

SIAN CHAY MEDICAL INSTITUTION
(Registered in Singapore)
UEN No. S62SS0055D
(Registered under the Charities Act, Chapter 37)
FINANCIAL STATEMENTS
31 December 2021

UHY LEE SENG CHAN & CO
Public Accountants and
Chartered Accountants

SIAN CHAY MEDICAL INSTITUTION
UEN No. S62SS0055D

FINANCIAL STATEMENTS

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Sian Chay Medical Institution

List of Management Committee (84th Term)

The Management committee (84th Term) comprised the following:

Chairman	Mr. Toh Soon Huat (JP, BBM, PVPA)
Vice Chairman	Dato' Sri Ricky Kok Kuan Hwa (PBM)
Vice Chairman	Dato' Seri Dr. Derek Goh Bak Heng [BBM (L)]
Vice Chairman	Mr. Lim Oon Cheng Kenny
Secretary	Mr. Raymond Chua Swee Wah (PBM)
Assistant Secretary	Dato' Seri Jackson Teo Ngiang Heng (PBM)
Treasurer	Dr. Simon Keak Lai Heng (PBM)
Assistant Treasurer	Mr. Yap Seng Teck (PBM)
Social Affairs Director	Ms. Annie Gan Giok Em (PBM)
Director	Mr. Ng Cher Yan (BBM)
Director	Mr. Clifton Yong Kee Tong

Sian Chay Medical Institution

Statement by Management Committee

For the Financial Year Ended 31 December 2021

The Management Committee presents their statement to the members together with the audited financial statements of Sian Chay Medical Institution (the "Institution") for the financial year ended 31 December 2021.

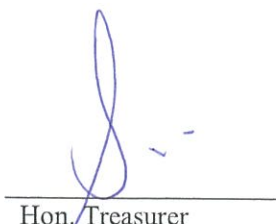
In the opinion of the Management Committee,

- (a) the accompanying financial statements are drawn up in accordance with the provision 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 Institution as at 31 December 2021 and the results, changes in funds and cash flows of the Institution for the year ended on that date;
- (b) at the date of this statement, there are reasonable grounds to believe that the Institution will be able to pay its debts as and when they fall due;
- (c) the accounting and other records required by the Societies Act, the Charities Act and Regulations to be kept by the Institution have been properly kept in accordance with the provisions of the Societies Act, the Charities Act and Regulations;
- (d) the use of donation monies is in accordance with the objectives of the Institution as required under Regulation 11 of the Charities (Institutions of Public Character) Regulations; and
- (e) the Institution has complied with Regulation 15 (Fund-raising expenses) of the Charities (Institutions of Public Character) Regulations.

On behalf of the Management Committee (84th Term),



Chairman
Toh Soon Huat



Hon. Treasurer
Simon Keak Lai Heng

Singapore
8 June 2022

Independent Auditor's Report to the Members of Sian Chay Medical Institution
For the Financial Year Ended 31 December 2021

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Sian Chay Medical Institution (the Institution), which comprise the balance sheet as at 31 December 2021, and the statement of income and expenditure and other comprehensive income, statement of changes in funds and statement of cash flows for the 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 Institution as at 31 December 2021 and the results, changes in funds and cash flows of the Institution for the year ended on that date.

Basis for Opinion

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

Other Information

Management is responsible for the other information. The other information comprises the information included in the List of Management Committee (84th Term) and the information in the Statement by Management Committee set out on page 1 and page 2 respectively.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independent Auditor's Report to the Members of Sian Chay Medical Institution
For the Financial Year Ended 31 December 2021

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

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

The Management Committee and those charged with governance are responsible for overseeing the Institution'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 Institution's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management Committee.

Independent Auditor's Report to the Members of Sian Chay Medical Institution
For the Financial Year Ended 31 December 2021

- Conclude on the appropriateness of the Management Committee'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 Institution'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 Institution to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with 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:

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

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

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



UHY Lee Seng Chan & Co
Public Accountants and
Chartered Accountants

Singapore
8 June 2022

Sian Chay Medical Institution

Balance Sheet

As at 31 December 2021

	Note	2021 \$	2020 \$
ASSETS			
Current assets			
Cash and bank balances	4	30,170,923	25,865,294
Other receivables	5	164,668	235,226
Investment securities	6	3,102,557	4,780,156
Inventories	7	132,228	310,968
		<u>33,570,376</u>	<u>31,191,644</u>
Non-current assets			
Investment securities	6	10,334,916	6,375,578
Property, plant and equipment	8	891,474	654,256
		<u>11,226,390</u>	<u>7,029,834</u>
Total assets		<u>44,796,766</u>	<u>38,221,478</u>
LIABILITIES			
Current liabilities			
Trade and other payables	9	559,940	346,210
Lease liabilities	10(b)	136,389	163,767
		<u>696,329</u>	<u>509,977</u>
Non-current liabilities			
Lease liabilities	10(b)	126,456	241,567
Deferred income		-	8,314
		<u>126,456</u>	<u>249,881</u>
Total liabilities		<u>822,785</u>	<u>759,858</u>
NET ASSETS		<u>43,973,981</u>	<u>37,461,620</u>
FUNDS			
Capital fund	11	230,000	230,000
<u>Unrestricted fund</u>			
Fair value reserve	12(i)	(1,083,198)	138,546
General fund	12(ii)	36,009,121	28,397,682
<u>Restricted fund</u>			
Memorial endowment fund	13	8,818,058	8,695,392
Total funds		<u>43,973,981</u>	<u>37,461,620</u>

The accompanying notes form an integral part of these financial statements

Sian Chay Medical Institution

Statement of Income and Expenditure and Other Comprehensive Income
For the Financial Year Ended 31 December 2021

		← 2021 →		2020
	Note	Unrestricted fund \$	Restricted fund \$	Total \$
Income				
Voluntary income ⁽¹⁾	14	15,232,149	-	15,232,149
Charitable income	15	2,263,100	-	2,263,100
Investment income	16	367,686	122,666	490,352
Other income	17	338,424	-	338,424
Total income		18,201,359	122,666	18,324,025
EXPENDITURE				
Cost of generating voluntary income	18	1,852,270	-	1,852,270
Cost of charitable activities	19	1,401,182	-	1,401,182
Other expenses	20	7,336,468	-	7,336,468
Total expenditure		10,589,920	-	10,589,920
Surplus for the year		7,611,439	122,666	7,734,105
Other comprehensive (loss)/income				
Fair value (loss)/gain on equity instruments at fair value through other comprehensive income		(1,221,744)	-	(1,221,744)
Total comprehensive income for the year		6,389,695	122,666	6,512,361

