



慈恩林
GRACE LODGE
(NURSING HOME)



**WE CARE
& SERVE,
BEYOND
DIFFERENTIATION**

2023

ANNUAL REPORT

www.gracelodge.org.sg



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ANNUAL REPORT

1 Annual Report – for Financial Year ended 31 March 2023

1.1 ORGANISATION PROFILE

1.1.1 About Us

GRACE LODGE was registered as a society on 19 December 1988 and under the Charities Act on 6 March 1990.

Charity Registration Number : 0720

Unique Entity Number : UEN S88SS0120C

IPC Status : IPC 000336 | 01 September 2021 – 31 August 2024

Registered Address : 105 Punggol Road, Singapore 546636

Place of Operation : 19 Compassvale Walk, Singapore 544644

Banker : United Overseas Bank Limited, Siglap Branch
Standard Chartered Bank(s) Ltd

Auditor : Robert Yam & Co PAC

Honorary Legal Advisors : Mr Khor Thiam Beng, Mr Khor Wee Siong

Honorary Medical Advisor : Dr. Ee Chye Hua

1.1.2 The Executive Committee

| GRACE LODGE (GL) board members make significant contributions to our charitable cause, with their selfless dedication as well as their commitment of professional knowledge and precious time. | | | | | | | |
|---|---|--|---|--------------------------------|--|-----------------------------|-------------------------------|
| The pioneer board members are, moreover, important exemplars for the other board members. | | | | | | | |
| They have been offering long-term assistance to us since GRACE LODGE establishment, being strong pillars of support who command respect and trust. | | | | | | | |
| The Executive Committee for the term from 1 October 2022 to 31 September 2024 was elected at the Annual General Meeting held on 24 September 2022. | | | | | | | |
| GRACE LODGE Board Members are not remunerated for their services to the Board, as their appointments are honorary. | | | | | | | |
| Description | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| Name | Venerable Kuan Yan, <i>BBM</i> | Mdm Tan Suat Lay | Mr Yeo Yam How | Mr Wee Cho Tat | Mr Toh Seng Poh | Ms Lim May Poh, Mabel | Mdm Lim Watt |
| Position Held | President | Committee Member | Honorary Secretary | Assistant Treasurer | Honorary Treasurer | Assistant Secretary | Committee Member |
| Year of Appointment | Co-Founder, succeeded Founder, Late Venerable Yen Pei as President since 1997 | Pioneer Board Member since establishment | Board Member since 2014 | Board Member since 2013 | Pioneer Board Member since establishment | Board Member since 2018 | Board Member since 2006 |
| Occupation | Buddhist Leader, Voluntary Social Worker | Executive Director Self-Employed | Retired Formerly Executive Director of Metro Pte Ltd | Assistant Director Employed | Retired Formerly Director of ERA Realty | Lawyer Employed | Finance Executive Employed |
| Position in GL's Affiliated Charities | President SBWS FHBCC | Committee Member – SBWS | Not Applicable | Not Applicable | Honorary Secretary - FHBCC | Assistant Secretary - FHBCC | Not Applicable |
| Board Meetings Attended from Apr 2022 to Mar 2023 | 3/3 | 3/3 | 3/3 | 3/3 | 3/3 | 3/3 | 3/3 |
| SBWS : Singapore Buddhist Welfare Services FHBCC : Fu Hui Buddhist Cultural Centre | | | | | | | |
| Board's Declaration: I. None of the board members are related to one another; II. None of the board members are remunerated for their services to the board; III. Only four of GL's board members are also serving in the board of SBWS or board of SBWS's affiliates, FHBCC, IV. Grace Lodge and Fu Hui Buddhist Cultural Centre are the only charities/organisations affiliated to SBWS. | | | | | | | |

1.1.3 Executive Sub-Committees

| No. | EXECUTIVE SUB-COMMITTEES | COMMITTEE MEMBERS |
|-----|---------------------------------|------------------------------|
| 1 | Audit Committee | Mr Yeo Yam How, Chairman |
| | | Mr Wee Cho Tat, Member |
| | | Mdm Lim Watt, Member |
| 2 | Programmes & Services Committee | Mr Wee Cho Tat, Chairman |
| | | Mr Toh Seng Poh, Member |
| | | Ms Mabel Lim May Poh, Member |
| 3 | Human Resource Committee | Mdm Ng Bee Nah, Chairperson |
| | | Venerable Kuan Yan, Member |
| | | Mdm Saw Swee Lan, Member |

1.1.4 Key Management Personnel

| No. | GRACE LODGE | | Date Joined |
|-----|-------------------|--|---------------|
| 1 | Mr Ranjit Singh | Director of Nursing | August 2010 |
| 2 | Ms Lucy Lim | Director of Human Resources | February 2023 |
| 3 | Mr Qian Zhi Jiang | Senior Operations cum Facilities Manager | March 2019 |

1.1.5 Related Entity

| Entity | UEN No. |
|-------------------------------------|------------|
| Singapore Buddhist Welfare Services | S81SS0060H |



1.1.6 Vision and Mission Statements

OUR VISION

To deliver quality care for the elderly

OUR MISSION

To preserve dignity and loveliness in aging

OUR OBJECTIVES

To provide shelter and care for needy, handicapped persons and the aged sick in Singapore, regardless of race, religion or gender.



*We
care & serve
beyond
differentiation*

1.2 CORPORATE GOVERNANCE - POLICIES

As an Institution of Public Character (IPC) and a registered charity, Grace Lodge is committed to the established standards of corporate governance in Singapore.

Grace Lodge believes that strong corporate governance is in its best interests and is committed towards maintaining the standards required.

Grace Lodge is guided by a set of corporate governance guidelines, based on best practices in the corporate and voluntary sectors.

1.2.1 Policies

CONFLICT OF INTEREST POLICY

Grace Lodge adopts a policy of declaration by Executive Committee members, staff and volunteers with personal interests that may affect the integrity, fairness and accountability of Grace Lodge.

The Conflict of Interest Policy includes standard operating procedures in handling disclosure of a conflict of interest and how to address a situation when conflict of interest arises. Staff are required to sign a declaration to acknowledge the Conflict of Interest Policy.

PERSONAL DATA PROTECTION POLICY

Grace Lodge is committed to act responsibly under the Personal Data Protection Act (PDPA) to protect the personal data of individuals under Grace Lodge's custody.

The purpose of the policy is to define and implement the procedures and guidelines on protection of personal data of individuals, in compliance with the PDPA regulations.

This policy governs the collection, use, disclosure and protection of personal data of individuals. It also allows individuals to exercise their rights to access, correct or withdraw their data.

HUMAN RESOURCE POLICY

Grace Lodge ensures fairness and consistency in its human resource practices, through compliance with legislation requirements and updates to its Human Resource Policy.

This policy provides clear and structured guidelines for its human resource practices.

VOLUNTEER MANAGEMENT POLICY

Grace Lodge has a Volunteer Management Policy to ensure volunteers are supported in discharging their roles safely; their development and well-being are taken care of; and their contributions are appreciated and recognised.

FINANCE AND FUNDING POLICY

The nursing home is funded by the Government and public donations. Grace Lodge also collects fees from paying cases. Such fees are based on the individual families' financial situations. All families are means-tested to determine their respective abilities to pay. The Ministry of Health provides subsidies based on the per capita incomes of the families, with subsidies ranging from 0% to 75% of the norm cost as specified by the Ministry.

As an IPC, the nursing home's policy is to preserve its integrity and transparency, promote public trust and confidence in the nursing home, comply with the code of governance guidelines, institute and observe measures to prevent actual, potential or perceived conflicts of interest that can affect the integrity, fairness and accountability of the nursing home, as well as ensure that its staff and volunteers all act in the best interests of the nursing home to achieve its vision as defined above.

The policy includes establishing standard procedures for handling the disclosure of any conflicts of interest that may arise and how to address them.

RESERVES POLICY

Our reserve position as at the financial year ended 31st March 2023:

| | Current Year | Previous Year | % Increase/ (Decrease) |
|--|--------------------|--------------------|---------------------------|
| Unrestricted Funds (Reserves) | | | |
| - General Funds | \$7,902,724 | \$7,990,203 | (1%) |
| Restricted Funds | | | |
| - Medifund Account | \$544,249 | \$148,503 | 266% |
| - CST Fund | \$140,493 | \$236,708 | (41%) |
| | | | |
| Total Funds¹ | \$8,587,466 | \$8,375,414 | 3% |
| Ratio of Reserves² to Annual Operating Expenditure³ | 0.69 | 0.75 | (8%) |

The reserves that we have set aside provide financial stability and the means for development of our principal activity. The current level of reserves at \$7.9 million is adequate to fund 0.69 years of annual operating expenditure. However, the reserves include the fixed assets of \$778,327 which are required for the continued operations of our nursing home. Adjusting for such fixed assets and depreciation (non-cash outlay) at operating expenditure, on a cash basis, this figure would be reduced to 0.64 years. We intend to grow our reserves to ratio of 1.0. We intend to use the reserves for the nursing home's operations and welfare activities.

The Management Committee regularly reviews the amount of reserves that are required to ensure that they are adequate to fulfill our continuing obligations.

¹ Total funds include unrestricted, restricted, designated and endowment funds.

² Unrestricted Funds.

³ Charitable Activities, Operating and Administration Expenses.

