>10,000</u>	<u>10,000</u>

## THE HELPING HAND

### 18. Fund account transactions and balances

	Unrestricted Fund		Restricted Funds							Total unrestricted funds S\$	Total restricted funds S\$	Total Funds S\$
	General Fund S\$ (i)	Investment Fund S\$ (ii)	Care and Share Matching Fund S\$ (iii)	TechBooster S\$ (iv)	President's Challenge S\$ (v)	Invictus Fund S\$ (vi)	CCF & CCT Funds S\$ (vii)	Donations S\$ (viii)	SCORE S\$ (ix)			
<b>2023:</b>												
<b>Voluntary income</b>												
Donations	422,355	-	-	-	-	-	-	34,250	-	422,355	34,250	456,605
Government and other grants	497,482	-	-	-	24,750	-	37,399	-	-	497,482	62,149	559,631
Singapore Prison Service Grant	1,923,686	-	-	-	-	-	-	-	-	1,923,686	-	1,923,686
	2,843,523	-	-	-	24,750	-	37,399	34,250	-	2,843,523	96,399	2,939,922
<b>Fund-raising income</b>												
Annual magazine	74,246	-	-	-	-	-	-	-	-	74,246	-	74,246
advertising revenue	519,400	-	-	-	-	-	-	-	-	519,400	-	519,400
Charity golf	78,286	-	-	-	-	-	-	-	-	78,286	-	78,286
Ride to restore	671,932	-	-	-	-	-	-	-	-	671,932	-	671,932
<b>Income from charitable activities</b>												
Revenue from removal services	1,138,187	-	-	-	-	-	-	-	-	1,138,187	-	1,138,187
Sale of furniture and plants	439,319	-	-	-	-	-	-	-	-	439,319	-	439,319
Revenue from home baked products	37,143	-	-	-	-	-	-	-	-	37,143	-	37,143
Revenue from bike servicing and sales	2,049	-	-	-	-	-	-	-	-	2,049	-	2,049
Urban farming income	17,748	-	-	-	-	-	-	-	-	17,748	-	17,748
	1,634,446	-	-	-	-	-	-	-	-	1,634,446	-	1,634,446
<b>Interest income and investment losses</b>												
Interest on investment	-	11,515	-	-	-	-	-	-	-	11,515	-	11,515
Fair value adjustment	-	10,008	-	-	-	-	-	-	-	10,008	-	10,008
	-	21,523	-	-	-	-	-	-	-	21,523	-	21,523

## THE HELPING HAND

## 18. Fund account transactions and balances (cont'd)

Unrestricted Fund				Restricted Funds							Total restricted funds S\$	Total Funds S\$
General Fund S\$ (i)	Investment Fund S\$ (ii)	Total unrestricted funds S\$	Care and Share Matching Fund S\$ (iii)	TechBooster S\$ (iv)	President's Challenge S\$ (v)	Invictus Fund S\$ (vi)	CCF & CCT Funds S\$ (vii)	Donations S\$ (viii)	SCORE S\$ (ix)			
2023:												
Other income												
Interest on auto-save accounts	124	-	124	-	-	-	-	-	-	-	-	124
Sponsorships	25,594	-	25,594	-	-	-	-	-	-	-	-	25,594
Interest on fixed deposits	149,429	-	149,429	-	-	-	-	-	-	-	-	149,429
Others	32,938	-	32,938	-	-	-	-	-	-	-	-	32,938
	208,085	-	208,085	-	-	-	-	-	-	-	-	208,085
Total incoming resources	5,357,986	21,523	5,379,509	-	-	24,750	-	37,399	34,250	-	96,399	5,475,908

## THE HELPING HAND

### 18. Fund account transactions and balances (cont'd)

	Unrestricted Fund		Restricted Funds								Total restricted funds S\$	Total Funds S\$
	General Fund S\$ (i)	Investment Fund S\$ (ii)	Total unrestricted funds S\$	Care and Share Matching Fund S\$ (iii)	TechBooster S\$ (iv)	President's Challenge S\$ (v)	Invictus Fund S\$ (vi)	CCF & CCT Funds S\$ (vii)	Donations S\$ (viii)	SCORE S\$ (ix)		
<b>2023:</b>												
<b>Expenditure of fund-raising activities</b>												
Annual magazine printing cost	12,062	-	12,062	-	-	-	-	-	-	-	-	12,062
Charity golf	56,937	-	56,937	-	-	-	-	-	-	-	-	56,937
Ride to restore	10,962	-	10,962	-	-	-	-	-	-	-	-	10,962
	79,961		79,961									79,961
<b>Expenditure of charitable activities</b>												
Advertisement	1,878	-	1,878	-	-	-	-	-	-	-	-	1,878
Containers transport and freight	6,538	-	6,538	-	-	-	-	-	-	-	-	6,538
Cost of furniture and plants	118,879	-	118,879	-	-	-	-	-	-	-	-	118,879
Cost of removal services	112,145	-	112,145	-	-	-	-	-	-	-	-	112,145
Cost of home baked products	9,925	-	9,925	-	-	-	-	-	-	-	-	9,925
Depreciation of plant and equipment	115,770	-	115,770	-	-	-	-	-	-	-	-	115,770
Upkeep of vehicles	184,894	-	184,894	-	-	-	-	-	-	-	-	184,894
Overseas shipping fee	2,182	-	2,182	-	-	-	-	-	-	-	-	2,182
Employee benefits expense	1,311,260	-	1,311,260	-	-	-	-	-	-	-	-	1,311,260
Rental of tentage	14,176	-	14,176	-	-	-	-	-	-	-	-	14,176
	1,877,647	-	1,877,647	-	-	-	-	-	-	-	-	1,877,647
<b>Governance and other administrative costs</b>												
Accounting services	8,900	-	8,900	-	-	-	-	-	-	-	-	8,900
Audit fee	20,318	-	20,318	-	-	-	-	-	-	-	-	20,318
Bank charges	2,027	-	2,027	-	-	-	-	-	-	-	-	2,027