⁽¹⁾ Represents total gross receipts from fund raising during the financial year

The accompanying notes form an integral part of these financial statements

Sian Chay Medical Institution

Statement of Changes in Funds

For the Financial Year Ended 31 December 2021

	← Unrestricted fund →			Restricted fund	
	Capital fund	Fair value reserve	General fund	Memorial endowment fund	Total
	\$	\$	\$	\$	\$
Balance at 1 January 2020	230,000	-	21,899,518	7,631,132	29,760,650
Surplus for the year	-	-	6,498,164	1,064,260	7,562,424
<u>Other comprehensive income</u>					
Fair value gain on equity instruments at fair value through other comprehensive income	-	138,546	-	-	138,546
Total comprehensive income for the year	-	138,546	6,498,164	1,064,260	7,700,970
Balance at 31 December 2020	230,000	138,546	28,397,682	8,695,392	37,461,620
Balance at 1 January 2021	230,000	138,546	28,397,682	8,695,392	37,461,620
Surplus for the year	-	-	7,611,439	122,666	7,734,105
<u>Other comprehensive loss</u>					
Fair value loss on equity instruments at fair value through other comprehensive income	-	(1,221,744)	-	-	(1,221,744)
Total comprehensive income for the year	-	(1,221,744)	7,611,439	122,666	6,512,361
Balance at 31 December 2021	230,000	(1,083,198)	36,009,121	8,818,058	43,973,981

The accompanying notes form an integral part of these financial statements

Sian Chay Medical Institution

Statement of Cash Flows

For the Financial Year Ended 31 December 2021

	Note	2021 \$	2020 \$
Cash flows from operating activities			
Surplus for the year		7,734,105	7,562,424
Adjustments for:			
Depreciation of property, plant and equipment	8	267,006	404,938
Fair value gain on financial assets at fair value through profit or loss	17	(3,538)	-
Gain on termination of lease	17	(21,949)	-
Dividend income	16	(295,919)	-
Interest expense		15,881	18,621
Interest income	16	(194,433)	(357,526)
Operating cash flows before changes in working capital		7,501,153	7,628,457
Changes in working capital:			
Other receivables		9,972	(4,912)
Financial assets at fair value through profit or loss		1,681,137	(4,780,156)
Inventories		178,740	57,425
Trade and other payables		204,516	(329,432)
Net cash from operating activities		9,575,518	2,571,382
Cash flows from investing activities			
Purchase of property, plant and equipment (Note A)		(473,167)	(51,145)
Purchase of financial assets at fair value through other comprehensive income		(5,181,082)	(6,237,032)
Interest received		276,768	431,445
Dividend received		275,069	-
Net cash used in investing activities		(5,102,412)	(5,856,732)
Cash flows from financing activities			
Payment of principal portion of lease liabilities		(151,596)	(175,728)
Interest paid		(15,881)	(18,621)
Net cash used in financing activities	10(d)	(167,477)	(194,349)
Net change in cash and cash equivalents		4,305,629	(3,479,699)
Cash and cash equivalents at beginning of year		25,865,294	29,344,993
Cash and cash equivalents at end of year	4	30,170,923	25,865,294

Note A: During the financial year, the Institution acquired property, plant and equipment with an aggregate cost of \$689,363 (2020 : \$51,145) of which \$216,196 (2020: Nil) pertains to right-of-use assets and the balance of \$473,167 (2020 : 51,145) is paid in cash.

The accompanying notes form an integral part of these financial statements

Notes to the Financial Statements

For the Financial Year Ended 31 December 2021

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

1. General information

Sian Chay Medical Institution (the “Institution”) was registered as a charity under the former Charities Act (Chapter 37) on 19 March 1984 (now known as Charities Act 1994) with its registered office located at 610 Geylang Road (Off Lorong 36), Singapore 389549. It is also approved as an Institution of Public Character (IPC) by the Ministry of Health.

The principal activities of the Institution are to provide free medical consultation or subsidised medication to the lower income and needy patients.

The financial statements of the Institution for the financial year ended 31 December 2021 were authorised for issue by the Management Committee on 8 June 2022.

2. Summary of significant accounting policies

2.1 Basis of preparation

The financial statements have been prepared in accordance with the provisions of the Societies Act 1966, the Charities Act 1994 and Financial Reporting Standards in Singapore (“FRSs”). The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies set out below.

The financial statements are presented in Singapore dollar (“\$”), which is the Institution’s functional currency.

2.2 Adoption of new and amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Institution has adopted all the new and amended standards which are relevant to the Institution and are effective for annual financial periods beginning on or after 1 January 2021. The adoption of these standards did not have any material effect on the financial performance or position of the Institution.

2.3 Financial instruments

(a) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when the entity becomes party to the contractual provisions of the instruments.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2021

2. Summary of significant accounting policies (continued)

2.3 Financial instruments (continued)

(a) Financial assets (continued)

Initial recognition and measurement (continued)

At initial recognition, the Institution measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Subsequent measurement

Investments in debt instruments

Subsequent measurement of debt instruments depends on the Institution's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are amortised cost, fair value through other comprehensive income (FVOCI) and FVPL. The Institution only has debt instruments at amortised cost.

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through the amortisation process.

Investments in equity instruments

On initial recognition of an investment in equity instrument that is not held for trading, the Institution may irrevocably elect to present subsequent changes in fair value in other comprehensive income which will not be reclassified subsequently to profit or loss. Dividends from such investments are to be recognised in profit or loss when the Institution's right to receive payments is established. For investments in equity instruments which the Institution has not elected to present subsequent changes in fair value in other comprehensive income, changes in fair value are recognised in profit or loss.

Derecognition

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received (and, where applicable, any cumulative gain or loss that has been recognised in other comprehensive income) is recognised in profit or loss.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2021

2. Summary of significant accounting policies (continued)

2.3 Financial instruments (continued)

(b) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Institution becomes a party to the contractual provisions of the financial instrument. The Institution determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at FVPL, directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at FVPL are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

2.4 Property, plant and equipment

All items of property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses. The cost of property, plant and equipment includes its purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the property, plant and equipment.

