

SINGAPORE HOSPICE COUNCIL

[UEN. S95SS0013E]

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

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

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Fiducia LLP

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STATEMENT BY THE COUNCIL MEMBERS

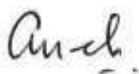
In the opinion of the Council Members, the accompanying financial statements as set out on pages 5 to 25 are drawn up so as to give a true and fair view of the financial position of Singapore Hospice Council (the "SHC") as at 31 March 2016 and of the financial activities, changes in funds and cash flows 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.

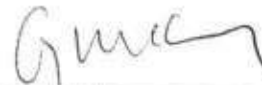
The Council Members, comprising the following, authorised the issue of these financial statements on **18 AUG 2016**

Chairman	Dr. Angel Lee Onn Kei
Vice-Chairman	Dr. Neo Soek Hui
Honorary Secretary	Ms. Lai Bew Meng
Honorary Treasurer	Dr. Ong Wah Ying
Ordinary Member	Ms. Juliet Ng
Ordinary Member	A/Prof Goh-Fung Cynthia Ruth
Ordinary Member	Dr. Chong Poh Heng
Ordinary Member	Dr. Ong Yew Jin
Ordinary Member	Sr. Tan Swee Hoon Geraldine Marie
Ordinary Member	Dr. Low Yin Yee Sharon
Special Member	Dr. Koh Lip Hoe
Special Member	Dr. Seah Soek Tian, Angeline
Special Member	A/Prof Chan Mei Yoke
Special Member	Dr. Mervyn Koh Yong Hwang
Co-opted Member	Dr. Ramasamy Akhileswaran

On behalf of the Council Members,



Dr. Angel Lee Onn Kei
Chairman



Dr. Ong Wah Ying
Honorary Treasurer

Singapore,
18 AUG 2016

Fiducia LLP

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Chartered Accountants
Singapore

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Independent auditors' report to the members of:

SINGAPORE HOSPICE COUNCIL

[UEN No. S95SS0013E]

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

Report on the Financial Statements

We have audited the accompanying financial statements of Singapore Hospice Council (the "SHC") set out on pages 5 to 25, which comprise the statement of financial position as at 31 March 2016, and the statement of financial activities, statement of changes in funds and 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 financial statements 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. S95SS0013E]

[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 financial position of the SHC as at 31 March 2016, and of the financial activities, 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,

- (a) the accounting and other records required by the Societies Regulation under the Act to be kept by the Society have been properly kept in accordance with the provisions of those Regulations; and
- (b) the fund raising appeals conducted by the Society during the year ended 31 March 2016 have been carried out in accordance with Regulation 6 of the Societies Regulations issued under the 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 use of the donation moneys was not in accordance with the objectives of the Society 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 (Fund-raising expenses) of the Charities (Institutions of a Public Character) Regulations.



Fiducia LLP

Public Accountants and
Chartered Accountants
Singapore,
18 AUG 2016

Partner-in-charge: Lee Choon Keat
PAB No.: 01721

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2016

	Note	2016 S\$	2015 S\$
ASSETS			
Current assets			
Cash and cash equivalents	4	460,469	490,247
Trade and other receivables	5	403,366	79,706
		<u>863,835</u>	<u>569,953</u>
Non-current assets			
Property, plant and equipment	6	<u>21,826</u>	<u>29,392</u>
Total assets		<u>885,661</u>	<u>599,345</u>
LIABILITIES			
Current liabilities			
Trade and other payables	7	<u>81,099</u>	<u>9,696</u>
Total liabilities		<u>81,099</u>	<u>9,696</u>
NET ASSETS		<u>804,562</u>	<u>589,649</u>
FUNDS			
Unrestricted funds			
Accumulated fund	8	759,513	614,717
SHC-Lien Foundation Project fund	9	3,710	3,710
Restricted fund			
NGPC palliative care standards fund	10	<u>41,339</u>	<u>(28,778)</u>
		<u>804,562</u>	<u>589,649</u>

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

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016

2016

INCOME

Income from generating funds

- Voluntary Income
- Donations - Tax deductible
- Non-Tax deductible
- Subscription income

