

SINGAPORE HOSPICE COUNCIL

[UEN. S95SS0013E]

[IPC NO. HEF0026/G]

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

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

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STATEMENT BY THE COUNCIL MEMBERS

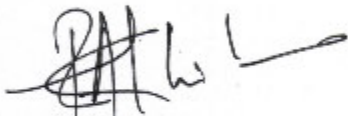
In the opinion of the Council Members, the accompanying financial statements as set out on pages 5 to 24 are drawn up so as to give a true and fair view of the state of affairs of Singapore Hospice Council (the "SHC") as at 31 March 2015 and of the results of financial activities, changes in funds and cash flows of the SHC for the year then ended.

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

The Council Members, comprising the following, authorised the issue of these financial statements on **13 AUG 2015**

Chairman	Dr. Ramaswamy Akhileswaran
Vice-Chairman	Dr. Ong Wah Ying
Honorary Secretary	Dr. Neo Seok Hui
Honorary Treasurer	Maimunah Bte Mahpuz
Ordinary Member	Lai Bew Meng
Ordinary Member	Chiew Cheng Fong
Ordinary Member	Juliet Ng
Ordinary Member	A/Prof Goh-Fung Cynthia Ruth
Ordinary Member	Peh Tan Ying
Ordinary Member	Dr Benjamin Tan
Ordinary Member	Chin Soh Mun
Ordinary Member	Dr. Low Yin Yee Sharon
Ordinary Member	Albert Ching
Ordinary Member	Dr. Rina Nga
Ordinary Member	Tan Swee Hoon Geraldine Marie
Special Member	Dr. Koh Lip Hoe
Special Member	Dr. Seah Soek Tian Angeline
Special Member	Dr. Chan Mei Yoke
Special Member	Dr. Mervyn Koh
Affiliate Member	Dr. Eric Andrew Finkelstein

On behalf of the Council Members,



Ramaswamy Akhileswaran
Chairman



Maimunah Bte Mahpuz
Honorary Treasurer

Singapore,
13 AUG 2015

Fiducia LLP

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Singapore

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Independent auditors' report to the members of:

SINGAPORE HOSPICE COUNCIL

[UEN No. S95SS0013E]
[IPC No. HEF0026/G]

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

Report On Financial Statements

We have audited the accompanying financial statements of Singapore Hospice Council (the "SHC") set out on pages 5 to 24, which comprise the statement of financial position as at 31 March 2015, the statement of financial activities, the statement of changes in funds and the statement of cash flows for the financial year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Societies Act (Chapter 311), Charities Act (Chapter 37) and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss accounts and balance sheets and to maintain accountability of assets.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation of the financial statements that give a true and fair view 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 entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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(CONT'D)

Independent auditors' report to the members of:

SINGAPORE HOSPICE COUNCIL

[UEN No. S95S0013E]
[IPC No. HEF0026/G]

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

Opinion

In our opinion, the financial statements are properly drawn up in accordance with the provisions of the Societies Act (Chapter 311), Charities Act (Chapter 37) and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the SHC as at 31 March 2015, and the results, changes in funds and cash flows of the SHC for the financial year ended on that date.

Report on other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the regulations enacted under the Societies Act (Chapter 311) and Charities Act (Chapter 37) to be kept by the SHC have been properly kept in accordance with those regulations.

During the course of our audit, nothing has come to our attention that the 30% cap mentioned in Regulation 15(1) of the Charities Act, Cap. 37 (Institutions of a Public Character) Regulations 2007 and as amended by Charities (Institutions of a Public Character) (Amendments) Regulations 2008 has been exceeded.

During the course of our audit, nothing has come to our attention that donation moneys are used for disbursements other than those in accordance with the objectives of the SHC.