1.2.2 Governance Evaluation Checklist

GOVERNANCE EVALUATION CHECKLIST (ADVANCED TIER) Code Compliance for the period from 1 April 2022 to 31 March 2023

| S/No. | Code Guideline | Code ID | Response | Explanation (if Code guideline is not complied with) |
|--|---|---------|----------|---|
| BOARD GOVERNANCE | | | | |
| 1 | Induction and orientation are provided to incoming governing board members upon joining the Board. | 1.1.2 | Complied | |
| | Are there governing board members holding staff ¹ appointments? (skip items 2 and 3 if "No") | | No | |
| 2 | Staff does not chair the Board and does not comprise more than one third of the Board. | 1.1.3 | - | |
| 3 | There are written job descriptions for the staff's executive functions and operational duties, which are distinct from the staff's Board role. | 1.1.5 | - | |
| 4 | The Treasurer of the charity (or any person holding an equivalent position in the charity, e.g. Finance Committee Chairman or a governing board member responsible for overseeing the finances of the charity) can only serve a maximum of 4 consecutive years . If the charity has not appointed any governing board member to oversee its finances, it will be presumed that the Chairman oversees the finances of the charity. | 1.1.7 | Complied | |
| 5 | All governing board members must submit themselves for re-nomination and re-appointment , at least once every 3 years. | 1.1.8 | Complied | |
| 6 | The Board conducts self evaluation to assess its performance and effectiveness once during its term or every 3 years, whichever is shorter. | 1.1.12 | Complied | |
| | Is there any governing board member who has served for more than 10 consecutive years? (skip item 7 if "No") | | Yes | |
| 7 | The charity discloses in its annual report the reasons for retaining the governing board member who has served for more than 10 consecutive years . | 1.1.13 | Complied | |
| 8 | There are documented terms of reference for the Board and each of its committees. | 1.2.1 | Complied | |
| CONFLICT OF INTEREST | | | | |
| 9 | There are documented procedures for governing board members and staff to declare actual or potential conflicts of interest to the Board at the earliest opportunity. | 2.1 | Complied | |
| 10 | Governing board members do not vote or participate in decision making on matters where they have a conflict of interest. | 2.4 | Complied | |
| STRATEGIC PLANNING | | | | |
| 11 | The Board periodically reviews and approves the strategic plan for the charity to ensure that the charity's activities are in line with the charity's objectives. | 3.2.2 | Complied | |
| 12 | There is a documented plan to develop the capacity and capability of the charity and the Board monitors the progress of the plan. | 3.2.4 | | |
| HUMAN RESOURCE AND VOLUNTEER² MANAGEMENT | | | | |
| 13 | The Board approves documented human resource policies for staff. | 5.1 | Complied | |
| 14 | There is a documented Code of Conduct for governing board members, staff and volunteers (where applicable) which is approved by the Board. | 5.3 | Complied | |

GOVERNANCE EVALUATION CHECKLIST (ADVANCED TIER)

Code Compliance for the period from 1 April 2022 to 31 March 2023

| S/No. | Code Guideline | Code ID | Response | Explanation (if Code guideline is not complied with) |
|---|---|---------|----------|---|
| 15 | There are processes for regular supervision, appraisal and professional development of staff. | 5.5 | Complied | |
| | Are there volunteers serving in the charity? (skip item 16 if "No") | | Yes | |
| 16 | There are volunteer management policies in place for volunteers. | 5.7 | Complied | |
| FINANCIAL MANAGEMENT AND INTERNAL CONTROLS | | | | |
| 17 | There is a documented policy to seek the Board's approval for any loans, donations, grants or financial assistance provided by the charity which are not part of the charity's core charitable programmes. | 6.1.1 | Complied | |
| 18 | The Board ensures that internal controls for financial matters in key areas are in place with documented procedures . | 6.1.2 | Complied | |
| 19 | The Board ensures that reviews on the charity's internal controls, processes, key programmes and events are regularly conducted. | 6.1.3 | Complied | |
| 20 | The Board ensures that there is a process to identify, and regularly monitor and review the charity's key risks . | 6.1.4 | Complied | |
| 21 | The Board approves an annual budget for the charity's plans and regularly monitors the charity's expenditure. | 6.2.1 | Complied | |
| | Does the charity invest its reserves (e.g. in fixed deposits)? (skip item 22 if "No") | | No | |
| 22 | The charity has a documented investment policy approved by the Board. | 6.4.3 | - | |
| FUNDRAISING PRACTICES | | | | |
| | Did the charity receive cash donations (solicited or unsolicited) during the financial year? (skip item 23 if "No") | | Yes | |
| 23 | All collections received (solicited or unsolicited) are properly accounted for and promptly deposited by the charity. | 7.2.2 | Complied | |
| | Did the charity receive donations in kind during the financial year? (skip item 24 if "No") | | No | |
| 24 | All donations in kind received are properly recorded and accounted for by the charity. | 7.2.3 | - | |
| DISCLOSURE AND TRANSPARENCY | | | | |
| 25 | The charity discloses in its annual report — (a) the number of Board meetings in the financial year; and (b) the attendance of every governing board member at those meetings. | 8.2 | Complied | |
| | Are governing board members remunerated for their services to the Board? (skip items 26 and 27 if "No") | | No | |
| 26 | No governing board member is involved in setting his own remuneration. | 2.2 | | |
| 27 | The charity discloses the exact remuneration and benefits received by each governing board member in its annual report. OR The charity discloses that no governing board member is remunerated. | 8.3 | - | |
| | Does the charity employ paid staff? (skip items 28, 29 and 30 if "No") | | Yes | |
| 28 | No staff is involved in setting his own remuneration. | 2.2 | Complied | |

GOVERNANCE EVALUATION CHECKLIST (ADVANCED TIER)

Code Compliance for the period from 1 April 2022 to 31 March 2023

| S/No. | Code Guideline | Code ID | Response | Explanation (if Code guideline is not complied with) |
|---------------------|--|---------|----------|---|
| 29 | <p>The charity discloses in its annual report —</p> <p>(a) the total annual remuneration for each of its 3 highest paid staff who each has received remuneration (including remuneration received from the charity's subsidiaries) exceeding \$100,000 during the financial year; and</p> <p>(b) whether any of the 3 highest paid staff also serves as a governing board member of the charity.</p> <p>The information relating to the remuneration of the staff must be presented in bands of \$100,000.</p> <p>OR</p> <p>The charity discloses that none of its paid staff receives more than \$100,000 each in annual remuneration.</p> | 8.4 | Complied | |
| 30 | <p>The charity discloses the number of paid staff who satisfies all of the following criteria:</p> <p>(a) the staff is a close member of the family³ belonging to the Executive Head⁴ or a governing board member of the charity;</p> <p>(b) the staff has received remuneration exceeding \$50,000 during the financial year.</p> <p>The information relating to the remuneration of the staff must be presented in bands of \$100,000.</p> <p>OR</p> <p>The charity discloses that there is no paid staff, being a close member of the family³ belonging to the Executive Head⁴ or a governing board member of the charity, who has received remuneration exceeding \$50,000 during the financial year.</p> | 8.5 | Complied | |
| PUBLIC IMAGE | | | | |
| 31 | <p>The charity has a documented communication policy on the release of information about the charity and its activities across all media platforms.</p> | 9.2 | Complied | |

1.3 CORPORATE GOVERNANCE - STAFFING

Residents are treated with compassion and respect by our team, which comprises diverse medical, nursing and support professionals with different skillsets and experience.

| DESCRIPTION | STAFF ON PAYROLL | | TOTAL |
|--|------------------|------------|------------|
| | LOCAL | FOREIGN | |
| Care Staff | | | |
| Director of Nursing | 1 | - | 1 |
| Deputy Director of Nursing | 1 | - | 1 |
| Nurse Managers | 1 | 1 | 2 |
| Nurse Educator | 1 | - | 1 |
| Senior Staff Nurses / Staff Nurses | 5 | 9 | 14 |
| Senior Enrolled Nurses / Enrolled Nurses | 8 | 5 | 13 |
| Nursing Aides | - | 39 | 39 |
| Therapy Assistants | 6 | 6 | 12 |
| Healthcare Assistants | 1 | 56 | 57 |
| Total No. of Care Staff | 24 | 116 | 140 |

| | | | |
|--|-----------|------------|------------|
| Support Staff | | | |
| Director of Human Resource | 1 | - | 1 |
| Senior Operations cum Facilities Manager | 1 | - | 1 |
| Senior Facilities cum Operations Executive | 1 | - | 1 |
| Medical Social Workers | 2 | - | 2 |
| Finance Executives | 3 | - | 3 |
| HR Executive | 1 | - | 1 |
| Administrative Assistants | 2 | 1 | 3 |
| Driver | 1 | - | 1 |
| Total No. of Support Staff | 12 | 1 | 13 |
| TOTAL STAFFING | 36 | 117 | 153 |

| SPECIALIST SERVICES | | |
|---------------------------------|------------------|-----------------------|
| DESCRIPTION | SERVICE PROVIDER | FREQUENCY OF SERVICES |
| Medical Consultant | 1 | Twice a month |
| Geriatrician | 1 | Once a month |
| Psycho-Geriatrician | 1 | Twice a month |
| Medical Officer | 1 | Twice a week |
| Speech Therapist | 1 | Twice a month |
| Occupational Therapist | 1 | Thrice a week |
| Physiotherapist | 1 | Thrice a week |
| Dietician | 1 | Once every 2 months |
| Pharmacist | 1 | Weekly |
| Total No. of Specialists | 9 | |

1.3.1 Staff Development

Training is a crucial investment in the continuous development of our healthcare professionals, enabling them to deliver high-quality care and excel in their respective roles. From April 2022 to March 2023, 21 training courses were conducted with 278 attendees. These educational opportunities provide up-to-date knowledge, enhance skills specific to each role, foster professionals growth, and help professionals adapt to changing responsibilities.