Income from charitable activities

- AIC funds - TA007 Community outreach programme
- TI009 Media campaign to promote palliative care awareness
- TJ003 Community outreach programme
- Community outreach programme
- Medical student programme
- MOH funds - NGPC palliative care standards
- Singapore Palliative Care Conference - Registration fees
- Bursary sponsorship
- Voices for Hospices - Tax deductible
- Non-Tax deductible

Other income

- Interest
- Other income

Total income

EXPENDITURE

Cost of charitable activities

- Community outreach expenses
- Hospice Link
- Medical student programme
- Singapore Palliative Care Conference
- Voices for Hospices expenses
- Palliative care standard expenses

Note	Unrestricted funds		Restricted fund	Total funds
	Accumulated fund S\$	SHC-Lien Foundation Project fund S\$	NGPC palliative care standards fund S\$	S\$
	11,039	0	0	11,039
	1,671	0	0	1,671
	3,000	0	0	3,000
	15,710	0	0	15,710
	88,281	0	0	88,281
	0	0	0	0
	150,312	0	0	150,312
	0	0	0	0
	238,764	0	0	238,764
	0	0	378,947	378,947
	0	0	0	0
	0	0	0	0
	128,100	0	0	128,100
	1,114	0	0	1,114
	606,571	0	378,947	985,518
	3,058	0	0	3,058
	7,921	0	0	7,921
	10,979	0	0	10,979
	633,260	0	378,947	1,012,207
	10,755	0	0	10,755
	41,389	0	0	41,389
	232,007	0	0	232,007
	0	0	0	0
	25,559	0	0	25,559
	0	0	250,267	250,267
	309,710	0	250,267	559,977

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016 (CONT'D)

2016 (Cont'd)	Note	Unrestricted funds		Restricted fund NGPC palliative care standards fund	Total funds
		Accumulated fund S\$	SHC-Lien Foundation Project fund S\$		
EXPENDITURE (CONT'D)					
Governance and other administrative costs					
Accounting fees		4,200	0	0	4,200
Advertising and promotions		293	0	0	293
Audit fees – current year		4,815	0	0	4,815
Audit fees – under provision in prior year		1,070	0	0	1,070
Bank charges		557	0	0	557
CPF and SDL contributions		17,786	0	7,743	25,529
Depreciation		9,677	0	0	9,677
Insurance – public liability		2,243	0	0	2,243
IT charges		246	0	0	246
Office service charges		5,358	0	0	5,358
Postage and courier expenses		929	0	0	929
Printing and stationery		765	0	0	765
Refreshments		767	0	0	767
Salaries and wages		119,006	0	50,820	169,826
Staff medical expenses		338	0	0	338
Staff training		390	0	0	390
Subscription fees		342	0	0	342
Telecommunications		3,773	0	0	3,773
Transportation		135	0	0	135
Upkeep of office expenses		726	0	0	726
Website maintenance expenses		4,853	0	0	4,853
Utilities		485	0	0	485
		178,754	0	58,563	237,317
Total expenditure		488,464	0	308,830	797,294
NET INCOME FOR THE YEAR		144,796	0	70,117	214,913

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

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016 (CONT'D)

2015	Note	Unrestricted funds	Restricted fund	Total funds
		Accumulated fund S\$	NGPC palliative care standards fund S\$	S\$
INCOME				
Income from generating funds				
Voluntary Income				
- Donations - Tax deductible		7,108	0	7,108
- Non-Tax deductible		1,480	0	1,480
- Subscription income		2,800	0	2,800
		11,388	0	11,388
Income from charitable activities				
- AIC funds - TA007 Community outreach programme		106,805	0	106,805
- T1009 Media campaign to promote palliative care awareness		47,889	0	47,889
- T3003 Community outreach programme		0	0	0
- Community outreach programme		2,150	0	2,150
- Medical student programme		160,225	0	160,225
- MOH funds - NGPC palliative care standards		0	0	0
- Singapore Palliative Care Conference - Registration fees		215,927	0	215,927
- Bursary sponsorship		46,872	0	46,872
- Voices for Hospices - Tax deductible		0	0	0
- Non-Tax deductible		0	0	0
		579,868	0	579,868
Other income				
Interest		2,585	0	2,585
Other income		8,348	0	8,348
		10,933	0	10,933
Total income		602,189	0	602,189
EXPENDITURE				
Cost of charitable activities				
Community outreach expenses		8,649	0	8,649
Hospice Link		36,387	0	36,387
Medical student programme		148,006	0	148,006
Singapore Palliative Care Conference		143,366	0	143,366
Voices for Hospices expenses		10	0	10
Palliative care standard expenses		0	28,720	28,720
		336,418	28,720	365,138