Fiducia LLP
Public Accountants and
Chartered Accountants
Singapore,

13 AUG 2015

Partner-in-charge: Ong Lien Wan
PAB. No.: 01360

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2015

	Note	2015 S\$	2014 S\$
ASSETS			
Current assets			
Cash and cash equivalents	4	490,247	585,678
Trade and other receivables	5	<u>79,706</u>	<u>166,315</u>
		569,953	751,993
Non-current assets			
Property, plant and equipment	6	<u>29,392</u>	<u>34,880</u>
Total assets		<u>599,345</u>	<u>786,873</u>
LIABILITIES			
Current liabilities			
Other payables and accruals	7	<u>9,696</u>	<u>129,437</u>
Total liabilities		<u>9,696</u>	<u>129,437</u>
NET ASSET		<u>589,649</u>	<u>657,436</u>
FUNDS			
Unrestricted funds			
Accumulated fund	8	585,939	653,726
SHC-Lien Foundation Project fund	9	<u>3,710</u>	<u>3,710</u>
		<u>589,649</u>	<u>657,436</u>

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

STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

	Note	2015 S\$	2014 S\$
INCOME			
Income from generating funds			
Voluntary Income			
- Donations – Tax deductible		7,108	68,490
- Donations – Non-Tax deductible		1,480	776
- Subscription income		2,800	2,800
Income from charitable activities			
- AIC funds - TA007 Community outreach programme		106,805	108,965
- AIC funds - TI009 Media Campaign to promote palliative care awareness		47,889	0
- Community outreach programme		2,150	260
- Medical student programme		160,225	52,759
- Singapore Palliative Care Conference registration fees		215,927	13,888
- Singapore Palliative Care Conference bursary sponsorship		46,872	0
- Voices for Hospices		0	117,437
Other income			
Interests		2,585	1,769
Other income		8,348	2,224
Total income		<u>602,189</u>	<u>369,368</u>
EXPENDITURE			
Cost of charitable activities			
Conference sponsorships		0	4,000
Community outreach expenses		8,649	522
Hospice Link		36,387	31,176
Medical student programme		148,006	57,462
Singapore Palliative Care Conference		143,366	10
Voices for Hospices expenses		10	14,466
		<u>336,418</u>	<u>107,636</u>
Governance and other administrative costs			
Advertising and Promotion		95,778	0
Audit fees – current year		4,280	3,238
Audit fees – under provision in prior year		400	400
APHC 2017 Bid expenses		0	1,219
Bank charges		2,710	123
Collaterals		0	1,797
CPF and SDL contributions		18,754	16,227
Depreciation	6	9,125	8,615
Insurance – public liability		4,930	2,359
IT charges		291	451
Office service charges		5,297	5,341
Palliative Standards Expenses		28,720	0
Postage and courier expenses		1,529	4,295
Printing and stationery		2,694	3,273
Refreshments		1,086	353
Balance carried forward		<u>175,594</u>	<u>47,691</u>

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015 (CONT'D)

	2015 S\$	2014 S\$
EXPENDITURE (CONT'D)		
Governance and other administrative costs (Cont'd)		
Balance brought forward	175,594	47,691
Salaries and wages	147,284	125,683
Staff medical expenses	885	576
Staff training	350	1,819
Subscription fees	279	296
Telecommunications	3,683	3,350
Transportation	471	250
Upkeep of office expenses	696	159
Website maintenance expenses	3,680	14,002
Utilities	636	558
	<u>333,558</u>	<u>194,384</u>
Total expenditure	<u>669,976</u>	<u>302,020</u>
NET (EXPENDITURE)/INCOME FOR THE YEAR	(67,787)	67,348
FUNDS BROUGHT FORWARD	<u>653,726</u>	<u>586,378</u>
FUNDS CARRIED FORWARD	<u>585,939</u>	<u>653,726</u>

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

STATEMENT OF CHANGES IN FUNDS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