## THE HELPING HAND

### 18. Fund account transactions and balances (cont'd)

	Unrestricted Fund			Restricted Funds							Total Funds S\$	
	General Fund S\$ (i)	Investment Fund S\$ (ii)	Total unrestricted funds S\$	Care and Share Matching Fund S\$ (iii)	TechBooster S\$ (iv)	President's Challenge S\$ (v)	Invictus Fund S\$ (vi)	CCF & CCT Funds S\$ (vii)	Donations S\$ (viii)	SCORE S\$ (ix)		Total restricted funds S\$
<b>2023:</b>												
<b>Governance and other administrative costs (cont'd)</b>												
Bad debts written off	36	-	36	-	-	-	-	-	-	-	-	-
Board management												
strategic expense	6,000	-	6,000	-	-	-	-	-	-	-	-	-
Condolences and gifts	525	-	525	-	-	-	-	-	-	-	-	-
Cost of urban farming	324	-	324	-	-	-	-	-	-	-	-	-
Depreciation of plant and equipment	243,504	-	243,504	18,226	12,445	26,290	12,008	435	6,449	115,108	190,961	434,465
Donation	515	-	515	-	-	-	-	-	-	-	-	515
Equipment	-	-	-	-	-	-	-	-	1,225	-	1,225	1,225
Event expenses	54,147	-	54,147	-	-	-	-	-	-	-	-	54,147
Furniture and fittings	2,451	-	2,451	-	-	-	-	-	-	-	-	2,451
GST expensed off	16,596	-	16,596	-	-	-	-	-	-	-	-	16,596
Interest expenses on lease liabilities	51,426	-	51,426	-	-	-	-	-	-	-	-	51,426
Loss on disposal of fixed assets	9,288	-	9,288	-	-	-	-	-	-	-	-	9,288
Membership fee / licence fee (utilities)	1,045	-	1,045	-	-	-	-	-	-	-	-	1,045
NCSS Secondment fee	100,199	-	100,199	-	-	-	-	-	-	-	-	100,199
Other expenses	8,492	-	8,492	-	-	-	-	-	-	-	-	8,492
Other professional fee	19,650	-	19,650	-	-	-	-	14,400	-	-	14,400	34,050
Postage	1,567	-	1,567	-	-	-	-	-	-	-	-	1,567
Printing and stationery	7,787	-	7,787	-	-	-	-	-	-	-	-	7,787
Removal repairs	20,918	-	20,918	-	-	-	-	-	-	-	-	20,918
Repairs and maintenance	64,470	-	64,470	-	5,075	-	-	-	-	-	5,075	69,545
Small value office expenses	4,079	-	4,079	-	-	-	-	-	-	-	-	4,079

THE HELPING HAND

18. Fund account transactions and balances (cont'd)

	Unrestricted Fund			Restricted Funds							Total restricted funds S\$	Total Funds S\$
	General Fund S\$ (i)	Investment Fund S\$ (ii)	Total unrestricted funds S\$	Care and Share Matching Fund (iii)	TechBooster S\$ (iv)	President's Challenge S\$ (v)	Invictus Fund S\$ (vi)	CCF & CCT Funds S\$ (vii)	Donations S\$ (viii)	SCORE S\$ (ix)		
2023:												
Governance and other administrative costs (cont'd)												
Speaker's honorarium	4,500	-	4,500	-	-	-	-	-	-	-	-	4,500
Employee benefits expense	1,652,907	-	1,652,907	-	-	-	-	-	-	-	-	1,652,907
Telecommunication	32,089	-	32,089	-	-	-	-	-	-	-	-	32,089
Testing kits	1,737	-	1,737	-	-	-	-	-	-	-	-	1,737
Upkeep of kitchen	206,628	-	206,628	-	-	-	-	-	1,669	-	1,669	208,297
Upkeep of vehicles	31,170	-	31,170	-	-	-	-	-	-	-	-	31,170
Utilities	143,966	-	143,966	-	-	-	-	-	-	-	-	143,966
Visitation expenses	719	-	719	-	-	-	-	-	-	-	-	719
Total resources expended	2,717,980	-	2,717,980	18,226	17,520	26,290	12,008	14,835	9,343	115,108	213,330	2,931,310
	4,675,589	-	4,675,589	18,226	17,520	26,290	12,008	14,835	9,342	115,108	213,330	4,888,918
Surplus / (deficit) for the year	682,397	21,523	703,920	(18,226)	(17,520)	(1,540)	(12,008)	22,564	24,908	(115,108)	(116,931)	586,990