They also ensure compliance with regulations and ethical standards, improve patient safety and outcomes, and contribute to overall patient satisfaction. Some of these training courses were stipulated by the Ministry of Health, to ensure that healthcare professionals meet the necessary standards of competence and practice in their respective roles.

Training courses for our nurses included:

- 1) Updates from the Harvard Medical School Geriatric Review Course
- 2) Is Your Stress Bucket Full?
- 3) Communicating sensitively with dying patients and their family.
- 4) A qualitative study on nurse-facilitated geriatric teleconsultation in nursing
- 5) Re-Visioning Aged Care – Straddling Science, Technology and Art
- 6) Spiritual Care
- 7) Training course: N95 Respirator Mask Fitting Workshop
- 8) BCLS AED and CPR AED Training



Doctors undergoing NUHS Family Medicine Residency Program on attachment to Grace Lodge in a photo here with Dr Marie and our nurses.

Dr Marie, who provides services at Grace Lodge, is also Visiting Consultant at the Department of Family Medicine, National University Hospital. A total of 25 doctors were on attachment on a rotational basis.

Training on the use of a hoist to lift and transfer patients



Training on Prevention of Elder Abuse



COVID-19 Briefing



EAGLEcare & ICoNS – What’s next after the collaboration?



1.4 PROGRAMMES AND ACTIVITIES

1.4.1 Staff Strength

- 1) There were **153** staff members as at 31 March 2023.
- 2) Total staff costs and emoluments for FY 2022 was **S\$6,055,353**.
- 3) Employees are recruited locally and from abroad. Foreign nursing staff underwent training, which ensures they are equipped with the skills needed to look after the residents.
- 4) The key management personnel are responsible for planning, directing and monitoring the activities of the nursing home.
- 5) Number of staff members in the respective remuneration bands:

| Position | Remuneration Band | No. of Staff |
|----------------------------|---------------------------------|--------------|
| Key Management | S\$100,001 and below S\$200,000 | 3 |
| Care Staff & Support Staff | S\$50,001 – S\$100,000 | 17 |
| | S\$50,000 and below | 133 |

- 6) None of the 3 highest paid staff serves as a governing board member of Grace Lodge.
- 7) There is no paid staff who is a close family member of the Executive Head or a Board Member and who receives more than \$50,000 during the year.



Multi-disciplinary Zoom Meeting with Consultant Geriatrician of Khoo Teck Puat Hospital



Psychogeriatrician from Changi General Hospital reviewed patients



Dietician interviewed a resident about his diet

1.4.2 Our Services

Grace Lodge has a team of dedicated professionals, nurses, allied health staff and support staff, who provide comprehensive services to our residents. Residents are also supported with access to quality facilities, as well as medical care around the clock.

- 1) Grace Lodge services include:
 - medical care,
 - occupational therapy,
 - physiotherapy,
 - speech therapy.

- 2) Specialist services under the Integrated Framework include:
 - geriatric care,
 - psycho-geriatric care,
 - speech therapy,
 - pharmaceutical services,
 - dietetic services,
 - podiatrist services.

Volunteers engaged by Grace Lodge commit their time and efforts in improving the social and physical well-being of our residents.

- 3) Scope of volunteer work:
 - perform simple chores at the nursing home;
 - organise activities and celebrations;
 - provide hair-cutting services;
 - arrange outings for residents and accompany them during outings.

1.4.3 Admission to the Nursing Home

Applications for admission of subsidised residents are made by referrals through the Agency for Integrated Care (AIC), followed by review and approval by Grace Lodge Management, after careful consideration of the clinical conditions of the applicants.

Grace Lodge follows the admission criteria set by the Ministry of Health and AIC.

Admission Criteria:

- 1) an elderly, sick person with (a) medical condition(s) such as stroke, diabetes mellitus and/or other chronic sickness(es);
- 2) a patient requiring long-term daily nursing care, such as tube feeding, pain relief, wound dressing;
- 3) a patient with no caregiver or the caregiver is unable to provide the nursing care required;
- 4) a patient with any of the following medical conditions: dementia, psychiatric illness (stable), MRSA infection (colonised);
- 5) a patient with special nursing needs, such as:
 - urinary catheter care;
 - colostomy care;
 - nasogastric / gastrostomy feeding;
 - insulin injections.

Pre-admission counselling is conducted by a multidisciplinary team with the family of the elderly prior to admission.

Our policies and procedures are made clear. The family is assured of quality care for the elderly in Grace Lodge and encouraged to provide feedback to the Management if they find any gaps in the provision of care.

1.4.4 Occupancy

GRACE LODGE STAFF HEAD COUNT

(As at end March 2023)



*All staff are appraised annually through open performance appraisal.

RESIDENTIAL CARE

Category 1
no assistance required in daily activities

0 Residents

Category 2
some assistance required

4 Residents

Category 3
frequent assistance required

148 Residents

Category 4
total dependence on assistance

123 Residents



MOBILITY STATUS

Walkers

2
Residents



Assisted Walkers

27
Residents



Wheelchair-bound

195
Residents



Bed-bound

51
Residents



BED OCCUPANCY

for the period
1/4/2022 to 31/3/2023



56

New Admissions

7

Discharged

45

Deaths

PROFILE BY AGE



DEMENTIA WARD (FEMALE)

The Dementia Ward located on Level 6 is geared towards serving the needs of residents with dementia. Through constant training and practice, our specially selected staff have come to understand and excel in caring for residents with dementia.

- 1) Maximum capacity of 30 beds, with 15 single bedrooms for individuals and 15 beds in an open-concept, general ward layout.
- 2) Criteria for admission:
 - female;
 - mild to moderate dementia;
 - continent;
 - ambulant.
- 3) Number of residents as at 31 March 2023: 29 females.



GENERAL NURSING HOME WARDS (FEMALE AND MALE)

- 1) Grace Lodge is a dedicated care facility serving a diverse community. With a total resident population of 275 as of 31 March 2023, we strive to provide the highest level of care and support to all residents.
- 2) In September 2022, we reached our highest resident count of 277 residents, reflecting the growing trust and confidence that families and individuals have placed in our facility.
- 3) We understand the importance of catering to individuals from various socioeconomic backgrounds. We are committed to ensuring that our services are affordable by all, including those from low-income families. A significant portion of our residents receive subsidies, which alleviate financial burdens and enable them to access the care they need.
- 4) Wards 6,7, and 8 are dedicated to providing care for female residents. These wards are designed with their unique requirements in mind, ensuring a safe and nurturing space where residents can receive personalised care. Similarly, Wards 9 and 10 are designated for male residents.

1.4.5 Programmes and Services

Serving of Meals



Care Staff feeding the residents



Group Therapy



Medication Round



Mobile Vaccination Teams

Mobile Vaccination Teams came to vaccinate our residents for protection against COVID-19 virus.



1.4.6 Celebrations and Special Activities

Highlights

- 1) Visits by PCF Sparkletots with activities, games, singing and dancing;
- 2) Nurses' Day Celebration;
- 3) Celebration of Myanmar New Year for our staff from Myanmar;
- 4) Nursing Home Online Challenge;
- 5) National Day celebration;
- 6) When Music Meets Life: live performance of old songs via 3 Zoom Sessions;
- 7) National Celebration of Seniors (NCOS): an event held in conjunction with the International Day of Older Persons, to encourage seniors to pursue an active and meaningful lifestyle.

2022 Nurses' Day Celebration



At our vibrant nursing home, we create an atmosphere filled with joy, laughter and unforgettable moments for our cherished residents, through an array of engaging activities and events, such as lively games that foster camaraderie and captivating performances that transport everyone to a world of theatrical delight.



2023 Chinese New Year Celebration

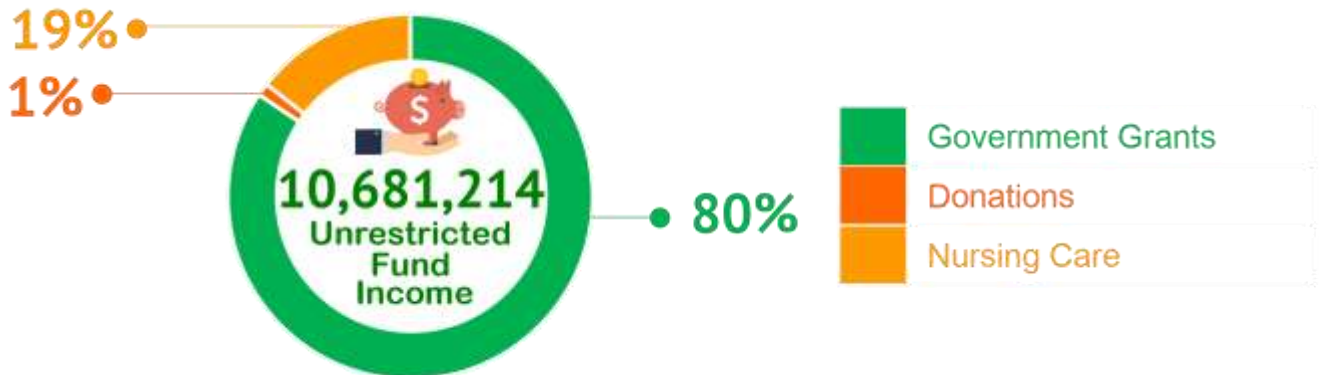
A kind donor sponsored lunch for residents at Green Delights vegetarian café.