	Accumulated funds S\$	SHC-Lien Foundation Project funds S\$	Total funds S\$
2015			
Balance at beginning of financial year	653,726	3,710	657,436
Net expenditure for the year	(67,787)	0	(67,787)
Balance at end of financial year	<u>585,939</u>	<u>3,710</u>	<u>589,649</u>
	Accumulated funds S\$	SHC-Lien Foundation Project funds S\$	Total funds S\$
2014			
Balance at beginning of financial year	586,378	3,710	590,088
Net income for the year	67,348	0	67,348
Balance at end of financial year	<u>653,726</u>	<u>3,710</u>	<u>657,436</u>

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

STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

	Note	2015 S\$	2014 S\$
Cash flows from operating activities			
Net (deficit) / income for the year		(67,787)	67,348
Adjustments for:			
- Depreciation of property, plant and equipment	6	9,125	8,615
- Interest income		(2,585)	(1,769)
Operating cash flow before working capital changes		(61,247)	74,194
Changes in working capital			
- Trade and other receivables		86,609	(141,416)
- Other payables		(119,741)	113,945
Net cash (used in) / generated from operating activities		(94,379)	46,723
Cash flows from investing activities			
Interest received		2,585	1,769
Purchases of property, plant and equipment	6	(3,637)	(38,587)
Net cash used in investing activities		(1,052)	(36,818)
Net (decrease) / increase in cash and cash equivalents		(95,431)	9,905
Cash and cash equivalents at beginning of financial year		585,678	575,773
Cash and cash equivalents at end of financial year	4	490,247	585,678
Cash and cash equivalents comprise:			
Cash in banks		158,499	356,472
Cash on hand		1,031	382
Fixed deposits		330,717	228,824
	4	490,247	585,678

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

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

1. General information

Singapore Hospice Council (the "SHC") is registered with the Registrar of Societies under Societies Act (Chapter 311) in Singapore on 3 May 1995. The SHC is a charity registered under the Charities Act since 3 August 1996. It has been granted an Institution of a Public Character ("IPC") status for the period from 1 October 2013 to 30 September 2015.

Its registered address and principal place of business is at 133 New Bridge Road, #04-06 Chinatown Point, Singapore 059413.

The objectives of the SHC are:

- to coordinate and promote hospice and palliative care in Singapore;
- to provide and coordinate training in hospice and palliative care;
- to promote public awareness of hospices and palliative care in Singapore; and
- to act as the representative body for hospice and palliative care in Singapore and internationally.

2. Significant accounting policies

2.1 Basis of preparation

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards ("FRS") and the disclosure requirements of the Charities Act. The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

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

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

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

2.1.1 Interpretations and amendments to published standards effective in 2014

The SHC has adopted the new or revised FRS and Interpretations to FRS (INT FRS) that are mandatory for application from that date. Changes to the SHC's accounting policies have been made as required, in accordance with the relevant transitional provisions in the respective FRS and INT FRS.

FRS	Effective date	Title
FRS 110	1.1.2014	Consolidated financial statements, and Amendment to FRS 27 (revised 2011) Separate financial statements

2. Significant accounting policies (Cont'd)

2.1. Basis of preparation (Cont'd)

2.1.1 Interpretations and amendments to published standards effective in 2014 (Cont'd)

<u>FRS</u>	<u>Effective date</u>	<u>Title</u>
FRS 111	1.1.2014	Joint arrangements, and amendment to FRS 28 (revised 2011) Investments in Associates and Joint Ventures
FRS 32	1.1.2014	Amendment to Financial instruments: Presentation (Offsetting financial assets and financial liabilities)
FRS 36	1.1.2014	Amendment to Impairment of Assets (Recoverable amount disclosures for non-financial assets)
FRS 39	1.1.2014	Amendment to Financial instruments: Recognition and measurement (Novation of derivatives and continuation of hedge accounting)
INT FRS 121	1.1.2014	Levies

The adoption of these new or amended FRS and INT FRS did not result in substantial changes to the accounting policies of the SHC and had no material effect on the amounts reported for the current or prior financial year.