## THE HELPING HAND

### 18. Fund account transactions and balances (cont'd)

	Unrestricted Fund		Restricted Funds							Total unrestricted funds S\$	Total restricted funds S\$	Total Funds S\$
	General Fund S\$ (i)	Investment Fund S\$ (ii)	Care and Share Matching Fund S\$ (iii)	TechBooster S\$ (iv)	President's Challenge S\$ (v)	Invictus Fund S\$ (vi)	Donations S\$ (viii)	SCORE S\$ (ix)	Total restricted funds S\$			
<b>2022:</b>												
<b>Voluntary income</b>												
Donations	380,006	–	–	–	–	–	27,574	–	27,574	380,006	27,574	407,580
Government and other grants	520,730	–	–	216,000	64,426	–	–	–	280,426	520,730	280,426	801,156
Singapore Prison Service Grant	2,011,673	–	–	–	–	–	–	–	–	2,011,673	–	2,011,673
	2,912,409	–	–	216,000	64,426	–	27,574	–	308,000	2,912,409	308,000	3,220,409
<b>Fund-raising income</b>												
Annual magazine advertising revenue	176,026	–	–	–	–	–	–	–	–	176,026	–	176,026
Charity golf	188,150	–	–	–	–	–	–	–	–	188,150	–	188,150
Ride to restore	242,910	–	–	–	–	–	–	–	–	242,910	–	242,910
	607,086	–	–	–	–	–	–	–	–	607,086	–	607,086
<b>Income from charitable activities</b>												
Revenue from removal services	1,053,006	–	–	–	–	–	–	–	–	1,053,006	–	1,053,006
and contract delivery												
Sale of furniture and plants	506,473	–	–	–	–	–	–	–	–	506,473	–	506,473
Revenue from home baked products	54,254	–	–	–	–	–	–	–	–	54,254	–	54,254
Revenue from bike servicing and sales	6,799	–	–	–	–	–	–	–	–	6,799	–	6,799
	1,620,532	–	–	–	–	–	–	–	–	1,620,532	–	1,620,532
<b>Interest income and investment losses</b>												
Interest on investment	–	7,947	–	–	–	–	–	–	–	7,947	–	7,947
Fair value adjustment	–	(19,241)	–	–	–	–	–	–	–	(19,241)	–	(19,241)
	–	(11,294)	–	–	–	–	–	–	–	(11,294)	–	(11,294)

## THE HELPING HAND

**18. Fund account transactions and balances (cont'd)**

	Unrestricted Fund			Restricted Funds						
	General Fund S\$ (i)	Investment Fund S\$ (ii)	Total unrestricted funds S\$	Care and Share Matching Fund S\$ (iii)	TechBooster S\$ (iv)	President's Challenge S\$ (v)	Invictus Fund S\$ (vi)	Donations S\$ (viii)	SCORE S\$ (ix)	Total restricted funds S\$
<b>2022:</b>										<b>Total Funds S\$</b>
<b>Other income</b>										
Gain on derecognition of right-of-use asset	645	-	645	-	-	-	-	-	-	645
Interest on auto-save accounts	124	-	124	-	-	-	-	-	-	124
Interest on fixed deposits	37,773	-	37,773	-	-	-	-	-	-	37,773
Others	23,362	-	23,362	-	-	-	-	-	-	23,362
	<u>61,904</u>	<u>-</u>	<u>61,904</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>61,904</u>
Total incoming resources	<u>5,201,931</u>	<u>(11,294)</u>	<u>5,190,637</u>	<u>-</u>	<u>216,000</u>	<u>64,426</u>	<u>-</u>	<u>27,574</u>	<u>-</u>	<u>5,498,637</u>