1.5 HIGHLIGHTS OF THE YEAR

1.5.1 Summary of Financial Performance (1 April 2022 – 31 March 2023)

INCOME



Grace Lodge donation budgeted at \$120K, considering the market situation and inflation pressure on donors. There is no specific fund-raising plan.

EXPENDITURE



Grace Lodge budgeted to incur \$6,538,889 (Governance Costs), \$4,331,949 (Expenditure for Charitable Activities) and \$1,190,088 (Administrative and Overhead Costs).

1.6 MOVING FORWARD

1.6.1 In the Year Ahead 2023 – 2024

1) Dementia Ward

- Dementia Ward has reached full occupancy;
- quality programs are being provided for our dementia residents.

2) Enhancing collaboration with Sengkang General Hospital (SKH)

- Advance Care Planning (ACP) Training for end-of-life care;
- increase tele-consultation with SKH to reduce referrals to Emergency department or hospitalisation;
- continue the services of Senior Medical Consultant from SKH.

3) Improving Manpower Quantity and Quality (on-going)

- hiring of more locals;
- training of staff to enhance their knowledge and skills;
- rotation of staff in different wards for operational adaptability;
- retention of staff through more incentives such as promotion, upgrading and monetary awards;
- improve teamwork and staff morale.

4) Prevention and Control of COVID-19 Infection

- infection-control training for care staff – to ensure that all are well-trained in infection-control and use of Personal Protective Equipment (PPE);
- mandatory mask-wearing in our healthcare setting;
- safe zoning and distancing;
- personal and environmental hygiene, especially in “high-touch” areas;
- ensure adequate stockpile of PPE;
- immediate action on changing advisories from Ministry of Health (MOH);
- vaccination and testing for staff and residents;
- visitor control and screening to facilitate contact tracing when necessary;
- on-site ART (Antigen Rapid Test) tests for visitors as and when necessary.



1.6.2 Our Efforts to Combat COVID-19 in 2022-2023

With stabilisation of the local COVID-19 situation, Grace Lodge can operate in a smoother and more efficient manner, to provide our residents with enhanced care and services. The relief in the COVID-19 situation enables us to strengthen our preventive measures against future outbreaks, through robust infection control protocols, regular sanitisation of facilities and regular vaccination to maintain the overall health and well-being of both patients and staff.

Measures taken to combat COVID-19:

- regular briefings on the latest updates from the Ministry of Health and Agency of Integrated Care.
- careful monitoring of residents' and staff health status, with attention to flu-like symptoms;
- temperature-screening twice a day;
- contact tracing/ declaration;
- suspension of hair-cutting, birthday celebrations, volunteer activities;
- strict enforcement of the wearing of masks and Personal Protective Equipment;
- constant verbal and visual reminders (e.g. posters) for staff and visitors to observe social distancing and hygiene;
- enhancement of environmental hygiene through higher frequency of disinfection in “high-touch” and “high-movement” areas;
- stockpiling of essential medical supplies;
- increased training in pandemic-related topics via video conferencing;
- staff restricted from entering other wards, with each ward conducting its own ward training;
- deliveries on designated days and at designated locations;
- restrictions on visits by number, date, time, duration and movement within our premises;
- implementation of “Work-from-Home” arrangements.

All staff and residents have been vaccinated for protection against COVID-19.

Current Vaccination Status:

| Vaccination Group | 1 st Dose | 2 nd Dose | 3 rd Dose Booster |
|-------------------|----------------------|----------------------|------------------------------|
| Staff | 153 | 151 | 145 |
| Residents | 270 | 269 | 157 |

We continue to do our best to ensure that our residents and staff remain well and free from infection.





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FINANCIAL STATEMENTS

2 Financial Statements – for financial year ended 31 March 2023

GRACE LODGE
(UEN: S88SS0120C)
(Registered in Singapore Under the Societies Act)

FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

GRACE LODGE

(UEN: S88SS0120C)

**(Registered in Singapore Under the Societies Act 1966,
Charities Act 1994 and Institution of Public Character)**

FINANCIAL STATEMENTS - 31 MARCH 2023

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GRACE LODGE

Statement by the Executive Committee

1

In the opinion of the Executive Committee:

- (a) the accompanying statement of financial position, statement of comprehensive income, statement of changes in funds and statement of cash flows together with the notes thereto are drawn up so as to present fairly, in all material respects, the state of affairs of Grace Lodge (the "Charity") as at 31 March 2023 and the results, changes in funds and cash flows of the Charity for the year ended on that date; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Charity will be able to pay its debts as and when they fall due.

On behalf of the Executive Committee



.....
VENERABLE KUAN YAN
PRESIDENT



.....
TOH SENG POH
HON. TREASURER



.....
YEO YAM HOW
HON. SECRETARY

16 SEP 2023

GRACE LODGE

Independent Auditor's Report For the Financial Year Ended 31 March 2023

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To the members of Grace Lodge

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Grace Lodge (the "Charity"), which comprise the statement of financial position as at 31 March 2023, and the statement of comprehensive income, statement of changes in funds and statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Societies Act 1966 (the "Societies Act"), the Charities Act 1994 and other relevant regulations (the "Charities Act and Regulations") and Financial Reporting Standards in Singapore (FRSs), so as to present fairly, in all material respects, the state of affairs of the Charity as at 31 March 2023 and the results, changes in funds and cash flows of the Society for the financial 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 Charity 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

The Executive Committee is responsible for the other information. The other information comprises the information included in the Statement by the Executive Committee members and the 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 the 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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to repeat that fact. We have nothing to report in this regard.

ROBERT YAM & CO PAC

Public Accountants, Singapore
Chartered Accountants of Singapore
Consultants & Business Advisers

GRACE LODGE

**Independent Auditor's Report
For the Financial Year Ended 31 March 2023**

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To the members of Grace Lodge (cont'd)

Responsibilities of the Executive Committee and Those Charged with Governance for the Financial Statements

The Executive Committee is responsible for the preparation and fair presentation of the financial statements in accordance with the provisions of the Societies Act, the Charities Act and Regulations and FRSS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Executive Committee is responsible for assessing the Charity'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 Charity or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Charity'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 Charity to cease to continue as a going concern.



ROBERT YAM & CO PAC

Public Accountants, Singapore
Chartered Accountants of Singapore
Consultants & Business Advisers

GRACE LODGE

**Independent Auditor's Report
For the Financial Year Ended 31 March 2023**

4

To the members of Grace Lodge (cont'd)

Auditor's Responsibilities for the Audit of the Financial Statements (cont'd)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required to be kept by the Charity have been properly kept in accordance with the provisions of the Societies Regulations enacted under the Societies Act and the Charities Act and Regulations.

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

- (a) the Charity 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 Charity has not complied with the requirements of Regulation 15 of the Charities (Institutions of a Public Character) Regulations.



Robert Yam & Co PAC
Public Accountants and
Chartered Accountants
Singapore

16 SEP 2023

RJ/DG/rbm

GRACE LODGE

**Statement of Financial Position
As at 31 March 2023**

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| | Note | 2023 S\$ | 2022 S\$ |
|---|------|----------------------------|----------------------------|
| ASSETS | | | |
| Non-current assets | | | |
| Plant and equipment | 5 | 778,327 | 811,682 |
| Current assets | | | |
| Trade and other receivables | 6 | 1,689,056 | 1,730,218 |
| Prepayments | | 32,611 | 13,967 |
| Cash and bank balances | 7 | 8,318,098 | 7,837,233 |
| | | <u>10,039,765</u> | <u>9,581,418</u> |
| Total assets | | <u>10,818,092</u> | <u>10,393,100</u> |
| FUNDS AND LIABILITIES | | | |
| Funds | | | |
| <u>Unrestricted funds</u> | | | |
| Accumulated Fund | | 7,902,724 | 7,990,203 |
| <u>Restricted funds</u> | | | |
| Ministry of Health (MOH) Medifund account | | 544,249 | 148,503 |
| Agency for Integrated Care - Community Silver Trust grant ("AIC CST grant") | | 140,493 | 236,708 |
| | | <u>8,587,466</u> | <u>8,375,414</u> |
| Total funds | | <u>8,587,466</u> | <u>8,375,414</u> |
| Non-current liabilities | | | |
| Deferred capital grant | 9 | 214,072 | 160,575 |
| Current liabilities | | | |
| Deferred capital grant | 9 | 52,039 | 31,157 |
| Trade and other payables | 10 | 1,849,882 | 1,715,688 |
| Patients' deposits | 11 | 114,633 | 110,266 |
| | | <u>2,016,554</u> | <u>1,857,111</u> |
| Net current assets | | <u>8,023,211</u> | <u>7,724,307</u> |
| Total liabilities | | <u>2,230,626</u> | <u>2,017,686</u> |
| Net assets | | <u>8,587,466</u> | <u>8,375,414</u> |
| Total funds and liabilities | | <u>10,818,092</u> ===== | <u>10,393,100</u> ===== |