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016 (CONT'D)

2015 (Cont'd)	Note	Unrestricted funds		Restricted fund NGPC palliative care standards fund	Total funds
		Accumulated fund	SHC-Lien Foundation Project fund		
		S\$	S\$	S\$	S\$
EXPENDITURE (CONT'D)					
Governance and other administrative costs					
Accounting fees		0	0	0	0
Advertising and promotions		95,778	0	0	95,778
Audit fees – current year		4,280	0	0	4,280
Audit fees – under provision in prior year		400	0	0	400
Bank charges		2,710	0	0	2,710
CPF and SDL contributions		18,754	0	0	18,754
Depreciation		9,125	0	0	9,125
Insurance – public liability		4,930	0	0	4,930
IT charges		291	0	0	291
Office service charges		5,297	0	0	5,297
Postage and courier expenses		1,529	0	0	1,529
Printing and stationery		2,694	0	0	2,694
Refreshments		1,040	0	46	1,086
Salaries and wages		147,284	0	0	147,284
Staff medical expenses		885	0	0	885
Staff training		350	0	0	350
Subscription fees		279	0	0	279
Telecommunications		3,683	0	0	3,683
Transportation		471	0	0	471
Upkeep of office expenses		684	0	12	696
Website maintenance expenses		3,680	0	0	3,680
Utilities		636	0	0	636
		304,780	0	58	304,838
Total expenditure		641,198	0	28,778	669,976
NET EXPENDITURE FOR THE YEAR		(39,009)	0	(28,778)	(67,787)

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

STATEMENT OF CHANGES IN FUNDS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016

	Unrestricted funds		Restricted fund	Total funds S\$
	Accumulated fund S\$	SHC-Lien Foundation Project fund S\$	NGPC palliative care standards fund	
2016				
Balance at beginning of financial year	614,717	3,710	(28,778)	589,649
Net income for the year	144,796	0	70,117	214,913
Balance at end of financial year	<u>759,513</u>	<u>3,710</u>	<u>41,339</u>	<u>804,562</u>

	Unrestricted funds		Restricted fund	Total funds S\$
	Accumulated fund S\$	SHC-Lien Foundation Project fund S\$	NGPC palliative care standards fund	
2015				
Balance at beginning of financial year	653,726	3,710	0	657,436
Net expenditure for the year	(39,009)	0	(28,778)	(67,787)
Balance at end of financial year	<u>614,717</u>	<u>3,710</u>	<u>(28,778)</u>	<u>589,649</u>

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

STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016

	Note	2016 S\$	2015 S\$
Cash flows from operating activities			
Net income / (expenditure) for the year		214,913	(67,787)
Adjustments for:			
- Depreciation of property, plant and equipment	6	9,677	9,125
- Interest income		(3,058)	(2,585)
Operating cash flow before working capital changes		221,532	(61,247)
Changes in working capital			
- Trade and other receivables		(323,660)	86,609
- Trade and other payables		71,403	(119,741)
Net cash used in operating activities		<u>(30,725)</u>	<u>(94,379)</u>
Cash flows from investing activities			
Interest received		3,058	2,585
Purchases of property, plant and equipment	6	(2,111)	(3,637)
Net cash generated from/ (used in) investing activities		<u>947</u>	<u>(1,052)</u>
Net decrease in cash and cash equivalents		(29,778)	(95,431)
Cash and cash equivalents at beginning of financial year		<u>490,247</u>	<u>585,678</u>
Cash and cash equivalents at end of financial year	4	<u>460,469</u>	<u>490,247</u>

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016

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 Registry of Societies under the Societies Act (Chapter 311) in Singapore on 5 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 2015 to 30 September 2017.