## THE HELPING HAND

### 18. Fund account transactions and balances (cont'd)

	Unrestricted Fund		Restricted Funds							Total restricted funds S\$	Total Funds S\$
	General Fund S\$ (i)	Investment Fund S\$ (ii)	Total unrestricted funds S\$	Care and Share Matching Fund S\$ (iii)	TechBooster S\$ (iv)	President's Challenge S\$ (v)	Invictus Fund S\$ (vi)	Donations S\$ (vii)	SCORE S\$ (ix)		
<b>2022:</b>											
<b>Expenditure of fund-raising activities</b>											
Annual magazine printing cost	3,964	-	3,964	-	-	-	-	-	-	-	3,964
Charity golf	35,259	-	35,259	-	-	-	-	-	-	-	35,259
Ride to restore	36,965	-	36,965	-	-	-	-	-	-	-	36,965
	76,188	-	76,188	-	-	-	-	-	-	-	76,188
<b>Expenditure of charitable activities</b>											
Advertisement	80	-	80	-	-	-	-	-	-	-	80
Containers transport and freight	18,504	-	18,504	-	-	-	-	-	-	-	18,504
Cost of furniture and plants	185,517	-	185,517	-	-	-	-	-	-	-	185,517
Cost of removal services and contract delivery	89,852	-	89,852	-	-	-	-	-	-	-	89,852
Cost of home baked products	22,865	-	22,865	-	-	-	-	-	-	-	22,865
Cost of bike servicing and sales	443	-	443	-	-	-	-	-	-	-	443
Depreciation of vehicles	135,554	-	135,554	-	-	-	-	-	-	-	135,554
Upkeep of vehicles	253,812	-	253,812	-	-	-	-	-	-	-	253,812
Overseas shipping fee	2,648	-	2,648	-	-	-	-	-	-	-	2,648
Employee benefits expense	1,215,958	-	1,215,958	-	-	-	-	-	-	-	1,215,958
Rental of tentage	5,503	-	5,503	-	-	-	-	-	-	-	5,503
	1,930,736	-	1,930,736	-	-	-	-	-	-	-	1,930,736
<b>Governance and other administrative costs</b>											
Accounting services	18,760	-	18,760	-	-	-	-	-	-	-	18,760
Audit fee	19,668	-	19,668	-	-	-	-	-	-	-	19,668
Bank charges	2,747	-	2,747	-	-	-	-	-	-	-	2,747

## THE HELPING HAND

### 18. Fund account transactions and balances (cont'd)

	Unrestricted Fund		Restricted Funds						Total restricted funds S\$	Total Funds S\$
	General Fund S\$ (i)	Investment Fund S\$ (ii)	Total unrestricted funds S\$	Care and Share Matching Fund S\$ (iii)	TechBooster S\$ (iv)	President's Challenge S\$ (v)	Invictus Fund S\$ (vi)	Donations S\$ (viii)	SCORE S\$ (ix)	
<b>2022:</b>										
<b>Governance and other administrative costs (cont'd)</b>										
Board management	14,000	-	14,000	-	-	-	-	-	-	14,000
Strategic expense	3,233	-	3,233	-	33,514	-	-	-	-	36,747
Computers	785	-	785	-	-	-	-	-	-	785
Condolences and gifts	6,410	-	6,410	-	-	-	-	-	-	6,410
Cost of urban farming	248,533	-	248,533	20,807	6,119	27,453	13,999	203	125,575	442,689
Depreciation of plant and Donation	378	-	378	-	-	-	-	3,180	-	3,558
Equipment	984	-	984	-	-	-	-	-	-	984
Furniture and fittings	39,388	-	39,388	-	-	17,177	-	389	-	56,954
GST expensed off	16,411	-	16,411	-	-	-	-	-	-	16,411
Impairment of stock written off	148	-	148	-	-	-	-	-	-	148
Interest expenses on lease liabilities	61,439	-	61,439	-	-	-	-	-	-	61,439
Loss on disposal of fixed assets	1,096	-	1,096	-	-	-	-	-	-	1,096
Membership fee / licence fee (utilities)	1,856	-	1,856	-	-	-	-	-	-	1,856
NCSS Secondment fee	158,651	-	158,651	-	-	-	-	-	-	158,651
Other expenses	3,218	-	3,218	-	-	-	-	-	-	3,218
Other professional fee	22,075	-	22,075	-	-	-	-	-	-	22,075
Postage	1,992	-	1,992	-	-	-	-	-	-	1,992
Printing and stationery	11,736	-	11,736	-	-	-	-	-	-	11,736
Removal repairs	1,732	-	1,732	-	-	-	-	-	-	1,732
Repairs and maintenance	63,935	-	63,935	-	4,750	-	-	1,000	-	69,685
Small value office expenses	4,616	-	4,616	-	-	-	-	-	-	4,616

THE HELPING HAND

18. Fund account transactions and balances (cont'd)

	Unrestricted Fund		Restricted Funds					Total restricted funds S\$	Total Funds S\$
	General Fund S\$ (i)	Investment Fund S\$ (ii)	Total unrestricted funds S\$	Care and Share Matching Fund S\$ (iii)	TechBooster S\$ (iv)	President's Challenge S\$ (v)	Invictus Fund S\$ (vi)	Donations S\$ (viii)	SCORE S\$ (ix)
<b>2022:</b>									
<b>Governance and other administrative costs (cont'd)</b>									
Speaker's honorarium	2,800	-	2,800	-	-	-	-	-	2,800
Transport expenses	2,734	-	2,734	-	-	-	-	-	2,734
Employee benefits expense	1,934,286	-	1,934,286	-	-	-	-	-	1,934,286
Telecommunication	27,537	-	27,537	-	-	-	-	-	27,537
Testing kits	8,041	-	8,041	-	-	-	-	-	8,041
Upkeep of kitchen	206,023	-	206,023	-	-	-	-	7,282	213,305
Utilities	147,237	-	147,237	-	-	-	-	-	147,237
Visitation expenses	728	-	727	-	-	-	-	-	727
Total resources expended	3,033,176	-	3,033,176	20,807	44,383	44,630	13,999	12,054	125,575
	5,040,100	-	5,040,100	20,807	44,383	44,630	13,999	12,054	125,575
<b>Surplus / (deficit) for the year</b>	161,831	(11,294)	150,537	(20,807)	171,617	19,796	(13,999)	15,520	(125,575)
									197,089