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

GRACE LODGE
Statement of Comprehensive Income
For the Financial Year Ended 31 March 2023

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| | Note | Unrestricted | Restricted | | Total funds S\$ | 2022 Total funds S\$ |
|---|------|----------------------|-------------------|--------------------------|-------------------|----------------------|
| | | Accumulated fund S\$ | ← 2023 → | | | |
| | | | AIC CST grant S\$ | MOH Medifund account S\$ | | |
| INCOME | | | | | | |
| Voluntary income | 12 | 137,053 | - | - | 137,053 | 154,816 |
| Activities for generating funds | 13 | 1,933,457 | - | 608,854 | 2,542,311 | 1,085,448 |
| Income from charitable activities | 14 | 8,450,185 | 170,482 | - | 8,620,667 | 8,714,040 |
| Other income | 15 | 160,519 | - | - | 160,519 | 184,937 |
| Total income | | 10,681,214 | 170,482 | 608,854 | 11,460,550 | 10,139,241 |
| Less: EXPENDITURES | | | | | | |
| Administrative charges for on-line donation | | 972 | - | - | 972 | 267 |
| Audit fee | | 22,000 | - | - | 22,000 | 22,000 |
| Bank charges | | 759 | - | - | 759 | 662 |
| Bonus | 16 | 593,223 | - | - | 593,223 | 530,823 |
| CPF, SDL and FWL | 16 | 1,308,403 | - | - | 1,308,403 | 1,166,941 |
| Consumable/surgical items | | | | | | |
| - non-standard | | 100,944 | - | - | 100,944 | 114,713 |
| - standard | | 92,780 | - | - | 92,780 | 94,407 |
| Daily meals, refreshment and cooking expenses | | 56,648 | - | - | 56,648 | 96,099 |
| Depreciation of plant and equipment | 5 | 237,547 | 9,956 | - | 247,503 | 236,393 |
| Gas, water and electricity | | 284,534 | - | - | 284,534 | 255,295 |
| Insurance | | 27,592 | - | - | 27,592 | 16,370 |
| Laboratory, X-ray expenses | | 14,553 | - | - | 14,553 | 11,207 |
| License fee | | 99,782 | - | - | 99,782 | 15,763 |
| Locum fee | | 37,194 | - | - | 37,194 | 30,815 |
| Loss on disposal of plant and equipment | | 2,122 | - | - | 2,122 | 2,274 |
| Bad debts written off | | 11,486 | - | - | 11,486 | 7,703 |
| Maintenance and services | | 45,406 | - | - | 45,406 | 45,194 |
| Medical and surgical supplies | | 30,976 | - | - | 30,976 | 38,210 |
| Oxygen supply expenses | | 4,937 | - | - | 4,937 | 3,426 |
| Laundry services | | 130,874 | - | - | 130,874 | 120,041 |
| Catering services | | 510,437 | - | - | 510,437 | 514,657 |
| Cleaning services | | 301,100 | - | - | 301,100 | 374,261 |
| Management fee | | 96,000 | - | - | 96,000 | 96,000 |
| Nursing care service | | 27,170 | - | - | 27,170 | 88,368 |
| Other consumables (diapers) | | 76,041 | 110,545 | - | 186,586 | 155,012 |
| Other staff benefits | 16 | 57,500 | - | - | 57,500 | 41,592 |
| Pharmacy and medical fees | | 127,868 | - | - | 127,868 | 139,109 |
| Physiotherapy services | | 108,780 | - | - | 108,780 | 91,395 |
| Postage and stamps | | 1,300 | - | - | 1,300 | 657 |
| Printing and stationery | | 17,490 | - | - | 17,490 | 13,210 |
| Professional fee | | 13,190 | - | - | 13,190 | 10,400 |
| Recreation and activities | | 16,926 | 12,217 | - | 29,143 | 29,384 |
| Recruitment expenses | | 17,989 | - | - | 17,989 | 45,618 |

GRACE LODGE

Statement of Comprehensive Income (cont'd)
For the Financial Year Ended 31 March 2023

7

| | Note | Unrestricted | Restricted | | Total funds | 2022 Total funds |
|---|------|-------------------|----------------|----------------------|-------------------|-------------------|
| | | Accumulated fund | ← 2023 → | | | |
| | | S\$ | AIC CST grant | MOH Medifund account | S\$ | S\$ |
| | | | S\$ | S\$ | | |
| Less: EXPENDITURES (cont'd) | | | | | | |
| Rental | | 2,280,000 | - | - | 2,280,000 | 2,161,114 |
| Salaries | 16 | 4,008,463 | 37,764 | - | 4,046,227 | 3,545,911 |
| Sundry expenses | | 54,096 | - | - | 54,096 | 101,335 |
| Small assets | | 22,855 | - | - | 22,855 | 43,854 |
| Staff training and course fees | | 24,721 | - | - | 24,721 | 12,586 |
| Telephone charges | | 3,000 | - | - | 3,000 | 3,000 |
| Tube fees/health supplements | | 213,510 | - | - | 213,510 | 197,715 |
| Upkeep of motor vehicles | | 11,777 | - | - | 11,777 | 10,929 |
| Uniforms | | 21,160 | - | - | 21,160 | 24,054 |
| Unclaimable GST expenses | | 263,442 | - | - | 263,442 | 226,287 |
| Total expenditures | | 11,377,547 | 170,482 | - | 11,548,028 | 10,735,051 |
| Net surplus/(deficit) for the year | | (696,333) | - | 608,854 | (87,479) | (595,810) |
| | | ===== | ===== | ===== | ===== | ===== |

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

GRACE LODGE

**Statement of Changes in Funds
For the Financial Year Ended 31 March 2023**

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| | Accumulated fund S\$ | ←—— Restricted ——→ | | Total S\$ |
|------------------------------------|----------------------------|-------------------------|-----------------------------------|---------------------------|
| | | AIC CST grant S\$ | MOH Medifund account S\$ | |
| Balance as at 1 April 2021 | 7,723,287 | 372,524 | 945,413 | 9,041,224 |
| Net surplus for the year | 266,916 | - | - | 266,916 |
| Addition of funds | - | - | 604,900 | 604,900 |
| Utilisation of funds | - | (65,816) | (1,401,810) | (1,467,626) |
| Refund of funds | - | (70,000) | - | (70,000) |
| Balance as at 31 March 2022 | <u>7,990,203</u> | <u>236,708</u> | <u>148,503</u> | <u>8,375,414</u> |
| Net deficit for the year | (87,479) | - | - | (87,479) |
| Addition of funds | - | 196,391 | 1,004,600 | 1,200,991 |
| Utilisation of funds | - | (276,018) | (608,854) | (884,872) |
| Refund of funds | - | (16,588) | - | (16,588) |
| Balance as at 31 March 2023 | <u>7,902,724</u> ===== | <u>140,493</u> ===== | <u>544,249</u> ===== | <u>8,587,466</u> ===== |

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

GRACE LODGE

Statement of Cash Flows
For the Financial Year Ended 31 March 2023

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| | Note | 2023 S\$ | 2022 S\$ |
|---|------|------------------|------------------|
| Cash flows from operating activities: | | | |
| Net (deficit)/surplus for the year | | (87,479) | (595,810) |
| Adjustments for: | | | |
| Depreciation of plant and equipment | 5 | 247,503 | 236,393 |
| Loss on write-off of plant and equipment | | 2,122 | 2,274 |
| Deferred capital grant amortisation | | (41,113) | (31,157) |
| | | <u>121,033</u> | <u>(388,300)</u> |
| Operating cash flow before working capital changes | | | |
| Changes in working capital: | | | |
| Trade and other receivables | | 41,162 | 45,588 |
| Prepayments | | (18,644) | (5,427) |
| Changes in restricted cash – Medifund account | | - | 796,910 |
| Changes in restricted cash – AIC CST Grant | | - | 65,816 |
| Trade and other payables | | 134,194 | 328,752 |
| Patients' deposits | | 4,367 | (562) |
| Capital grant received | | 115,492 | 33,935 |
| | | <u>397,604</u> | <u>876,712</u> |
| Net cash from operating activities | | | |
| Cash flows from investing activities: | | | |
| Purchase of plant and equipment | 5 | (216,270) | (34,265) |
| | | <u>(216,270)</u> | <u>(34,265)</u> |
| Net cash used in investing activities | | | |
| | | <u>181,334</u> | <u>842,447</u> |
| Net increase in cash and cash equivalents | | | |
| Cash and cash equivalents at beginning of year | | 7,452,022 | 6,609,575 |
| | | <u>7,633,356</u> | <u>7,452,022</u> |
| | | ===== | ===== |
| Cash and cash equivalents at end of year | | | |

There are no reconciliation amounts for the non-cash changes in liabilities arising from financing activities.

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

GRACE LODGE

Notes to the Financial Statements For the Financial Year Ended 31 March 2023

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

1. General information

The Grace Lodge (the “Charity”) is registered under the Societies Act 1966 and is domiciled in the Republic of Singapore. The Society is also an approved charity under the Charities Act 1994 and has been an Institution of Public Character (IPC) since 6 March 1990. Its present IPC status is effective from 1 September 2021 to 31 August 2024.

Its registered address and principal place of activities is located at Fu Hui Link, 19 Compassvale Walk, Singapore 544644.

The principal activity of the Charity is the provision of shelter and nursing care services for the needy, handicapped people and the aged sick in Singapore.