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

	<u>Useful Lives</u>
Freehold properties	50 years
Leasehold properties	lease period of 3 years
Motor vehicle	5 years
Air-conditioners	3 years
Renovation and fixtures	3 years
Other assets	3 - 5 years

Notes to the Financial Statements

For the Financial Year Ended 31 December 2021

2. Summary of significant accounting policies (continued)

2.4 Property, plant and equipment (continued)

Other assets comprise computers, diagnosis and office equipment, and furniture and fittings.

Freehold properties comprise freehold land and building erected thereon. Freehold land is not depreciated.

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

The residual values, useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each reporting date to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

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

2.5 Impairment of non-financial assets

The Institution assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, (or, where applicable, when an annual impairment testing for an asset is required), the Institution 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 group 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.

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.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2021

2. Summary of significant accounting policies (continued)

2.6 Impairment of financial assets

The Institution recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at FVPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Institution 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).

The Institution considers a financial asset in default when contractual payments are 60 days past due. However, in certain cases, the Institution may also consider a financial asset to be in default when internal or external information indicates that the Institution is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Institution. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.7 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, cash at banks and fixed deposits placed with financial institutions which are subject to an insignificant risk of changes in value.

2.8 Inventories

Inventories comprising medical supplies are stated at the lower of cost and net realisable value. Cost is determined primarily on a first-in-first-out basis and includes cost of purchase and all other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

When necessary, allowance is provided for damaged, obsolete and slow moving items to adjust the carrying value of inventories to the lower of cost and net realisable value.

2.9 Provisions

Provisions are recognised when the Institution 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.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2021

2. Summary of significant accounting policies (continued)

2.9 Provisions (continued)

Provisions are reviewed at each reporting date 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.

2.10 Borrowing costs

All borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss in the period in which they are incurred.

2.11 Employee benefits

(a) Defined contribution plans

The Institution makes contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

(b) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Institution has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

2.12 Leases

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

As lessee

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

Notes to the Financial Statements

For the Financial Year Ended 31 December 2021

2. Summary of significant accounting policies (continued)

2.12 Leases (continued)

As lessee (continued)

Right-of-use assets

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

If ownership of the leased asset transfers to the Institution at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in Note 2.5.

The Institution's right-of-use assets are presented within property, plant and equipment (Note 8).

Lease liabilities

At the commencement date of the lease, the Institution recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Institution and payments of penalties for terminating the lease, if the lease term reflects the Institution exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

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

The Institution's lease liabilities are disclosed in Note 10.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2021

2. Summary of significant accounting policies (continued)

2.12 Leases (continued)

As lessee (continued)

Short-term leases and leases of low-value assets

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

As lessor

The Institution has no lessor arrangements.

2.13 Revenue

Revenue is measured based on the consideration to which the Institution expects to be entitled in exchange for transferring promised goods or services to a customer.

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

Rendering of healthcare services

Revenue from rendering of healthcare services, which include acupuncture, tuina therapy treatment and cupping is recognised when the services are rendered.

Sale of healthcare products

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

Donations

Donations are recognised when the right to receive is established.

Investment income

Investment income comprising interest income from fixed deposits is recognised using the effective interest rate method.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2021

2. Summary of significant accounting policies (continued)

2.14 Memorial endowment fund

This fund aims to support the charity mission of providing free Traditional Chinese Medicine consultation and treatment at the Institution, for hardship cases concerning needy families referred by the weekly Meet-The-People sessions to the Institution.

2.15 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.

2.16 Taxes

As a registered charity under the Charities Act 1994, the Institution is exempted from income tax under Section 13 of the Income Tax Act, Chapter 134.

3. Critical accounting judgements and key sources of estimation uncertainty

The preparation of the Institution's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

(a) Judgements in applying accounting policies

Management is of the opinion that there are no significant judgements made in applying accounting estimates and policies that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2021

3. Critical accounting judgements and key sources of estimation uncertainty (continued)

(b) Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Institution based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Institution. Such changes are reflected in the assumptions when they occur.

Depreciation of property, plant and equipment

Management estimates the useful lives of property, plant and equipment to be between 3 years and 5 years, except for freehold properties whose useful life is expected to be 50 years. These are common life expectancies applied in the relevant industry. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets. Hence, future depreciation charges could be revised. The carrying amounts of the Institution's property, plant and equipment are disclosed in Note 8.

4. Cash and bank balances

	2021 \$	2020 \$
Cash at banks	1,915,645	1,789,959
Cash on hand	58,773	45,102
Fixed deposits	28,196,505	24,030,233
Representing cash and cash equivalents as per statement of cash flows	<u>30,170,923</u>	<u>25,865,294</u>

Fixed deposits have maturity period of between 3 to 12 (2020 : 3 to 24) months and earn interest at rates ranging from 0.4% to 0.65% (2020 : 0.45% to 2%) per annum.

Fixed deposits are considered as cash and cash equivalents because it can be withdrawn at any point in time without restrictions other than forfeiture of interest if withdrawn before maturity date.

Sian Chay Medical Institution

Notes to the Financial Statements

For the Financial Year Ended 31 December 2021

5. Other receivables

	2021	2020
	\$	\$
Dividend receivable	20,850	-
Interest receivable	81,162	163,497
Refundable deposits	56,572	64,132
Prepayments	6,084	7,597
	<u>164,668</u>	<u>235,226</u>

Refundable deposits comprised rental and utilities deposit paid in respect of the institution's treatment centres.

6. Investment securities

	2021	2020
	\$	\$
<u>Current</u>		
At fair value through profit or loss (FVPL)		
- quoted investment funds	602,557	4,780,156
- fixed income fund ⁽²⁾	2,500,000	-
	<u>3,102,557</u>	<u>4,780,156</u>
<u>Non-current</u>		
At fair value through other comprehensive income (FVOCI)		
- quoted equity securities ⁽¹⁾	10,334,916	6,375,578

The fair values of quoted investment funds and quoted equity securities are based on the quoted closing market prices on the last market day of the financial year.