## THE HELPING HAND

### 18. Fund account transactions and balances (cont'd)

2023:	Unrestricted Fund			Restricted Funds								
	General Fund S\$ (i)	Investment Fund S\$ (ii)	Total unrestricted funds S\$	Care and Share Matching Fund S\$ (iii)	TechBooster S\$ (iv)	President's Challenge S\$ (v)	Invictus Fund S\$ (vi)	CCF & CCT Funds S\$ (vii)	Donations S\$ (viii)	SCORE S\$ (ix)	Total Restricted Funds S\$	Total S\$
<b>ASSETS</b>												
<b>Non-current assets</b>												
Plant and equipment	1,422,492	—	1,422,492	34,425	154,096	108,000	3,890	15,220	18,028	—	333,659	1,756,151
Other financial assets	—	490,767	490,767	—	—	—	—	—	—	—	—	490,767
	<u>1,422,492</u>	<u>490,767</u>	<u>1,913,259</u>	<u>34,425</u>	<u>154,096</u>	<u>108,000</u>	<u>3,890</u>	<u>15,220</u>	<u>18,028</u>	<u>—</u>	<u>333,659</u>	<u>2,246,918</u>
<b>Current assets</b>												
Inventories	35,559	—	35,559	—	—	—	—	—	—	—	—	35,559
Trade and other receivables	1,034,966	1,986	1,036,952	—	—	—	—	—	—	—	—	1,036,952
Other assets	31,872	—	31,872	—	—	—	—	—	—	—	—	31,872
Cash and cash equivalents	6,450,551	17,476	6,468,027	—	—	24,750	—	7,344	32,816	—	64,910	6,532,937
	<u>7,552,948</u>	<u>19,462</u>	<u>7,572,410</u>	<u>—</u>	<u>—</u>	<u>24,750</u>	<u>—</u>	<u>7,344</u>	<u>32,816</u>	<u>—</u>	<u>64,910</u>	<u>7,637,320</u>
<b>Total current assets</b>	<u>8,975,440</u>	<u>510,229</u>	<u>9,485,669</u>	<u>34,425</u>	<u>154,096</u>	<u>132,750</u>	<u>3,890</u>	<u>22,564</u>	<u>50,844</u>	<u>—</u>	<u>398,569</u>	<u>9,884,238</u>
<b>Total assets</b>												
<b>Non-current liabilities</b>												
Lease liabilities	718,226	—	718,226	—	—	—	—	—	—	—	—	718,226
<b>Current liabilities</b>												
Lease liabilities	218,573	—	218,573	—	—	—	—	—	—	—	—	218,573
Trade and other payables	730,620	—	730,620	—	—	—	—	—	—	—	—	730,620
	<u>949,193</u>	<u>—</u>	<u>949,194</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>949,193</u>
<b>Total current liabilities</b>	<u>1,667,419</u>	<u>—</u>	<u>1,667,419</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>1,667,419</u>
<b>Total liabilities</b>												
<b>Net assets</b>	<u>7,308,021</u>	<u>510,229</u>	<u>7,818,250</u>	<u>34,425</u>	<u>154,096</u>	<u>132,750</u>	<u>3,890</u>	<u>22,564</u>	<u>50,844</u>	<u>—</u>	<u>398,569</u>	<u>8,216,819</u>