The financial statements for the financial year ended 31 March 2023 were authorised for issue by the Executive Committee on 16 September 2023.

2 Basis of preparation

2.1 Statement of compliance

These financial statements have been prepared in accordance with the Financial Reporting Standards in Singapore (“FRSs”) and the related interpretations to FRS (“INT FRS”) as issued by the Singapore Accounting Standards Council. They are in compliance with the provisions of Societies Act the Charities Act and other relevant regulations.

2.2 Accounting convention

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.

GRACE LODGE

Notes to the Financial Statements
For the Financial Year Ended 31 March 2023

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2 Basis of preparation (cont'd)

2.3 Functional and presentation currency

These financial statements are presented in Singapore Dollar (“S\$”) which is the functional currency of the Charity.

3. Significant accounting policies

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Charity has adopted all the new and revised standards which are relevant to the Charity and are effective for annual financial periods beginning on or after 1 April 2022. The adoption of these standards did not have any material effect on the financial statements, unless otherwise indicated.

3.1 Plant and equipment

All items of plant and equipment are initially recorded at cost. Subsequent to recognition, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

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

| | <u>Useful lives</u> |
|------------------------|---------------------|
| Furniture and fittings | 10 years |
| Computer equipment | 3 years |
| Equipment | 10 years |
| Motor vehicles | 10 years |
| Renovations | 10 years |

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

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

Fully depreciated property, plant and equipment are retained in the financial statements until they are no longer in use.

GRACE LODGE

Notes to the Financial Statements For the Financial Year Ended 31 March 2023

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3. Significant accounting policies (cont'd)

3.2 Impairment of non-financial assets

The Charity assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Society makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash generating unit's fair value less costs of disposal and its value-in-use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in profit or loss, except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

3.3 Financial instruments

Recognition and derecognition of financial instruments:

A financial asset or a financial liability is recognised in the statement of financial position 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. At initial recognition, the financial asset or financial liability is measured at its fair value plus, 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 of the financial asset or financial liability.

GRACE LODGE

Notes to the Financial Statements For the Financial Year Ended 31 March 2023

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3. Significant accounting policies (cont'd)

3.3 Financial Instruments (cont'd)

Recognition and derecognition of financial instruments (cont'd):

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.

Classification and measurement of financial assets

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.

Classification and measurement of financial liabilities

Financial liabilities are classified as at fair value through profit or loss (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.

3.4 Fair value estimation of financial assets and liabilities

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 significant 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.

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Notes to the Financial Statements For the Financial Year Ended 31 March 2023

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3. Significant accounting policies (cont'd)

3.5 Impairment of financial assets

The Charity recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss and financial guarantee contracts. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Charity expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For trade receivables, the Charity applies a simplified approach in calculating ECLs. Therefore, the Charity does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Charity has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Charity considers a financial asset in default when contractual payments are 365 days past due. However, in certain cases, the Charity may also consider a financial asset to be in default when internal or external information indicates that the Charity is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Charity. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

3.6 Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and on hand. For the purpose of presentation in the statement of cash flows, restricted cash are excluded.

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Notes to the Financial Statements For the Financial Year Ended 31 March 2023

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3. Significant accounting policies (cont'd)

3.7 Provisions

Provisions are recognised when the Society has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. Changes in estimates are reflected in profit or loss in the financial year they occur.

3.8 Government grants

Government grants are recognised as a receivable when there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, the fair value is recognised as deferred income on the statement of financial position and is recognised as income in equal amounts over the expected useful life of the related asset.

When loans or similar assistance are provided by governments or related institutions with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as additional government grant.

3.9 Employee benefits

(a) Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity such as the Central Provident Fund and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which related services are rendered by employees.

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Notes to the Financial Statements For the Financial Year Ended 31 March 2023

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3. Significant accounting policies (cont'd)

3.9 Employee benefits (cont'd)

(b) 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 end of the reporting period.

3.10 Revenue recognition

The financial reporting standard on revenue from contracts with customers establishes a five-step model to account for revenue arising from contracts with customers. Revenue is recognised at an amount that reflects the consideration to which the entity expects to be entitled in exchange for transferring goods or services to a customer (which excludes estimates of variable consideration that are subject to a constraints, such as right of return exists, trade discounts, volume rebates and changes to the transaction price arising from modifications), net of any related sales taxes and excluding any amounts collected on behalf of third parties. An asset (goods or services) is transferred when or as the customer obtains control of that asset. As a practical expedient the effects of any significant financing component is not adjusted if the payment for goods or services will be within one year.

Revenues from patients/residents' fees are recognised when due and receivable.

Donations are recognised as income when received.

Income from rendering of services is recognised when the services are rendered.

Subsidies and grants are recognised as and when received.

3.11 Donation in kind

Assets given for use by the Charity are recognised as incoming resources and within the relevant plant and equipment category of the statement of financial position when its fair value can be measured reliably and it is receivable. Goods donated as consumables are recorded at values based on a reasonable estimate of their value (if material). Assets which are donated for resale, distribution or consumption are not recorded when received as it is usually not practical to ascertain the value of the items involved. No value is ascribed to volunteer services. The donation is recognised if the amount of the donation in kind can be measured reliably and there is no uncertainty that it will be received.

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Notes to the Financial Statements For the Financial Year Ended 31 March 2023

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3. Significant accounting policies (cont'd)

3.12 Funds

Fund balances restricted by outside sources are so indicated and are distinguished from unrestricted funds allocated to specific purposes, if any, by action of the management. Externally restricted funds may only be utilised in accordance with the purposes established by the source of such funds or through the terms of an appeal and are in contrast with unrestricted funds over which management retains full control to use in achieving any of its institutional purposes. An expense resulting from the operating activity of a fund that is directly attributable to the fund is charged to that fund. Common expenses, if any, are allocated on a reasonable basis to the funds based on a method most suitable to that common expense.

Accumulated Fund

This fund, which is unrestricted, is expendable at the discretion of the Executive Committee in furtherance of the Society's objectives.

Restricted Funds

Ministry of Health Medifund Account ("MOH Medifund account") is a restricted fund set up to account for the disbursement by the Ministry of Health (MOH) to the Charity to help needy patients approved by the Medifund Facility Committee. The fund is placed in a designated bank account solely for this purpose.

Agency for Integrated Care - Community Silver Trust grant ("AIC CST grant") is a restricted fund set up to account for grant received from the Community Silver Trust, which is a dollar-for-dollar matching grant provided by the Government and is managed by MOH and administered by the Agencies of Integrated Care.

3.13 Income tax

The Charity is exempt from income tax under Section 13(1)(zm) of the Singapore Income Tax Act.

4 Significant accounting judgement and estimates

There were no 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. There were no 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 within the next reporting period.

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Notes to the Financial Statements
For the Financial Year Ended 31 March 2023

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5. Plant and equipment

| | Furniture and fittings S\$ | Computer equipment S\$ | Equipment S\$ | Motor vehicles S\$ | Renovations S\$ | Total S\$ |
|---------------------------------|----------------------------------|------------------------------|------------------|--------------------------|--------------------|--------------|
| 2023 | | | | | | |
| Cost | | | | | | |
| At 1 April 2022 | 57,983 | 123,166 | 1,464,823 | 178,015 | 383,039 | 2,207,026 |
| Additions | - | 113,596 | 102,674 | - | - | 216,270 |
| Write-offs | - | - | (4,178) | - | - | (4,178) |
| At 31 March 2023 | 57,983 | 236,762 | 1,563,319 | 178,015 | 383,039 | 2,419,118 |
| Accumulated depreciation | | | | | | |
| At 1 April 2022 | 39,238 | 78,813 | 991,870 | 167,243 | 118,180 | 1,395,344 |
| Depreciation charge | 5,297 | 45,351 | 147,711 | 10,757 | 38,387 | 247,503 |
| Write-offs | - | - | (2,056) | - | - | (2,056) |
| At 31 March 2023 | 44,535 | 124,164 | 1,137,525 | 178,000 | 156,567 | 1,640,791 |
| Net book value | | | | | | |
| At 31 March 2023 | 13,448 | 112,598 | 425,794 | 15 | 226,472 | 778,327 |

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**Notes to the Financial Statements
For the Financial Year Ended 31 March 2023**

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5. Plant and equipment (cont'd)

| | Furniture and fittings S\$ | Computer equipment S\$ | Equipment S\$ | Motor vehicles S\$ | Renovations S\$ | Total S\$ |
|---------------------------------|----------------------------------|------------------------------|------------------|--------------------------|--------------------|--------------|
| <u>2022</u> | | | | | | |
| Cost | | | | | | |
| At 1 April 2021 | 57,983 | 204,050 | 1,443,780 | 178,015 | 383,039 | 2,266,867 |
| Additions | - | 7,300 | 26,965 | - | - | 34,265 |
| Write-offs | - | (88,184) | (5,922) | - | - | (94,106) |
| At 31 March 2022 | 57,983 | 123,166 | 1,464,823 | 178,015 | 383,039 | 2,207,026 |
| Accumulated depreciation | | | | | | |
| At 1 April 2021 | 33,941 | 130,887 | 850,009 | 156,153 | 79,793 | 1,250,783 |
| Depreciation charge | 5,297 | 36,110 | 145,509 | 11,090 | 38,387 | 236,393 |
| Write-offs | - | (88,184) | (3,648) | - | - | (91,832) |
| At 31 March 2022 | 39,238 | 78,813 | 991,870 | 167,243 | 118,180 | 1,395,344 |
| Net book value | | | | | | |
| At 31 March 2022 | 18,745 | 44,353 | 472,953 | 10,772 | 264,859 | 811,682 |

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**Notes to the Financial Statements
For the Financial Year Ended 31 March 2023**

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6. Trade and other receivables

| | 2023 S\$ | 2022 S\$ |
|---|------------------|------------------|
| Trade receivables - non-related parties | 918,056 | 901,216 |
| Less: Allowance for impairment | - | (300) |
| | <u>918,056</u> | <u>900,916</u> |
| Other receivables | 706,444 | 784,253 |
| GST receivables | 64,556 | 45,049 |
| | <u>1,689,056</u> | <u>1,730,218</u> |
| | ===== | ===== |

Trade receivables are non-interest bearing and are generally on 15 to 30 days' terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Sundry receivables are non-trade related, unsecured, non-interest bearing and repayable on demand.