⁽¹⁾ Investment in quoted equity securities was held for long-term strategic purposes. Accordingly, management had elected to designate this investment as at FVOCI as they are of the view that recognising short-term fluctuations in the fair value of these investments in profit or loss would not be consistent with the Institution's strategy of holding these investments for long-term purposes.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2021

6. Investment securities (continued)

⁽²⁾ During the financial year, the Institution invested in Participating Shares in a fixed income fund with the following favourable key attributes:

- (i) If the aggregate Net Asset Value of all Participating Shares falls below the total Subscription Price attributable to the Participating Shares, the holding company of the Investment Manager, shall cause the sub-fund to issue new Participating Shares to the holders of the Participating Shares at the issue price, so as to cause the Net Asset Value attributable to all Participating Shares to be equal to the Participating Total Subscription Price. The issue price of the new Participating Shares shall be paid by the holding company of the Investment Manager.
- (ii) Dividends declared and accrued shall be guaranteed by the Investment Manager at 0.6% of the Participating Total Subscription Price every month.

Fees and charges of the investment are summarised below:

- (a) A one-time sales charge of 1% of the subscription amount, which was subsequently waived by the Investment Manager
- (b) There are currently no subscription fees charged
- (c) There are currently no redemption fees charged
- (d) No management fees will be charged
- (e) The Investment Manager will also be entitled to an incentive fee after payment of dividends described in 6(i) above

This investment was approved by the Management Committee at the Board Meeting held on 27 May 2021.

7. Inventories

	2021 \$	2020 \$
Medical supplies	132,228	310,968
Cost of inventories recognised in statement of income and expenditure and included in cost of charitable activities	1,401,182	1,520,517

Notes to the Financial Statements
For the Financial Year Ended 31 December 2021

8. Property, plant and equipment

2021

	Freehold properties \$	Leasehold properties \$	Motor vehicle \$	Air conditioners \$	Renovation and fixtures \$	Other assets \$	Total \$
Cost							
Balance at beginning	415,603	777,192	93,666	56,112	2,547,893	834,905	4,725,371
Additions	-	216,196	84,900	-	347,650	40,617	689,363
Derecognition due to termination of lease	-	(370,278)	-	-	-	-	(370,278)
Balance at end	415,603	623,110	178,566	56,112	2,895,543	875,522	5,044,456
Accumulated depreciation							
Balance at beginning	232,737	412,714	76,493	52,196	2,507,286	789,689	4,071,115
Charge for the year	-	144,257	25,577	2,285	64,514	30,373	267,006
Derecognition due to termination of lease	-	(185,139)	-	-	-	-	(185,139)
Balance at end	232,737	371,832	102,070	54,481	2,571,800	820,062	4,152,982
Carrying amount							
Balance at 31 December 2021	182,866	251,278	76,496	1,631	323,743	55,460	891,474

Notes to the Financial Statements
For the Financial Year Ended 31 December 2021

8. Property, plant and equipment (continued)

	2020					
	Freehold properties \$	Leasehold properties \$	Motor vehicle \$	Air conditioners \$	Renovation and fixtures \$	Other assets \$
						Total \$
Cost						
Balance at beginning	415,603	777,192	93,666	52,052	2,533,449	4,674,226
Additions	-	-	-	4,060	14,444	51,145
Balance at end	415,603	777,192	93,666	56,112	2,547,893	4,725,371
Accumulated depreciation						
Balance at beginning	232,737	237,848	57,760	49,333	2,361,264	3,666,177
Charge for the year	-	174,866	18,733	2,863	146,022	404,938
Balance at end	232,737	412,714	76,493	52,196	2,507,286	4,071,115
Carrying amount						
Balance at 31 December 2020	182,866	364,478	17,173	3,916	40,607	654,256

Other assets include computers, diagnosis and office equipment, and furniture and fittings.

Right-of-use assets acquired under leasing arrangements are presented together with the owned assets of the same class. Details of such leased assets are disclosed in Note 10.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2021

9. Trade and other payables

	2021 \$	2020 \$
Trade payables		
- third parties	185,301	142,135
Other payables		
- accrued operating expenses	374,639	204,075
	559,940	346,210

Trade payables are non-interest bearing and are generally settled within 30 (2020 : 30) days.

10. Leases

Institution as a lessee

The Institution has lease contracts for leasehold properties and other assets. The Institution's obligations under these leases are secured by lessors' title to the leased assets.

(a) Carrying amounts of right-of-use assets classified within property, plant and equipment

	Leasehold properties \$	Other assets \$	Total \$
At 1 January 2021	364,478	-	364,478
Addition	216,196	-	216,196
Derecognition due to termination of lease	(185,139)	-	(185,139)
Depreciation	(144,257)	-	(144,257)
At 31 December 2021	251,278	-	251,278
At 1 January 2020	539,344	3,763	543,107
Depreciation	(174,866)	(3,763)	(178,629)
At 31 December 2020	364,478	-	364,478

Notes to the Financial Statements

For the Financial Year Ended 31 December 2021

10. Leases (continued)

(b) Lease liabilities

	2021 \$	2020 \$
Current	136,389	163,767
Non-current	126,456	241,567
	<u>262,845</u>	<u>405,334</u>

The movements of lease liabilities during the financial year are disclosed in Note 10(d) below and the maturity analysis is disclosed in Note 24(c).

(c) Amounts recognised in profit or loss

	2021 \$	2020 \$
Depreciation of right-of-use assets	144,257	178,629
Interest expense on lease liabilities (Note 20)	15,881	18,621
Expense relating to short-term leases (Note 20)	64,881	43,855
Total amount recognised in profit or loss	<u>225,019</u>	<u>241,105</u>

Notes to the Financial Statements
For the Financial Year Ended 31 December 2021

10. Leases (continued)

(d) Total cash outflow

The Institution had total cash outflows for leases of \$232,358 (2020: \$238,204) comprising payments of principal portion of lease liabilities of \$151,596 (2020 : \$175,728), lease expense of short-term leases of \$64,881 (2020 : \$43,855) and interest expense of \$15,881 (2020 : \$18,621).

A reconciliation of liabilities arising from financing activities is as follows:

			Non-cash changes					
			Additions to property, plant and equipment \$	Derecognition of lease liabilities \$	Accretion of interests \$	Others \$	31 December \$	
	1 January \$	Cash flows \$						
2021								
Lease liabilities								
- current	163,767	(167,477)	216,196	(228,367)	15,881	136,389	136,389	
- non-current	241,567	-	-	21,278	-	(136,389)	126,456	
	405,334	(167,477)	216,196	(207,089)	15,881	-	262,845	
2020								
Lease liabilities								
- current	175,728	(194,349)	-	-	18,621	163,767	163,767	
- non-current	405,334	-	-	-	-	(163,767)	241,567	
	581,062	(194,349)	-	-	18,621	-	405,334	

Notes to the Financial Statements

For the Financial Year Ended 31 December 2021

11. Capital fund

The capital fund represents compensation received from the government in relation to the compulsory acquisition of the Institution's previous premises located at 124A Bencoolen Street in 1978. This fund is unrestricted.