## THE HELPING HAND

### 18. Fund account transactions and balances (cont'd)

2022:	Unrestricted Fund			Restricted Funds							
	General Fund S\$ (i)	Investment Fund S\$ (ii)	Total unrestricted funds S\$	Care and Share Matching Fund S\$ (iii)	TechBooster S\$ (iv)	President's Challenge S\$ (v)	Invictus Fund S\$ (vi)	Donations S\$ (viii)	SCORE S\$ (ix)	Total Restricted Funds S\$	Total S\$
<b>ASSETS</b>											
<b>Non-current assets</b>											
Plant and equipment	1,587,256	–	1,587,256	52,651	–	134,290	15,898	15,227	115,108	333,174	1,920,430
Other financial assets	–	480,759	480,759	–	–	–	–	–	–	–	480,759
	<u>1,587,256</u>	<u>480,759</u>	<u>2,068,015</u>	<u>52,651</u>	<u>–</u>	<u>134,290</u>	<u>15,898</u>	<u>15,227</u>	<u>115,108</u>	<u>333,174</u>	<u>2,401,189</u>
<b>Current assets</b>											
Inventories	64,636	–	64,636	–	–	–	–	–	–	–	64,636
Trade and other receivables	1,110,138	1,958	1,112,096	–	–	–	–	–	–	–	1,112,096
Other assets	77,879	–	77,879	–	94,200	–	–	–	–	94,200	172,079
Cash and cash equivalents	5,487,906	5,989	5,493,895	–	77,416	–	–	10,709	–	88,125	5,582,020
	<u>6,740,559</u>	<u>7,947</u>	<u>6,748,506</u>	<u>–</u>	<u>171,616</u>	<u>–</u>	<u>–</u>	<u>10,709</u>	<u>–</u>	<u>182,325</u>	<u>6,930,831</u>
<b>Total current assets</b>	<u>8,327,815</u>	<u>488,706</u>	<u>8,816,521</u>	<u>52,651</u>	<u>171,616</u>	<u>134,290</u>	<u>15,898</u>	<u>25,936</u>	<u>115,108</u>	<u>515,499</u>	<u>9,332,020</u>
<b>Total assets</b>											
<b>Non-current liabilities</b>											
Lease liabilities	936,799	–	936,799	–	–	–	–	–	–	–	936,799
<b>Current liabilities</b>											
Lease liabilities	207,934	–	207,934	–	–	–	–	–	–	–	207,934
Trade and other payables	557,458	–	557,458	–	–	–	–	–	–	–	557,458
	<u>765,392</u>	<u>–</u>	<u>765,392</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>765,392</u>
<b>Total current liabilities</b>	<u>1,702,191</u>	<u>–</u>	<u>1,702,191</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>1,702,191</u>
<b>Total liabilities</b>											
<b>Net assets</b>	6,625,624	488,706	7,114,330	52,651	171,616	134,290	15,898	25,936	115,108	515,499	7,629,829

## THE HELPING HAND

### 18. Fund account transactions and balances (cont'd)

(i) General fund

This represents cumulative surpluses available for general use for the furtherance of the Society's objectives.

(ii) Investment fund

This represents the income generated from the investment in other financial asset made through the S\$500,000 designated investment funds.

(iii) Care and Share Matching Fund

Care and Share Matching Fund is a grant from Ministry of Social and Family Development ("MSF"), based on qualifying donations, to develop the charitable society's capabilities and capacity in the provision of society services and programmes for its beneficiaries. The unused funds for projects that are withdrawn or terminated prematurely may be clawed back if the proposed projects were not being approved by MSF.

The Care and Share Matching Fund is restricted and is to be utilised for the following purposes:

(a) Capability building

i. Organisational development

Examples include engaging consultants or developing training in areas of strategic planning, business contingency planning, business process re-design, workplace health research, improving organisation models to ensure financial viability and fund raising capacity.

ii. Manpower development

Examples include the awarding of scholarships to the Society's staff, manpower training, human resource management and development like leadership management, learning needs analysis for Society staff and talent development.

(b) Capacity building

Examples include the purchase of additional equipment to enhance social service delivery (eg: wheelchairs). Investment in technology (eg: the purchase of electronic devices for staff to boost productivity so as to better serve the Society's beneficiaries) and physical infrastructure developments (eg: renovation of the Society's premises, expansion of physical space).

(c) New programmes to meet emerging or unmet needs and enhancement/expansion of existing services. Examples include inter-agency projects to meet specific needs in the community or enhanced services to provide more upstream intervention.

(d) Critical existing needs

Examples include the Society's recurring operating costs and costs that are crucial to the continued operations of the Society.



## THE HELPING HAND

### 18. Fund account transactions and balances (cont'd)

(iv) TechBooster

TechBooster a project is initiated by NCSS to ramp up ready technologies adoption to enhance operational efficiency, alleviate demand for vacant positions and increase client centricity of services. This project involves engaging consultancy services to support the organisation in the implementation of technologies, along with change management of stakeholders and redesigning of processes affected by adoption of technologies.

(v) President's Challenge

President's Challenge is a movement supported by the kindness and generosity of the people from all walks of life, regardless of culture, religion or family background, to help those less fortunate. The main bodies involved in the organisation and administration of President's Challenge are the President's Office, Ministry of Social and Family Development ("MSF") and National Council of Social Service ("NCSS"). The Society has been selected as one of the beneficiaries for the funding of its cyclical maintenance works by NCSS. This fund has to be utilised within 2 years upon receipt of the monies, or risk being revoked.

(vi) Invictus Fund

The Invictus Fund supports Social Service Agencies in their transformation of service delivery and operations through digital solutions and business continuity plans incorporating safe management measures.

(vii) Charities Capability Fund Consultancy Grant & Community Capability Trust Fund ("CCF & CCT funds")

Charities Capability Fund Consultancy grant aims to enhance productivity, operational efficiency, governance and management capabilities of the exempt, registered charities and Institutions of a Public Character (IPCs). The project under this grant covers the internal audits to be carried out throughout the organisation for purposes of assessing the overall effectiveness of the governance, risk and control frameworks in the organization.

The Community Capability Trust (CCT) Fund supports the social sector's needs in key capability-building areas, one of which is the Innovation and Digitalisation pillar that provides holistic support for Social Service Agencies to adopt innovation and technology to increase productivity and enhance service delivery.