2.1.2 Standards issued but not yet effective

The SHC did not early adopt the following relevant new/revised FRS, INT FRS and amendments to FRSs that were issued at the date of authorisation of these financial statements but not yet effective until future period:

<u>FRS</u>	<u>Effective date</u>	<u>Title</u>
FRS 19	1.7.2014	Amendments – Employee benefits – defined benefit plans; Employee contributions
FRS 102	1.7.2014	Improvements 2012– Shared-based payment
FRS 103	1.7.2014	Improvements 2012– Business combinations
FRS 108	1.7.2014	Improvements 2012– Operating segments
FRS 16	1.7.2014	Improvements 2012– Property, plant and equipment
FRS 38	1.7.2014	Improvements 2012– Intangible assets
FRS 24	1.7.2014	Improvements 2012– Related party disclosures
FRS 103	1.7.2014	Improvements 2013– Business combinations
FRS 113	1.7.2014	Improvements 2013– Fair value measurement
FRS 40	1.7.2014	Improvements 2013– Investment property
FRS 114	1.1.2016	Regulatory deferral

Management believes that the adoption of the revised standards and interpretations will have no material impact on the financial statements in the period of initial application.

2. Significant accounting policies (Cont'd)

2.2 Revenue recognition

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

2.2.1 Donations

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

2.2.2 Government grants

Grants are recognised when there is reasonable assurance the SHC will comply with the conditions related to them and that the grants are certain to be received.

2.2.3 Income from services

Income from services is recognised over the period in which the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be performed.

2.2.4 Interest income

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

2.2.5 Other income

Other income is recognised when received.

2.3 Expense recognition

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

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

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

2. Significant accounting policies (Cont'd)

2.4 Property, plant and equipment

2.4.1 Measurement

Property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any costs that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

2.4.2 Depreciation

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

	Useful life
Office equipment	5 years
Renovations	5 years

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

2.4.3 Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the SHC and the cost of the item can be measured reliably. Other subsequent expenditure is recognised as repair and maintenance expenses in the statement of financial activities during the financial year in which it is incurred.

2.4.4 Disposal

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

2. Significant accounting policies (Cont'd)

2.5 Impairment of non-financial assets

Property, plant and equipment are reviewed for impairment whenever there is any indication that these assets may be impaired. If any such indication exists, the recoverable amount (i.e. the higher of the fair value less cost to sell and value in use) of the assets is estimated to determine the amount of impairment loss.

For the purpose of impairment testing of the assets, recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, recoverable amount is determined for the cash-generating unit (CGU) to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. The impairment loss is recognised in the statement of financial activities.

An impairment loss for an asset is reversed if; there has been a change in the estimates used to determine the assets' recoverable amount since the last impairment loss was recognised. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset is recognised in the statement of financial activities.

2.6 Financial assets

2.6.1 Classification

The SHC classifies its financial assets as loans and receivables. The classification depends on the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except those maturing later than 12 months after the reporting date, which are classified as non-current assets. Loans and receivables are classified within "Cash and cash equivalents" and "Trade and other receivables" on the statement of financial position.

2.6.2 Recognition and derecognition

Usual purchases and sales of financial assets are recognised on trade-date – the date on which the SHC commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the SHC has transferred substantially all risks and rewards of ownership. On disposal sale of a financial asset, the difference between the net sale proceeds and its carrying amount is taken to the statement of financial activities. Any amount in the fair value reserve relating to that asset is also taken to the statement of financial activities.

2. Significant accounting policies (Cont'd)

2.6 Financial assets (Cont'd)

2.6.3 Initial measurement

Financial assets are initially recognised at fair value plus transaction costs except for financial assets at fair value through the statement of financial activities, which are recognised at fair value. Transaction costs for financial assets at fair value through statement of financial activities are recognised immediately as expenses.

2.6.4 Subsequent measurement

Loans and receivables and financial assets, held-to maturity is subsequently carried at amortised cost using the effective interest method.