12. Unrestricted fund

(i) Fair value reserve

Fair value reserve represents the cumulative fair value changes, net of tax, of equity securities at fair value through other comprehensive income until they are disposed of or impaired.

(ii) General fund

The income and expenditure relating to the main activities of the Institution are accounted for in this fund.

13. Restricted fund

Memorial endowment fund

This fund comprises the To' Puan Dr. Tsao Sui Lan Memorial Endowment Fund which was established on 21 May 2018 with an initial donation of \$2,000,000 received from Dato' Dr. Tan Hian-Tsin and subsequent donations from public for the purpose of providing assistance to the hardship and welfare cases referred by the Grassroots Advisers during their weekly Meet-The-People Sessions as well as individuals requiring support and assistance from the community. In the previous financial year, the Institution received an additional donation of \$1,000,000 (Note 14) from Dato' Dr. Tan Hian-Tsin.

	2021 \$	2020 \$
Balance at beginning	8,695,392	7,631,132
Transferred from voluntary income (Note 14)	-	1,000,000
Transferred from investment income (Note 16)	122,666	64,260
	122,666	1,064,260
Balance at end	8,818,058	8,695,392

Sian Chay Medical Institution

Notes to the Financial Statements

For the Financial Year Ended 31 December 2021

14. Voluntary income

	2021 \$	2020 \$
Unrestricted		
Tax deductible donations	12,450,294	9,653,235
Government grants	459,600	493,000
Other donations	2,322,255	2,444,593
	<u>15,232,149</u>	<u>12,590,828</u>
Restricted		
Memorial endowment fund (Note 13)	-	1,000,000
	<u>15,232,149</u>	<u>13,590,828</u>

The Institution enjoys a concessionary tax treatment whereby qualifying donors are granted 2.5 times tax deduction for the donations made to the Institution. The IPC status was renewed for 2 years till 30 June 2023.

15. Charitable income

	2021 \$	2020 \$
Acupuncture treatment fees	396,845	388,142
Cupping treatment fees	46,688	34,899
Herb treatment fees	4,444	28,172
Tuina therapy fees	473,836	351,500
Prescription fees	922,665	1,004,938
Sale of healthcare products	375,740	288,240
Others	42,882	26,459
	<u>2,263,100</u>	<u>2,122,350</u>

Notes to the Financial Statements

For the Financial Year Ended 31 December 2021

16. Investment income

	2021	2020
	\$	\$
Dividend income		
- Unrestricted	212,519	-
- Restricted	83,400	-
Interest income		
- Unrestricted	155,167	357,526
- Restricted	39,266	64,260
	<u>490,352</u>	<u>421,786</u>

Restricted dividend income and restricted interest income amounting to \$122,666 (2020 : \$64,260) in aggregate have been transferred to Memorial endowment fund (Note 13).

17. Other income

	2021	2020
	\$	\$
Special employment credit	53,193	55,984
Job support scheme ⁽¹⁾	157,914	655,940
Job growth incentive ⁽²⁾	27,153	-
Temporary employment credit	-	1,400
Wage credit scheme ⁽³⁾	63,878	61,968
Fair value gain on financial assets at FVPL	3,538	79,174
Gain on termination of lease	21,949	-
Bicentennial Community Fund ⁽⁴⁾	-	400,000
Others	10,799	5,000
	<u>338,424</u>	<u>1,259,466</u>

⁽¹⁾ The Jobs Support Scheme provides wage support to employers to help them retain their local employees during this period of economic uncertainty. Employers who have made CPF contributions for their local employees will qualify for the payouts under the scheme.

⁽²⁾ The Jobs Growth Incentive supports employers to expand local hiring 1 from September 2020 to September 2022 (inclusive).

Sian Chay Medical Institution

Notes to the Financial Statements

For the Financial Year Ended 31 December 2021

17. Other income (continued)

⁽³⁾ The Wage Credit Scheme (WCS) is part of the 3-Year Transition Support Package introduced in Budget 2013. Under the WCS, the Government will co-fund 40% of wage increases given to Singaporean employees earning a gross monthly wage of up to \$4,000.

⁽⁴⁾ Under the Bicentennial Community Fund, Institutions of Public Character (IPCs) can receive up to \$400,000 from the Ministry of Culture, Community and Youth & Ministry of Communications for donations raised during the period from 1 April 2019 to 31 December 2020 on a dollar-for-dollar matching basis.

18. Cost of generating voluntary income

	2021	2020
	\$	\$
Fund raising expenses	1,852,270	1,382,146

Pursuant to regulation 15 of the Charities (Institution of Public Character) Regulations, total fund raising expenses for the financial year shall not exceed 30% of total gross receipts from donations. The institution's total fundraising expenses represent approximately 12.16% (2020 : 10.17%) of the total gross receipts from fundraising for the financial year.

19. Cost of charitable activities

	2021	2020
	\$	\$
Medicine and medical supplies		
- Unrestricted	1,401,182	1,520,517

Sian Chay Medical Institution

Notes to the Financial Statements

For the Financial Year Ended 31 December 2021

20. Other expenses

	2021	2020
	\$	\$
<i>Unrestricted</i>		
Bank charges	90,708	136,984
Branding	-	500
Brochures	-	283
Community events	10,000	39,506
Community relation	1,262,340	169,800
Community welfare and services	601,373	620,880
Depreciation of property, plant and equipment (Note 8)	267,006	404,938
Donation to the Invictus Funds for Covid-19	-	1,000,000
General expenses	230,081	264,443
Goods and Services Tax (GST) not claimable ⁽¹⁾	196,769	245,766
Insurance	54,057	51,175
Interest expense on lease liabilities (Note 10)	15,881	18,621
Information technology maintenance	41,333	40,712
Lease expense (Note 10)	64,881	43,855
Legal and professional fee	73,682	95,428
License fee	6,905	5,173
Maintenance charges	106,196	71,666
Marketing communication expenses	370,114	135,652
Media production expenses	-	40,800
Medical records, receipts, stationery	3,740	5,890
Mementoes for donors	61,306	35,411
Office supplies	153,568	130,876
Other equipment expensed off	12,742	4,045
Photo frames for photo gallery	2,013	5,230
Photography/Video services	23,720	9,280
Printing charges	56,619	30,860
Project expenses	2,304	4,000
Property tax	1,920	1,920
Property, plant and equipment expensed off	20,607	27,248
Recruitment costs	16,623	4,906
Carried forward	3,746,488	3,645,848