Trade receivables that are past due but not impaired

The age analysis of trade receivables that are past due at the end of the reporting period but not impaired is as follows:

| | 2023 S\$ | 2022 S\$ |
|------------------------|-------------|-------------|
| Past due over 365 days | 143,780 | - |
| | ===== | ===== |

Trade receivables that are impaired

| | Individually impaired S\$ | Total S\$ |
|---|---------------------------------|--------------|
| Movement in the allowance for impairment: | | |
| Balance as at 1 April 2021 | 1,416 | 1,416 |
| Recovered (Note 16) | (1,116) | (1,116) |
| | <u>300</u> | <u>300</u> |
| Balance as at 31 March 2022 | 300 | 300 |
| Recovered (Note 16) | (300) | (300) |
| | <u>-</u> | <u>-</u> |
| Balance at 31 March 2023 | - | - |
| | ===== | ===== |

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**Notes to the Financial Statements
For the Financial Year Ended 31 March 2023**

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6. Trade and other receivables (cont'd)

The trade receivables are subject to the expected credit loss model under the financial reporting standard on financial instruments.

For purpose of impairment assessment, the trade and other receivables are considered to have low credit risk as revenue from patients are covered by recurrent grants from MOH and there have been no historical losses. There has been no significant increase in the risk of default since initial recognition. Accordingly, for the purpose of impairment assessment for these receivables, the loss allowance is measured at an amount equal to 12-month expected credit losses (ECL). No loss allowance is deemed necessary.

7. Cash and cash equivalents

| | 2023 S\$ | 2022 S\$ |
|-------------------------------|-------------|-------------|
| Cash and short-term deposits: | | |
| Cash at banks | 8,317,404 | 7,836,484 |
| Cash on hand | 694 | 749 |
| | 8,318,098 | 7,837,233 |
| | ===== | ===== |

For the purpose of presenting the statement of cash flows, cash and cash equivalents comprise the following:

| | 2023 S\$ | 2022 S\$ |
|--|-------------|-------------|
| Cash and short-term deposits | 8,318,098 | 7,837,233 |
| Less: Restricted cash - Medifund account | (544,249) | (148,503) |
| - AIC CST Grant | (140,493) | (236,708) |
| | 7,633,356 | 7,452,022 |
| | ===== | ===== |

8. Government grants

| | 2023 S\$ | 2022 S\$ |
|---|-------------|-------------|
| <i><u>Recurrent grant from Ministry of Health</u></i> | | |
| Beginning of financial year | - | - |
| Grants received during the year (Note 14) | 7,298,121 | 7,076,487 |
| Grants utilised during the year | (7,298,121) | (7,076,487) |
| | - | - |
| | ===== | ===== |

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**Notes to the Financial Statements
For the Financial Year Ended 31 March 2023**

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8. Government grants (cont'd)

| | 2023 S\$ | 2022 S\$ |
|--|-------------|-------------|
| <u><i>Enhanced Nurse Special Payment and Community Care Salary Enhancement grant from Agency for Integrated Care (AIC)</i></u> | | |
| Beginning of financial year | - | - |
| Grants received during the year (Note 14) | 420,469 | 343,590 |
| Grants utilised during the year | (420,469) | (343,590) |
| | - | - |
| End of financial year | - | - |
| <u><i>Community Silver Trust (CST) grant from Agency for Integrated Care (AIC)</i></u> | | |
| Beginning of financial year | 236,708 | 372,524 |
| Grants received during the year (Note 14) | 196,391 | - |
| Grants utilised during the year | (276,018) | (65,816) |
| Grants expired during the year | (16,588) | (70,000) |
| | 140,493 | 236,708 |
| End of financial year | 140,493 | 236,708 |
| <u><i>Claim C+ for Residents grant from Agency for Integrated Care (AIC)</i></u> | | |
| Beginning of financial year | - | - |
| Grants received during the year (Note 14) | 96,035 | - |
| Grants utilised during the year | (96,035) | - |
| | - | - |
| End of financial year | - | - |
| <u><i>Healthcare Productivity Fund (HPF) grant from Agency for Integrated Care (AIC)</i></u> | | |
| Beginning of financial year | - | - |
| Grants received during the year (Note 14) | 18,700 | 24,735 |
| Grants utilised during the year | (18,700) | (24,735) |
| | - | - |
| End of financial year | - | - |

These are restricted designated grants received from the Government of Singapore to subsidise and aid in the expenses of the patients.

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Notes to the Financial Statements

For the Financial Year Ended 31 March 2023

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9. Deferred capital grant

| | 2023 S\$ | 2022 S\$ |
|------------------------------------|-------------|-------------|
| Beginning of the financial year | 191,732 | 188,954 |
| Grants received during the year | 115,492 | 33,935 |
| Recognition for the year (Note 16) | (41,113) | (31,157) |
| | <hr/> | <hr/> |
| End of financial year | 266,111 | 191,732 |
| | ===== | ===== |
| Current | 52,039 | 31,157 |
| Non-current | 214,072 | 160,575 |
| | <hr/> | <hr/> |
| | 266,111 | 191,732 |
| | ===== | ===== |

During the financial year, a capital expenditure grant of S\$115,492 (2022: S\$33,935) was received from the Agency of Integrated Care (“CST”) for the upgrade of WIFI and Nursing Call System.

These capital grants are amortised over the useful life of the asset which is 3 years and 10 years, respectively.

10. Trade and other payables

| | 2023 S\$ | 2022 S\$ |
|--------------------------------------|-------------|-------------|
| Trade payables - non-related parties | 382,090 | 359,913 |
| Amounts due to a related party | 1,411,420 | 1,306,879 |
| Accruals | 20,000 | 20,000 |
| | <hr/> | <hr/> |
| Financial liabilities | 1,813,510 | 1,686,792 |
| GST payable | 36,372 | 28,896 |
| | <hr/> | <hr/> |
| | 1,849,882 | 1,715,688 |
| | ===== | ===== |

Trade payables are non-interest bearing and are generally on 30 days’ terms.

Amounts due to a related party is non-trade related, unsecured, non-interest bearing and repayable on demand.

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Notes to the Financial Statements
For the Financial Year Ended 31 March 2023

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11. Patients' deposits

| | 2023 S\$ | 2022 S\$ |
|--------------------|-------------|-------------|
| Patients' deposits | 114,633 | 110,266 |
| | ===== | ===== |

Patients' deposits are refundable deposits received from patients upon admission and refundable upon discharge of the patients from the Nursing Home. The quantum varies for each patient and is dependent upon their ability to pay and committed monthly payments based on financial counselling and social worker's report.

12. Voluntary income

| | 2023 S\$ | 2022 S\$ |
|-------------------------------|----------------|----------------|
| Tax-exempt donations received | 100,302 | 101,181 |
| Donations received | 36,751 | 53,635 |
| | <u>137,053</u> | <u>154,816</u> |
| | ===== | ===== |

13. Activities for generating funds

| | 2023 S\$ | 2022 S\$ |
|------------------------------------|------------------|------------------|
| Revenue from patients | 10,001,652 | 9,597,254 |
| Less: Patients' subsidies | | |
| - Recurrent grant subsidy | 7,298,121 | 6,958,882 |
| - ILTC subvention | 41,332 | 42,929 |
| - Waiver | 119,888 | 108,185 |
| | (7,459,341) | (7,109,996) |
| Less: Utilisation - Medifund grant | (608,854) | (1,401,810) |
| | <u>1,933,457</u> | <u>1,085,448</u> |
| | ===== | ===== |

GRACE LODGE

**Notes to the Financial Statements
For the Financial Year Ended 31 March 2023**

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14. Income from charitable activities

| | 2023 S\$ | 2022 S\$ |
|---|------------------|------------------|
| Received from MOH | | |
| - Recurrent grant subsidy | 7,298,121 | 7,076,487 |
| - Rental subvention | 600,484 | 605,836 |
| - Replacement ratio | - | - |
| AIC-Enhanced Nurse Special Payment and Community Care Salary Enhancement | 420,469 | 343,590 |
| AIC-CST grant received | 170,482 | - |
| AIC-Claim for C+ residents | 96,035 | - |
| AIC-HPF Fund received | 18,700 | 24,735 |
| AIC-Other Fund | 16,376 | 58,492 |
| Others | - | 604,900 |
| | <u>8,620,667</u> | <u>8,714,040</u> |
| | ===== | ===== |

15. Other income

| | 2023 S\$ | 2022 S\$ |
|--|----------------|----------------|
| Wage credit scheme | 54,629 | 29,435 |
| Jobs credit grant | 38,433 | 57,831 |
| MOH capital expenditure income (Note 9) | 31,157 | 31,157 |
| Job support scheme | - | 35,278 |
| Reversal of allowance for impairment of trade receivables | 300 | 1,116 |
| Sundry income | 36,000 | 30,120 |
| | <u>160,519</u> | <u>184,937</u> |
| | ===== | ===== |

In 2020, the Company received wage support for local employees under the Jobs Support Scheme (“JSS”) from the Singapore Government as part of the Government’s measures to support businesses during the period of economic uncertainty impacted by COVID-19. The Company assessed that there is reasonable assurance that it will comply with the conditions attached to the grants and the grants will be received. Grant income is recognised in profit or loss on a systematic basis over the period of uncertainty in which the related salary costs for which the grant is intended to compensate is recognised as expenses. Government grant income of S\$ Nil (2022: S\$35,278) was recognised during the financial year.