(viii) Donations and donation in kind

Donations relate to cash donation and donation in kind for specific purposes.

(ix) Singapore Corporation of Rehabilitative Enterprises ("SCORE")

Funding from SCORE is based on programme cost for the contracted caseload and outcomes achieved. Programme-based funding is meant to help the Halfway House (HWH) to meet the operating expenditure based on the service model while the outcome-based funding component would serve as an impetus for HWHs to achieve the specified targets from the outset, thus leading to improvements in service standards.

## THE HELPING HAND

### 19. Lease liabilities

Lease liabilities are presented in the statement of financial position as follows:

	<u>2023</u> S\$	<u>2022</u> S\$
Lease liabilities, current	218,573	207,934
Lease liabilities, non-current	<u>718,226</u>	<u>936,799</u>
	<u>936,799</u>	<u>1,144,733</u>

The lease liability above does not include the short-term leases of less than 12 months and leases of low-value underlying assets. Variable lease payments which do not depend on an index or a rate or based on a percentage of revenue are not included from the initial measurement of the lease liability and the right-of-use assets. The right-of-use assets are disclosed in Note 12.

The weighted average incremental borrowing rate applied to lease liabilities is 5% (2022:5%).

A summary of the maturity analysis of lease liabilities is disclosed in Note 22E.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes to in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

There were no future cash outflows to which the lessee is potentially exposed that are not reflected in the measurement of lease liabilities above.

At reporting year date there were no commitments on leases which had not yet commenced.

### 20. Trade and other payables

	<u>2023</u> S\$	<u>2022</u> S\$
<u>Trade payables</u>		
Outside parties and accrued liabilities	–	22,891
<u>Other payables</u>		
- Accrual for audit fees	18,000	18,000
- Accrual for payroll liabilities	356,366	346,922
- Customer deposits	10,067	32,979
- GST payable	28,497	24,603
- CPF payable	83,452	–
- Provision for unutilised leave	25,350	36,000
- Payables to vendors	<u>208,888</u>	<u>76,063</u>
Total other payables	<u>730,620</u>	<u>534,567</u>
Total trade and other payables	<u>730,620</u>	<u>557,458</u>

See Note 22 on financial instruments.

## THE HELPING HAND

### 21. Reserve policy

The primary objective of the Society's reserves management policy is to ensure that it maintains a strong and healthy fund ratio in order to support its operations and potential initiatives.

The reserves that the Society has set aside provide financial stability and the means for the development of the Society's principal activity. The Board aspires to establish its reserves at a level equivalent to 2 years of operating expenditure. This excludes restricted funds. The Board reviews yearly the amount of reserves that are required to ensure that they are adequate to fulfil our continuing obligations.

	<u>2023</u> S\$	<u>2022</u> S\$
Unrestricted Fund	7,818,250	7,114,330
Annual operating expenditure (unrestricted)	4,675,589	5,040,100
Number of years of reserves to annual operating expenditure	<u>1.67</u>	<u>1.41</u>

The Governing Board closely monitors the investment of surplus funds and reserves of the Society. It oversees the management of all fund investment activities of the Society and is guided by the Investment Policy Framework approved by the Governing Board.

The Society is not subject to externally imposed capital requirements.

There were no changes to the Society's approach to reserves management during the year.

### 22. Financial instruments: information on financial risks

Recognition and derecognition of financial instruments:

A financial asset or a financial liability is recognised when, and only when, the entity becomes party to the contractual provisions of the instrument. All other financial instruments (including regular-way purchases and sales of financial assets) are recognised and derecognised, as applicable, using trade date accounting or settlement date accounting. A financial asset is derecognised when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the entity neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. A financial liability is removed from the statement of financial position when, and only when, it is extinguished, that is, when the obligation specified in the contract is discharged or cancelled or expires.

At initial recognition the financial asset or financial liability is measured at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

## THE HELPING HAND

### 22. Financial instruments: information on financial risks (cont'd)

#### 22A. Categories of financial assets and financial liabilities

The financial reporting standard on financial instruments requires the categorisation of financial instruments. At the end of the reporting year, the reporting entity had the following categories financial assets and liabilities:

Financial asset classified as measured at amortised cost: A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss (FVTPL), that is (a) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Typically trade and other receivables, bank and cash balances are classified in this category.

Financial asset classified as measured at FVTPL: All other financial assets are classified as measured at FVTPL. In addition, on initial recognition, management may irrevocably designate a financial asset as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Financial liabilities are categorised as at FVTPL in either of the following circumstances: (1) the liabilities are managed, evaluated and reported internally on a fair value basis; or (2) the designation eliminates or significantly reduces an accounting mismatch that would otherwise arise. All other financial liabilities are carried at amortised cost using the effective interest method. Reclassification of any financial liability is not permitted.