Sian Chay Medical Institution

Notes to the Financial Statements

For the Financial Year Ended 31 December 2021

20. Other expenses (continued)

	2021 \$	2020 \$
<i>Unrestricted (continued)</i>		
Brought forward	3,746,488	3,645,848
Signages for outlets	43,033	-
Staff bonding/interaction	9,784	424
Staff training	65,002	80,405
Start-up costs of new outlets	2,350	7,300
Telephone and internet charges	38,253	36,695
Transport charges	95,743	52,998
Utilities expense	71,517	58,565
Website hosting and social media	90,915	66,376
	<u>4,163,085</u>	<u>3,948,611</u>
Employee benefits expense		
- salaries, bonuses and related costs	2,848,361	2,669,513
- employer's contribution to Central Provident Fund	325,022	311,219
	<u>3,173,383</u>	<u>2,980,732</u>
	<u>7,336,468</u>	<u>6,929,343</u>

⁽¹⁾ Under the Goods and Services Tax Act (the "Act"), the Institution is eligible to claim input tax incurred on expenses relating to its business activities. Input taxes incurred on non-business activities as defined in the Act are expensed directly in the statement of income and expenditure and other comprehensive income.

21. Income taxation

As a registered charity under the Charities Act 1994, the Institution is exempted from income tax under Section 13 of the Income Tax Act 1947.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2021

22. Compensation of key management personnel

Other than disclosed elsewhere in the financial statements, the transactions with related parties on terms agreed between the parties during the financial year are as follows:

	2021 \$	2020 \$
Short-term benefits paid to a key management personnel		
- salaries, bonuses and related costs	-	42,528
- employer's contribution to Central Provident Fund	-	3,442
	<u>-</u>	<u>45,970</u>

Key management personnel was the Institution's executive director who had retired in the previous financial year. Members of the Management Committee are volunteers who do not receive any compensation from the Institution.

23. Fair value of assets and liabilities

(a) Fair value hierarchy

The Institution categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- Level 1 – Quoted prices (unadjusted) in active market for identical assets or liabilities that the Company can access at the measurement date,
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and
- Level 3 – Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2021

23. Fair value of assets and liabilities (continued)

(b) Assets measured at fair value

The following table shows an analysis of each class of assets measured at fair value at the reporting date:

	2021 \$	2020 \$
	Quoted prices in active markets for identical instruments	
	Level 1	Level 1
Financial assets		
At fair value through profit or loss		
- quoted investment funds (Note 6)	602,557	4,780,156
- fixed income fund (Note 6)	2,500,000	-
At fair value through other comprehensive income		
- quoted equity securities (Note 6)	10,334,916	6,375,578
Financial assets as at 31 December	<u>13,437,473</u>	<u>11,155,734</u>

(c) Assets and liabilities not measured at fair value

Cash and bank balances and other receivables and payables

The carrying amounts of these balances approximate their fair values due to the short-term nature of these balances.

Trade payables

The carrying amounts of trade payables approximate their fair values as they are subject to normal trade credit terms.

Leases liabilities

The carrying amounts of these balances approximate their fair values as they are subject to interest rates close to market rates of interest for similar arrangements with financial institutions and the interest rates are fixed on the date of inception.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2021

24. Financial risk management

The Institution's overall risk management strategy seeks to minimise potential adverse effects of these risks on the financial performance of the Institution. These risks include credit risk, market risk (including interest rate risk and equity price risk) and liquidity risk.

Risk management policies and procedures are reviewed regularly to reflect changes in market conditions and the Institution's activities.

(a) Credit risk

Credit risk is the potential financial loss resulting from the failure of a counterparty to settle its financial and contractual obligations to the Institution, as and when they fall due.

At the reporting date, the Institution's maximum exposure to credit risk is represented by the carrying amount of each financial asset recognised in the balance sheet.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Cash and bank balances are held with reputable financial institutions and are subject to immaterial credit loss.

The Institution does not have any significant credit risk exposure to any single counter party.

(b) Market risk

Market risk is the risk that changes in market prices, such as interest rates will affect the Institution's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

(i) Interest rate risk

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

The Institution's exposure to changes in interest rates relate primarily to interest-earning financial assets (ie. fixed deposits). Interest rate risk is managed by the Institution on an ongoing basis.

Sensitivity analysis

At the reporting date, an increase/decrease of 25 basis points in interest rates of fixed deposits would increase/decrease surplus for the financial year by \$70,491 (2020 : \$60,076).

Notes to the Financial Statements

For the Financial Year Ended 31 December 2021

24. Financial risk management (continued)

(b) Market risk (continued)

(ii) Equity price risk

The Institution is exposed to equity price risk arising from quoted equity securities held by the Institution which are classified as financial assets at FVPL and financial assets at FVOCI.

Sensitivity analysis

At the reporting date, if prices of equity securities increase/decrease by 10% with all other variables being held constant, the increase/decrease in profit or loss before tax and equity would be \$60,256 (2020 : \$478,016) and \$1,033,492 (2020 : \$637,558) respectively.

(iii) Foreign currency risk

The Institution transacts mainly in Singapore dollars and is therefore not exposed to any significant foreign currency risk.

(c) Liquidity risk

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

The Institution monitors its liquidity risk and maintains a level of cash and bank balances deemed adequate by management to finance its operations and to mitigate the effects of fluctuations in cash flows.