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Notes to the Financial Statements

For the Financial Year Ended 31 March 2023

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16. Staff costs

| | 2023 S\$ | 2022 S\$ |
|---|------------------|------------------|
| Salaries | 4,036,005 | 3,545,911 |
| Bonus | 660,945 | 530,823 |
| CPF contribution, SDL and FWL | 1,308,403 | 1,166,941 |
| Other short-term employee benefits | - | 41,592 |
| | <u>6,005,353</u> | <u>5,285,267</u> |
| | ===== | ===== |
| Total number of employees as of end of financial year | 153 | 148 |
| | ===== | ===== |
| Number of staffs in remuneration band: | | |
| S\$100,001 - S\$200,000 | 3 | 1 |
| S\$50,001 - S\$100,000 | 17 | 6 |
| S\$50,000 and below | 133 | 142 |
| | <u>153</u> | <u>149</u> |
| | ===== | ===== |

17. Related party transactions

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Charity and related parties took place at terms agreed between the parties during the financial year:

| | 2023 S\$ | 2022 S\$ |
|---|------------------|------------------|
| Rental of office premises, water and electricity charged by a related party | 2,564,534 | 2,416,409 |
| Management fee paid to a related party | 96,000 | 96,000 |
| | <u>2,660,534</u> | <u>2,512,409</u> |
| | ===== | ===== |

Related parties comprise mainly entities which are controlled or significantly influenced by members of the Executive Committee.

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**Notes to the Financial Statements
For the Financial Year Ended 31 March 2023**

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17. Related party transactions (cont'd)

Key management personnel compensation:

Key management personnel are those having authority and responsibility for planning, directing and controlling the activities of the Charity. The members of the Executive Committee are considered key management personnel and did not receive any form of remuneration for the financial years ended 31 March 2023 and 2022.

18. Categories of financial assets and liabilities

The carrying amounts presented in the statement of financial position relate to the following categories of assets and liabilities:

| | 2023 S\$ | 2022 S\$ |
|--|-------------------|------------------|
| <u>Financial assets</u> | | |
| Financial assets at amortised cost: | | |
| Trade and other receivables | 1,689,056 | 1,730,218 |
| Cash and bank balances | 8,318,098 | 7,837,233 |
| | <u>10,007,154</u> | <u>9,567,451</u> |
| | ===== | ===== |
| <u>Financial liabilities</u> | | |
| Financial liabilities at amortised cost: | | |
| Trade and other payables | 1,813,510 | 1,686,792 |
| Patients' deposits | 114,633 | 110,266 |
| | <u>1,928,143</u> | <u>1,797,058</u> |
| | ===== | ===== |

Further quantitative disclosures are included throughout these financial statements.

19. Financial risk management

The Charity's activities expose it to a variety of financial risks from its operations. The key financial risks include credit risk and liquidity risk.

The Executive Committee reviews and agrees policies and procedures for managing each of these risks on an informal basis. It is, and has been, throughout the current and previous financial year, the Charity's policy that no trading in derivatives for speculative purposes shall be undertaken.

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**Notes to the Financial Statements
For the Financial Year Ended 31 March 2023**

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19. Financial risk management (cont'd)

The following sections provide details regarding the Charity's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the Charity's exposure to these financial risks or the manner in which it manages and measures the risk.

(a) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Charity. The major classes of financial assets of the Charity are trade and other receivables and cash and cash equivalents.

As the Charity does not hold any collateral, the maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the statement of financial position.

For expected credit losses (ECL) on financial assets, the three-stage approach in the financial reporting standard on financial instruments is used to measure the impairment allowance. Under this approach the financial assets move through the three stages as their credit quality changes. However, a simplified approach is permitted by the financial reporting standards on financial instruments for financial assets that do not have a significant financing component, such as trade receivables. On initial recognition, a day-1 loss is recorded equal to the 12-month ECL (or lifetime ECL for trade receivables), unless the assets are considered credit impaired.

For credit risk on trade receivables an ongoing credit evaluation is performed on the financial condition of the debtors and an impairment 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.

Credit risk concentration profile

The Charity has no concentration of credit risk, with exposure spread over a large number of counterparties and patients, apart from cash and cash equivalents placed with reputable licensed banks in Singapore.

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**Notes to the Financial Statements
For the Financial Year Ended 31 March 2023**

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19. Financial risk management (cont'd)

(b) Liquidity risk

Liquidity risk is the risk that the Charity will encounter difficulty in meeting financial obligations due to shortage of funds. The Charity manages its liquidity risk by maintaining an adequate level of cash and cash equivalents. The Executive Committee is satisfied that funds are available to finance the operations of the Charity.

The Charity's financial liabilities, which comprise of trade and other payables and patients' deposits, mature within 12 months from the end of the reporting period based on contractual undiscounted repayment obligations.

20. Fair value of assets and liabilities

The carrying amounts of trade and other receivables, cash and bank balances, trade and other payables, and patients' deposits are reasonable approximation of fair values due to their short-term nature.

21. Capital management

The Charity's objectives when managing capital are to safeguard the Charity's ability to continue as a going concern so that it can continue to provide delivery of its services and programmes to the public and its members.

The capital structure of the Charity consists of accumulated fund and MOH Medifund account, as shown in the statement of financial position. In order to maintain the capital structure, the Charity may appeal for donation from the general public.

The Charity reviews its accumulated fund at least once annually to ensure that the Charity will be able to continue as a going concern. The Charity's overall strategy remains unchanged from 2022.

The Charity is not subject to any externally imposed capital requirements for the financial years ended 31 March 2023 and 2022, respectively.

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Notes to the Financial Statements For the Financial Year Ended 31 March 2023

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22. Columnar presentation of statement of financial position

A large majority of the assets and liabilities are attributable to the Accumulated Fund. All the assets of the other funds are represented by cash and plant and equipment balances. Accordingly, the Charity did not adopt a columnar presentation of its assets, liabilities and funds in the Statement of Financial Position as it was not meaningful.

23. Changes and adoption of financial reporting standards

The adoption of these accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Company has adopted all the new and amended standards which are relevant to the Company and are effective for annual financial periods beginning on or after 1 April 2022. The adoption of these standards did not have any material effect on the financial performance or position of the Charity.

FRSs effective for annual period beginning on or after 1 April 2022

The following standards and interpretations are effective for the annual period beginning on or after 1 April 2022:

- Amendments to FRS 16 Property, Plant and Equipment: Proceeds before Intended Use
- Amendments to FRS 37 Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts – Cost of Fulfilling a Contract
- Annual Improvements to FRSs 2018 - 2020

24. New standards and interpretations not yet adopted

For the future reporting years certain new or revised financial reporting standards were issued by the Singapore Accounting Standards Council and these will only be effective for future reporting years. Those applicable to the Charity for future reporting years are listed below. The transfer to the applicable new or revised standards from the effective dates is not expected to result in any significant modification of the measurement methods or the presentation in the financial statements for the following year from the known or reasonably estimable information relevant to assessing the possible impact that application of the new or revised standards may have on the entity's financial statements in the period of initial application.

GRACE LODGE

Notes to the Financial Statements
For the Financial Year Ended 31 March 2023

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24. New standards and interpretations not yet adopted (cont'd)

The Charity has not adopted the following standards applicable to the Charity that have been issued but not yet effective:

| Description | Effective for annual periods beginning on or after |
|--|---|
| Amendments to FRS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-Current | 1 January 2023 |
| Amendments to FRS 1 Presentation of Financial Statements and FRS Practice Statement 2: Disclosure of Accounting Policies | 1 January 2023 |
| Amendments to FRS 8 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates | 1 January 2023 |
| Amendments to FRS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction | 1 January 2023 |
| Amendments to FRS 116 Leases: Lease Liability in a Sale and Leaseback | 1 January 2024 |
| Amendments to FRS 1 Presentation of Financial Statements: Non-current Liabilities with Covenants | 1 January 2024 |
| Amendments to FRS 7 and FRS 107: Supplier Finance Arrangements | 1 January 2024 |

The Executive Committee expect that the adoption of the standards above will have no material impact on the financial statements in the year of initial application.

GRACE LODGE
(UEN: S88SS0120C)
(Registered in Singapore Under the Societies Act 1966,
Charities Act 1994 and Institution of Public Character)

AUDITED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
31 MARCH 2023