2.6.5 Impairment

The SHC assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired and recognises an allowance for impairment when such evidence exists.

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments is considered indicators that the receivable is impaired.

An allowance for impairment of loans and receivables including trade and other receivables, are recognised when there is objective evidence that the SHC will not be able to collect all amounts due according to the original terms of the receivables.

The amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. When the amount becomes uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are recognised against the same line item in profit or loss.

The allowance for impairment loss account is reduced through statement of financial activities in a subsequent period when the amount of impairment losses decreases and the related decrease can be objectively measured. The carrying amount of the asset previously impaired is increased to the extent that the new carrying amount does not exceed the amortised cost had no impairment been recognised in prior periods.

2.7 Cash and cash equivalents

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

2. Significant accounting policies (Cont'd)

2.8 Financial liabilities

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

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

2.9 Other payables

Other payables are initially recognised at fair value, and subsequently carried at amortised cost, using the effective interest method.

2.10 Provisions

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

2.11 Fair value estimation of financial assets and liabilities

The carrying amounts of current financial assets and liabilities, carried at amortised cost, approximate their fair values due to their short-term nature.

2.12 Leases

Leases of assets in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are taken to the statement of financial activities on a straight-line basis over the period of the lease. When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

Rental on operating lease is charged to statement of financial activities. Contingent rents are recognised as an expense in the statement of financial activities in the financial year in which they are incurred.

2. Significant accounting policies (Cont'd)

2.13 Employee compensation

2.13.1 Defined contribution plans

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

2.13.2 Employee leave entitlement

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

2.14 Currency translation

Transactions denominated in a currency other than Singapore Dollar ("foreign currency") are translated into Singapore Dollar using the exchange rates prevailing at the dates of the transactions. Currency translation gains and losses resulting from the settlement of such transactions and from the translation at the closing rate at the statement of financial position date of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of financial activities.

2.15 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 Company if that person:
 - (i) Has control or joint control over the Company;
 - (ii) Has significant influence over the Company; or
 - (iii) Is a member of the key management personnel of the Company or of a parent of the Company;
- (b) An entity is related to the Company if any of the following conditions applies:
 - (i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others;
 - (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 Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company;
 - (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).

3. Critical accounting estimates, assumptions and judgements

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

3.1 Critical judgements in applying the entity's accounting policies

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

3.1.1 Estimated useful lives of property, plant and equipment

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

3.1.2 Impairment of property, plant and equipment

Property, plant and equipment are reviewed for impairment whenever there is any indication that the assets are impaired. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and value in use) of the assets is estimated to determine the impairment loss. The key assumptions for the value in use calculation are those regarding the growth rates, and expected change to selling price and direct costs during the year and a suitable discount rate.

3.1.3 Allowance for impairment of receivables

The SHC reviews the adequacy of allowance for impairment of receivables at each closing by reference to the ageing analysis of receivables, and evaluates the risks of collection according to the credit standing and collection history of individual client. If there are indications that the financial position of a client has deteriorated resulting in an adverse assessment of his risk profile, an appropriate amount of allowance will be provided.

4. Cash and cash equivalents

	2015 S\$	2014 S\$
Cash in banks	158,499	356,472
Cash on hand	1,031	382
Fixed deposits	330,717	228,824
	<u>490,247</u>	<u>585,678</u>

Fixed deposits have terms of 6 months (2014: 6 months) and have interest rates ranging from 0.90% to 0.94% (2014: 0.80%).