The table below summarises the maturity profile of the Institution's financial assets and liabilities at the reporting date based on contractual undiscounted repayment obligations.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2021

24. Financial risk management (continued)

(c) Liquidity risk

	1 year or less \$	1 to 5 years \$	Total \$
2021			
Financial assets			
Cash and bank balances (Note 4)	30,170,923	-	30,170,923
Other receivables (Note 5)	164,668	-	164,668
Total undiscounted financial assets	30,335,591	-	30,335,591
Financial liabilities			
Trade and other payables (Note 9)	559,040		559,040
Lease liabilities (Note 10)	146,104	130,381	276,485
Total undiscounted financial liabilities	705,144	130,381	835,525
Total net undiscounted financial assets/(liabilities)	29,630,447	(130,381)	29,500,066
2020			
Financial assets			
Cash and bank balances (Note 4)	25,865,294	-	25,865,294
Other receivables (Note 5)	235,226	-	235,226
Total undiscounted financial assets	26,100,520	-	26,100,520
Financial liabilities			
Trade and other payables (Note 9)	346,210	-	346,210
Lease liabilities (Note 10)	176,709	257,500	434,209
Total undiscounted financial liabilities	522,919	257,500	780,419
Total net undiscounted financial assets/(liabilities)	25,577,601	(257,500)	25,320,101

Notes to the Financial Statements

For the Financial Year Ended 31 December 2021

25. Financial instruments by category

At the reporting date, the aggregate carrying amounts of financial assets and financial liabilities of amortised cost were as follows:

	2021 \$	2020 \$
Financial assets measured at amortised cost		
Cash and bank balances (Note 4)	30,170,923	25,865,294
Other receivables less prepayments (Note 5)	158,584	227,629
Total financial assets measured at amortised cost	<u>30,329,507</u>	<u>26,092,923</u>
Financial liabilities measured at amortised cost		
Trade and other payables (Note 9)	559,040	346,210
Lease liabilities (Note 10)	262,845	405,334
Total financial liabilities measured at amortised cost	<u>821,885</u>	<u>751,544</u>

26. Fund management

The fund structure of the Institution comprises restricted and unrestricted fund as at the reporting date. The Institution regards its unrestricted fund as its reserves. The Institution's fund management policies require it to maintain sufficient reserves to ensure long term financial sustainability and continuity for the purpose of providing free consultation and subsidised traditional chinese medication to the community.

The Institution aims to achieve its reserves at a level equal to about 3 times of its total annual expenditure so that its operational activities can continue in times of unforeseen difficulty. The Institution is not subject to any externally imposed reserve requirements.

The institution reviews its fund structure at least annually to ensure that the Institution will be able to continue as a going concern. The institutions overall strategy remains unchanged during the financial years ended 31 December 2021 and 2020.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2021

27. Capital commitment

The Institution had commitments of \$73,914 (2020 : \$154,057) relating to renovation of TCM clinics.

28. Subsequent event

On 17 March 2022, the Institution signed an option to purchase a freehold property from a third party for a total consideration of \$20,000,000.

The freehold property will be depreciated over 50 years but management is currently pending the valuer to segregate the \$20 million into the cost of the freehold land and the cost of building erected thereon. Accordingly, management is unable to assess the financial impact arising from this impending purchase of the freehold property.

29. Standards issued but not yet effective

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

Description	Effective for annual periods beginning on or after
Amendments to FRS 16 <i>Property, Plant and Equipment</i> : Proceeds before Intended Use	1 January 2022
Amendments to FRS 37 <i>Provisions, Contingent Liabilities and Contingent Assets</i> : Onerous Contracts - Cost of Fulfilling a contract	1 January 2022
Annual Improvements to FRS 2018 - 2020	1 January 2022
Amendments to FRS 1 <i>Presentation of Financial Statements</i> : Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to FRS 1 and FRS Practice Statement 2: Disclosure of Accounting Policies	1 January 2023
Amendments to FRS 8 <i>Accounting Policies, Changes in Accounting Changes in Accounting Estimates and Errors</i> : Definition to Accounting Estimates	1 January 2023

Management committee expects that the adoption of these new standards will not have any material impact on the financial statements in the year of initial application.

SIAN CHAY MEDICAL INSTITUTION
610 Geylang Road (Off Lorong 36)
Singapore 389549

8 June 2022

UHY Lee Seng Chan & Co
6001 Beach Road, #14-01
Golden Mile Tower
Singapore 199589

Dear Sirs

Financial statements for the financial year ended 31 December 2021

This letter of representation is provided in connection with your audit of the financial statements of Sian Chay Medical Institution (the "Institution") for the financial year ended 31 December 2021 for the purpose of expressing an opinion as to whether the financial statements are properly drawn up in accordance with 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 give a true and fair view of the state of affairs of the Institution as at 31 December 2021, and of the results, changes in funds and cash flows of the Institution for the financial year ended on that date.

We acknowledge and confirm our understanding of our responsibilities for the preparation of the financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs; and we have fulfilled as directors these responsibilities. Our responsibilities include devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition, and that transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

We confirm to the best of our knowledge and belief, and having made appropriate enquiries of other members of the Institution as we considered necessary, that the following representations made to you during your audit are true and fair bearing in mind the requirements of the Societies Act, the Charities Act and Regulations and FRSs:

1. All transactions have been entered in the accounting records and are reflected in financial statements and we have made available to you:
 - 1.1 access to all information of which we are aware that is relevant to the preparation of the financial statements including all of the accounting and related records;
 - 1.2 a complete list of all of the financial institutions with which the Institution has relationships during the financial period as at the reporting date;
 - 1.3 unrestricted access to persons within the Institution, whom you considered necessary to meet in the course of your audit;

1.4 minutes of meetings of members held during the period 1 January 2021 to the date of this letter; and

1.5 additional information that you have requested from us for the purpose of the audit;

and we have not withheld any such information.

2. We acknowledge our responsibility for the design, implementation and maintenance of internal controls to prevent and detect fraud and have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
3. We are not aware of:
 - 3.1 fraud or suspected fraud affecting the Institution, involving the Management Committee, employees who have significant roles in internal control and others where the fraud could have a material effect on the financial statements; and
 - 3.2 allegations of fraud, or suspected fraud, affecting the financial statements of the Institution communicated by employees, former employees, analysts, regulators or others.
4. We have communicated to you all deficiencies in internal control of which we are aware.
5. The selection and application of accounting policies are appropriate.
6. The following have been recognised, measured, presented or disclosed in accordance with FRSS:
 - 6.1 plans or intentions that may affect the carrying amount or classification of assets and liabilities;
 - 6.2 liabilities, both actual and contingent;
 - 6.3 title to, or control over assets, liens or encumbrances on assets, and assets pledged as collateral; and
 - 6.4 aspects of laws, regulations and contractual agreements that may affect the financial statements, including non-compliance.
7. Significant assumptions used by us in making accounting estimates, including those involving measurement at fair value, are reasonable.
8. We have reviewed the accounting estimates that were recognised in the financial statements and confirm that:
 - 8.1 appropriate measurement processes were used, including related assumptions and models, in determining the accounting estimate in the context of FRSS.
 - 8.2 measurement processes were consistently applied from year to year.
 - 8.3 the assumptions appropriately reflect our intent and ability to carry out specific courses of action on behalf of the Institution, where relevant to the accounting estimates and disclosures.
 - 8.4 disclosures related to accounting estimates are complete and appropriate under FRSS.