The following table categorises the carrying amount of financial assets and financial liabilities recorded at the end of the reporting year:

	<u>2023</u> S\$	<u>2022</u> S\$
<u>Financial assets:</u>		
At amortised cost	7,569,889	6,694,116
At fair value through profit or loss (FVTPL)	490,767	480,759
At the end of the year	<u>8,060,656</u>	<u>7,174,875</u>
<u>Financial liabilities:</u>		
At amortised cost	<u>1,667,419</u>	<u>1,702,191</u>

Further quantitative disclosures are included throughout these financial statements.

## THE HELPING HAND

### **22. Financial instruments: information on financial risks (cont'd)**

#### **22B. Financial risk management**

The main purpose for holding or issuing financial instruments is to raise and manage the finances for the Society's operating, investing and financing activities. There are exposure to the financial risks on the financial instruments such as credit risk and liquidity risk. Management has certain practices for the management of financial risks. However these are not documented in formal written documents. The following guidelines are followed: All financial risk management activities are carried out and monitored by senior management staff. All financial risk management activities are carried out following acceptable market practices.

There have been no change to the exposures to risk, the objectives, policies and processes for managing the risk and methods used to measure the risk.

#### **22C. Fair values of financial instruments**

See Note 2A on accounting policy. The analyses of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 are disclosed in the relevant notes to the financial statements. These include the material financial instruments stated at amortised cost and at fair value in the statement of financial position. The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments. The disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value.

#### **22D. Credit risk on financial assets**

Financial assets subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner arise principally from cash balances with banks, receivables and other financial assets. The general approach in the financial reporting standard on financial instruments is applied to measure expected credit losses (ECL) allowance on financial assets the ECL allowance. On initial recognition, a day-1 loss is recorded equal to the 12 month ECL unless the assets are considered credit impaired. The ECL allowance for debt assets is recognised at an amount equal to the lifetime ECL if the credit risk on that financial instrument has increased significantly since initial recognition. However, for trade receivables that do not contain a material financing component or when the reporting entity applies the practical expedient of not adjusting the effect of a material financing component, the simplified approach in calculating ECL is applied. Under the simplified approach, the loss allowance is recognised at an amount equal to lifetime ECL at each reporting date using historical loss rates for the respective risk categories and incorporating forward-looking estimates. Lifetime ECL may be estimated individually or collectively. For the credit risk on the financial assets an ongoing credit evaluation is performed on the financial condition of the debtors and any loss is recognised in profit or loss. Reviews and assessments of credit exposures in excess of designated limits are made. Renewals and reviews of credits limits are subject to the same review process.

Note 17 discloses the cash balances. There was no identified impairment loss.

## THE HELPING HAND

### 22. Financial instruments: information on financial risks (cont'd)

#### 22E. Liquidity risk – financial liabilities maturity analysis

The liquidity risk refers to the difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. It is expected that all the liabilities will be settled at their contractual maturity within twelve months after at the end of the reporting year. The liquidity risk refers to the difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The average credit period taken to settle current trade payables is about 60 days (2022: 60 days).

The classification of the financial assets is shown in the statement of financial position as they may be available to meet liquidity needs and no further analysis is deemed necessary.

The following table analyses the non-derivative financial liabilities by remaining contractual maturity (contractual and undiscounted cash flows):

	Less than <u>1 year</u> S\$	2 to 5 <u>years</u> S\$	Later than <u>five years</u> S\$	<u>Total</u> S\$
<u>2023:</u>				
Lease liabilities	259,368	771,409	–	1,030,777
Trade and other payables	<u>730,620</u>	<u>–</u>	<u>–</u>	<u>730,620</u>
At end of the year	<u>989,988</u>	<u>771,409</u>	<u>–</u>	<u>1,761,397</u>

	Less than <u>1 year</u> S\$	2 to 5 <u>years</u> S\$	Later than <u>five years</u> S\$	<u>Total</u> S\$
<u>2022:</u>				
Lease liabilities	259,368	1,030,777	–	1,290,145
Trade and other payables	<u>557,458</u>	<u>–</u>	<u>–</u>	<u>557,458</u>
At end of the year	<u>816,826</u>	<u>1,030,777</u>	<u>–</u>	<u>1,847,603</u>

The undiscounted amounts on the borrowings with fixed and floating interest rates are determined by reference to the conditions existing at the reporting date.

#### 22F. Interest rate risk

The Society is not exposed to significant interest rate risks.

#### 22G. Foreign currency risk

Foreign exchange risk arises on financial instruments that are denominated in a foreign currency, i.e. in a currency other than the functional currency in which they are measured.

The Society is not exposed to significant foreign currency risks.

## THE HELPING HAND

### **23. Changes and adoption of financial reporting standards**

For the current reporting year the ASC issued amendment to FRS 1 and Practice Statement 2 on disclosures of material accounting policy information and other explanatory information. Immaterial information need not be disclosed. Disclosures should not obscure material accounting policy information (such as material information being obscured, or information regarding a material item, transaction or other event is scattered throughout the financial statements, etc). In addition, the ASC issued certain new or revised financial reporting standards. None had material impact on the reporting entity.

### **24. New or amended standards in issue but not yet effective**

For the future reporting years the ASC issued certain new or revised financial reporting standards. None is expected to have material impact on the reporting entity based on its current operations.