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

5. Trade and other receivables

	2015 S\$	2014 S\$
Receivable from charitable activities		
- Accounts receivables	0	130
- Grants receivables	75,488	0
Other receivables		
- Deposits	1,392	1,762
- Fixed deposit interest receivable	1,154	622
- Deferred income - SPCC	0	124,473
- Prepayments	1,672	39,328
	<u>79,706</u>	<u>166,315</u>

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

6. Property, plant and equipment

2015	Balance at beginning of year S\$	Additions S\$	(Disposals) S\$	Balance at end of year S\$
Cost				
Renovation	37,148	0	0	37,148
Computer and equipment	7,127	3,637	0	10,764
	<u>44,275</u>	<u>3,637</u>	<u>0</u>	<u>47,912</u>
	Balance at beginning of year S\$	Depreciation charge S\$	(Written back/off) S\$	Balance at end of year S\$
Accumulated depreciation				
Renovation	7,429	7,430	0	14,859
Computer and equipment	1,966	1,695	0	3,661
	<u>9,395</u>	<u>9,125</u>	<u>0</u>	<u>18,520</u>
	Balance at beginning of year S\$			Balance at end of year S\$
Net book value				
Renovation	29,719			22,289
Computer and equipment	5,161			7,103
	<u>34,880</u>			<u>29,392</u>

6. Property, plant and equipment (Cont'd)

	Balance at beginning of year S\$	Additions S\$	(Disposals) S\$	Balance at end of year S\$
2014				
Cost				
Renovation	0	37,148	0	37,148
Computer and equipment	5,688	1,439	0	7,127
	<u>5,688</u>	<u>38,587</u>	<u>0</u>	<u>44,275</u>
	Balance at beginning of year S\$	Depreciation charge S\$	(Written back/off) S\$	Balance at end of year S\$
Accumulated depreciation				
Renovation	0	7,429	0	7,429
Computer and equipment	780	1,186	0	1,966
	<u>780</u>	<u>8,615</u>	<u>0</u>	<u>9,395</u>
	Balance at beginning of year S\$			Balance at end of year S\$
Net book value				
Renovation	0			29,719
Computer and equipment	<u>4,908</u>			<u>5,161</u>
	<u>4,908</u>			<u>34,880</u>

7. Other payables and accruals

	2015 S\$	2014 S\$
Accruals	4,336	12,029
Deferred income	0	101,558
Other creditors	<u>5,360</u>	<u>15,850</u>
	<u>9,696</u>	<u>129,437</u>

At the reporting date, other payables and accruals are denominated in Singapore Dollar and its carrying amounts approximated their fair values.

8. Accumulated fund

	2015 S\$	2014 S\$
Balance at beginning of financial year	653,726	586,378
Net (deficit)/surplus for the year	(67,787)	67,348
Balance at the end of financial year	<u>585,939</u>	<u>653,726</u>

The unrestricted funds represent the accumulated income of the SHC. It is unrestricted and is for the purpose of meeting the expenditures in accordance with the objectives of the SHC.

9. SHC-Lien Foundation Project fund

There are no activities held for the Hospice Awareness Project and Scholarship and Fellowship Programme during the financial year ended 31 March 2015 (2014: Nil).

The SHC-Lien Foundation Project fund comprises funds for two programmes, namely,

- (a) Hospice Awareness Project
The programme aims to increase public awareness of hospice palliative care in Singapore and improve the perception of hospices.
- (b) Scholarship and Fellowship Programme for Palliative Care
The programme aims to increase the manpower available in palliative care practice, attract foreign talent and upgrade the skills of local doctors and nurses involved in palliative care.

10. Income tax

The SHC is a charity registered under the Charities Act since 3 August 1996. Consequently, the income of the SHC is exempted from tax under the provisions of Section 13 of the Income Tax Act Cap. 134.

11. Related party transactions

The remuneration of key management personnel during the year is as follows:

	2015 S\$	2014 S\$
Short-term benefits – Salaries and other benefits	78,000	78,000
Post-employment benefits – Contributions to CPF	10,710	10,560
	<u>88,710</u>	<u>88,560</u>
	No. of key management personnel	No. of key management personnel
Remuneration band		
Below S\$100,000	<u>1</u>	<u>1</u>

The remuneration of key management personnel is determined by the Council Members.

In 2015 and 2014, members of the Council are volunteers and none received any remuneration from the SHC.