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 Dollars (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 2015

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. The following are the FRS and INT FRS that are relevant to the SHC:

FRS	Effective date	Title
FRS 24	1.7.2014	Improvements 2012 - Related Party Disclosures
FRS 113	1.7.2014	Fair Value Measurement (Scope of portfolio exception)

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. Significant accounting policies (Cont'd)

2.1. Basis of preparation (Cont'd)

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 which are not yet effective until future periods:

FRS	Effective date	Title
FRS 1	1.1.2016	Presentation of financial statements (Disclosure initiative)
FRS 109	1.1.2018	Financial instruments
FRS 115	1.1.2018	FRS 115 Revenue from contracts with customers

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.

2.2 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. 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. Significant accounting policies (Cont'd)

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 include an 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.

2.4 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 lives
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 the statement of financial activities are recognised immediately as expenses.

2.6.4 Subsequent measurement

Loans and receivables are 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 are considered indicators that the receivable is impaired.

An allowance for impairment of loans and receivables including trade and other receivables, is 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 "Trade and 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 Trade and other payables

Trade and 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 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.

2.12 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. Significant accounting policies (Cont'd)

2.13 Currency translation

Transactions denominated in a currency other than the Singapore Dollar ("foreign currency") are translated into Singapore Dollars 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.

2.14 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 SHC if that person:
 - (i) Has control or joint control over the SHC;
 - (ii) Has significant influence over the SHC; or
 - (iii) Is a member of the key management personnel of the SHC or of a parent of the SHC;
- (b) An entity is related to the SHC if any of the following conditions applies:
 - (i) The entity and the SHC 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 SHC or an entity related to the SHC. If the SHC is itself such a plan, the sponsoring employers are also related to the SHC;
 - (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 accounting estimates and assumptions

The Council makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

3. Critical accounting estimates, assumptions and judgements (Cont'd)

3.1 Critical accounting estimates and assumptions (Cont'd)

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.

3.2 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.

3.2.1 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.

3.2.2 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 debtors. If there are indications that the financial position of a debtor has deteriorated resulting in an adverse assessment of its risk profile, an appropriate amount of allowance will be provided.

4. Cash and cash equivalents

	2016 S\$	2015 S\$
Cash in banks	125,423	158,499
Cash on hand	360	1,031
Fixed deposits	334,686	330,717
	<u>460,469</u>	<u>490,247</u>

Fixed deposits have terms of 1 month (2015: 6 months) and have interest rates ranging from 0.8% to 1% (2015: 0.90% to 0.94%).

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

5. Trade and other receivables

	2016 S\$	2015 S\$
Receivables from charitable activities		
- Accounts receivables	41,038	0
- Grants receivables	325,990	75,488
Other receivables		
- Deferred expenses - APHC	22,780	0
- Deposits	1,392	1,392
- Fixed deposit interest receivable	128	1,154
- Prepayments	1,301	1,672
- Others	10,737	0
	<u>403,366</u>	<u>79,706</u>

"APHC" refers to Asia Pacific Hospice Conference.

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

6. Property, plant and equipment

2016	Balance at beginning of year S\$	Additions S\$	(Disposals) S\$	Balance at end of year S\$
Cost				
Renovation	37,148	514	0	37,662
Computer and equipment	10,764	1,597	0	12,361
	<u>47,912</u>	<u>2,111</u>	<u>0</u>	<u>50,023</u>
	Balance at beginning of year S\$	Depreciation charge S\$	(Written back/off) S\$	Balance at end of year S\$
Accumulated depreciation				
Renovation	14,859	7,498	0	22,357
Computer and equipment	3,661	2,179	0	5,840
	<u>18,520</u>	<u>9,677</u>	<u>0</u>	<u>28,197</u>
	Balance at beginning of year S\$			Balance at end of year S\$
Net book value				
Renovation	22,289			15,305
Computer and equipment	<u>7,103</u>			<u>6,521</u>
	<u>29,392</u>			<u>21,826</u>

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

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	<u>5,161</u>			<u>7,103</u>
	<u>34,880</u>			<u>29,392</u>

7. Trade and other payables

	2016 S\$	2015 S\$
Payables for charitable activities		
- Outside parties	13,456	0
- Related parties	39,693	0
Other payables		
- Accruals	9,015	4,336
- Other creditors	<u>18,935</u>	<u>5,360</u>
	<u>81,099</u>	<u>9,696</u>

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

8. Accumulated fund

The accumulated fund represents the accumulated net income of SHC and is for the purpose of meeting its expenditure in accordance with the objectives of SHC.