In 2015 and 2014, none of the SHC's 3 highest paid staff received an annual remuneration of S\$100,000 and above during the year.

12. Operating lease commitments

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

	2015 S\$	2014 S\$
Not later than one year	5,358	5,621
Later than one year but not more than five years	9,822	15,926
	<u>15,180</u>	<u>21,547</u>

The above operating lease commitments are based on known rental rates as at the date of this report and do not include any revision in rates which may be determined by the lessor. The leases have varying terms, escalation clauses and renewal rights.

13. Management of conflict of interest

There is no paid staff in the SHC's Council Members.

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

14. Financial risk management

The SHC has limited exposure to the following risk through its charitable activities:

14.1 Liquidity risk

Liquidity risk is the risk that the SHC will encounter difficulty in meeting its financial obligations due to shortage of funds. The SHC exposure to liquidity risk arises primarily from mis-matches of the maturities of financial assets or liabilities.

The SHC manages its liquidity risk by monitoring and maintaining a level of cash and bank balances deemed adequate by the Management Committee to fund the SHC's operations.

The table below summarises the maturity profile of the SHC's financial assets and liabilities at the end of the reporting period based on the contractual undiscounted repayment obligations:

	Within one year S\$	Later than one year but not later than five years S\$	Total S\$
2015			
Financial assets			
Cash and cash equivalents	490,247	0	490,247
Trade and other receivables	79,706	0	79,706
	<u>569,953</u>	<u>0</u>	<u>569,953</u>
Financial liabilities			
Other payables and accruals	(9,696)	0	(9,696)
	<u>560,257</u>	<u>0</u>	<u>560,257</u>
2014			
Financial assets			
Cash and cash equivalents	585,678	0	585,678
Trade and other receivables	126,987	0	126,987
	<u>712,665</u>	<u>0</u>	<u>712,665</u>
Financial liabilities			
Other payables and accruals	(129,437)	0	(129,437)
	<u>583,228</u>	<u>0</u>	<u>583,228</u>

14.2 Credit risk

The SHC has minimal exposure to credit risks due to the nature of its activities. As at the date of this report, nearly all receivables have been collected.

14.3 Currency risk

The SHC has minimal exposure to foreign exchange risk as most of its transactions are in Singapore Dollars.

14. Financial risk management (Cont'd)

14.4 Interest rate risk

The SHC's income and operating cash flows are not substantially affected by changes in market interest rates as they do not have significant interest-bearing assets or liabilities as at the reporting date.

The responsibility for managing the above risks is vested in the Council Members.

14.5 Fair value

As at 31 March 2015, the carrying amounts of the financial assets and liabilities recorded in the financial statements of the SHC approximate their fair values due to their short-term nature.

15. Reserve position and policy

The SHC's reserve position for financial year ended 31 March 2015 is as follows:

		2015	2014	Increase / (Decrease)
		S\$'000	S\$'000	%
A	Unrestricted funds			
	Accumulated general funds	586	654	(10.40)
B	Restricted or Designated funds			
	Designated funds	N/A	N/A	N/A
	Restricted funds	4	4	0
C	Endowment funds	N/A	N/A	N/A
D	Total funds	590	658	(10.33)
E	Total annual operating expenditure	670	302	121.85
F	Ratio of funds to annual operating expenditure (A/E)	0.87	2.17	

Reference:

C. An endowment fund consists of assets, funds or properties, which are held in perpetuity, which produce annual income flow for a foundation to spend as grants.

D. Total funds include unrestricted, restricted / designated and endowment funds.

E. Total annual operating expenditure includes expenditure related to Cost of charitable activities and Governance and other operating and administration expenditure.

The SHC's reserve policy is as follows:

The SHC would hold its reserves around one year's operational expenses.

16. Authorisation of financial statements

These financial statements were authorised for issue in accordance with a resolution of the Council Members on **13 AUG 2015**