9. SHC-Lien Foundation Project fund

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.

9. SHC-Lien Foundation Project fund (Cont'd)

(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.

There were no activities held for the Hospice Awareness Project and Scholarship and Fellowship Programme during the financial year ended 31 March 2016 (2015: Nil).

10. NGPC palliative care standards fund

The National Guidelines for Palliative Care ("NGPC") is a project developed in fulfilment of one of the goals in the National Strategy for Palliative Care. The guidelines provide guidance in the delivery of high-quality care for the terminally ill, minimise gaps in service, improve the quality of training as well as ensure support for staff and volunteers serving in this field. The project is funded by the Ministry of Health ("MOH").

11. 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.

12. Related party transactions

The following transactions took place between the SHC and related parties during the financial year at terms agreed between the parties:

	2016 S\$	2015 S\$
Donation income	12,000	0
Medical student programme expenses	217,515	136,058
Palliative care standard expenses	127,618	0
Recovery of expenses - Insurance	2,761	2,745
Singapore Palliative Care Conference registration fees and sponsorship	0	62,612
Subscription income	3,000	2,800

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

	2016 S\$	2015 S\$
Short-term benefits - Salaries and other benefits	78,000	78,000
Post-employment benefits - Contributions to CPF	11,560	10,710
	<u>89,560</u>	<u>88,710</u>
Remuneration band	No. of key management personnel	No. of key management personnel
Below S\$100,000	<u>1</u>	<u>1</u>

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

In 2016 and 2015, members of the Council were volunteers and none received any remuneration from the SHC.

In 2016 and 2015, none of the SHC's 3 highest paid staff received an annual remuneration of S\$100,000 and above during the year.

13. Operating lease commitments

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

	2016 S\$	2015 S\$
Not later than one year	5,358	5,358
Later than one year but not more than five years	4,464	9,822
	<u>9,822</u>	<u>15,180</u>

The above operating lease commitments are based on known office service charges 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.

14. Management of conflict of interest

There is no paid staff amongst 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.

15. Financial risk management

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

15.1 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\$
2016			
Financial assets			
Cash and cash equivalents	460,469	0	460,469
Trade and other receivables	379,285	0	379,285
	<u>839,754</u>	<u>0</u>	<u>839,754</u>
Financial liabilities			
Trade and other payables	(81,099)	0	(81,099)
	<u>758,655</u>	<u>0</u>	<u>758,655</u>

15. Financial risk management (Cont'd)

15.1 Liquidity risk (Cont'd)

	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	78,034	0	78,034
	<u>568,281</u>	<u>0</u>	<u>568,281</u>
Financial liabilities			
Trade and other payables	(9,696)	0	(9,696)
	<u>558,585</u>	<u>0</u>	<u>558,585</u>

15.2 Credit risk

Credit risk is the potential financial loss resulting from the customer defaulting on its contractual obligations to the SHC. The credit risk on liquid funds is limited because the counterparty is a bank with high credit rating assigned by international credit agencies. The SHC had no significant concentration of credit risk.

The SHC's maximum exposure to credit risk is represented by the carrying amount of financial assets recorded in the financial statements.

15.3 Currency risk

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

15.4 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.

15.5 Fair value

As at 31 March 2016, 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.

16. Reserve position and policy

The SHC's reserve position for financial year ended 31 March 2016 is as follows:

		2016	2015	Increase / (Decrease)
		S\$'000	S\$'000	%
A	Unrestricted funds			
	Accumulated general funds	760	615	23.58
	Unrestricted designated fund	4	4	0
B	Restricted fund	41	(29)	241.38
C	Endowment funds	N/A	N/A	N/A
D	Total funds	805	590	36.44
E	Total annual operating expenditure	489	641	(23.71)
F	Ratio of funds to annual operating expenditure (A/E)	1.55	0.96	

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 up to one year's operational expenses.

17. Authorisation of financial statements

These financial statements were authorised for issue in accordance with a resolution of the Council Members on **18 AUG 2016**