- 8.5 no subsequent event requires any adjustment to the accounting estimates and disclosures included in the financial statements.
9. The Institution has appropriately reconciled its books and records, such as general ledger accounts, underlying the financial statements to their related supporting information, such as subsidiary ledgers or third party data. All related reconciling items considered to be material were identified and included on the reconciliations and were appropriately adjusted in the statements. There were no material unreconciled differences or material general ledger suspense account items that should have been adjusted or reclassified to another account balance. There were no material general ledger suspense account items written off to a balance sheet account, which should have been written off to an income statement account and vice versa.
 10. We confirm that we have conducted an appropriate assessment of whether or not there was any indication that property, plant and equipment with a definite useful life, items for which FRS 36 does not mandate an annual impairment test, may be impaired. Our assessment did not reveal any impairment indicator.
 11. We are not aware of any pending or threatened litigations and claims against the Institution.
 12. We are not aware of any material liability or contingency arising from environmental matters, including those resulting from illegal or possibly illegal acts or any other environmental matters that may have a material impact on the financial statements.
 13. We have disclosed to you the identity of the related parties of the Institution and all of the related party relationships and transactions of which we are aware.
 14. All related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of FRSSs.
 15. Except as disclosed in the financial statements, no transactions involving the Management Committee's members and requiring disclosure in the financial statements under the Societies Act, the Charities Act and Regulations have been entered into during the financial year ended 31 December 2021.
 16. We have disclosed to you that we are not aware of any non-compliance with Singapore Anti-Money Laundering and Counter Financing of Terrorism legislations.
 17. We have disclosed to you information relating to our Institution background, beneficial owners and politically exposed persons and we confirm that such information disclosed remains true and correct.
 18. Where assets, liabilities and components of equities are presented and disclosed at fair value in accordance with FRSSs, the amounts disclosed represent our best estimate of fair value of assets and liabilities required to be disclosed by the FRSSs. The measurement methods and significant assumptions used in determining fair value have been applied on a consistent basis and are reasonable.
 19. For financial assets that have been offset against financial liabilities and the net amount reported, we confirm that we are satisfied as to the legal right of offset under Singapore laws and confirm that we have intention of either settling on a net basis or of realising the asset and settling the liability simultaneously.
 20. We are not aware of the following which should have been considered when preparing the financial statements:

- 20.1 any other irregularity, or dishonesty, involving management or employees of the Institution
- 20.2 any event involving possible non-compliance with the laws and regulations which are central to the ability of the Institution to conduct business, including any breach or possible breach of statute, regulations, contracts, agreements or the Institution's Constitution which might result in the Institution suffering significant penalties or other losses.

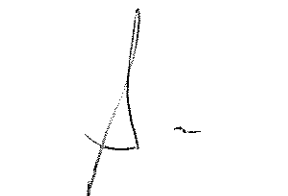
No allegations of such irregularities or such breaches have come to our notice at any time during the financial year ended 31 December 2021.

21. The Management Committee has assessed future action relating to continuing operations that may indicate that continuance as a going concern may be questionable and there are no matters indicating that the Institution will not be a going concern.
22. There are no events subsequent to the date of the financial statements for which FRSs require adjustment or disclosure have been adjusted or disclosed.
23. We have noted the new or revised FRSs and Interpretation of FRSs which were issued but not yet effective as at the beginning of the reporting period. We are currently assessing the possible impact that the new or revised FRSs will have on the financial statements of the Institution in the period of initial application.
24. We confirm that the other information comprises Statement by Management Committee but does not include the financial statements and your auditor's report thereon, which we have provided to you prior to the date of your auditor's report. The financial statements and other information that we provided to you are consistent with one another, and the other information does not contain any material misstatements.
25. We acknowledged receipt of your management letter points in **Appendix I** highlighting weaknesses in our internal control which requires our improvement. We have incorporated our comments to your recommendations.
26. We confirm that the new or additional investments in investment securities as disclosed in Note 6 to the financial statements during the financial year were duly approved in the Board Meeting and in accordance with the Institution's investment policy.
27. We confirm that the Institution does not exercise any significant influence over Singapore Paincare Holdings Limited and Asian Healthcare Specialists Limited as the Institution does not have any board representation or other means of influence over the operations of these entities.

Yours faithfully,



Chairman



Hon. Treasurer

Sian Chay Medical Institution

Notes to the Financial Statements

For the Financial Year Ended 31 December 2021

The Accompanying Supplementary Balance Sheet, Statement of Income and Expenditure and Other Comprehensive Income, Statement of Changes in Funds, Statement of Cash Flows and Notes to the Financial Statements Have Been Prepared For Management Purposes Only And Does Not Form Part of the Audited Financial Statements.

善济医社
Sian Chay Medical Institution

资产负债表
二零二一财政年度

Balance Sheet
As at 31 December 2021

		Note	2021 \$	2020 \$
ASSETS	资产			
Current assets	流动资产			
Cash and bank balances	现金及现金等价物	4	30,170,923	25,865,294
Other receivables	其他应收款	5	164,668	235,226
Investment securities	投资证券	6	3,102,557	4,780,156
Inventories	存货	7	132,228	310,968
			<u>33,570,376</u>	<u>31,191,644</u>
Non-current assets	非流动资产			
Investment securities	投资证券	7	-	-
Investment securities	投资证券	6	10,334,916	6,375,578
Property, plant and equipment	产业及设备	8	891,474	654,256
			<u>11,226,390</u>	<u>7,029,834</u>
Total assets	总资产		<u>44,796,766</u>	<u>38,221,478</u>
LIABILITIES	负债			
Current liabilities	流动负债			
Trade and other payables	应付账款及其他应付款项	9	559,940	346,210
Lease liabilities	租赁负债	10(b)	136,389	163,767
			<u>696,329</u>	<u>509,977</u>
Non-current liabilities	非流动负债			
Lease liabilities	租赁负债	10(b)	126,456	241,567
Deferred income	递延收入		-	8,314
			<u>126,456</u>	<u>249,881</u>
Total liabilities	总负债		<u>822,785</u>	<u>759,858</u>
NET ASSETS	净资产		<u>43,973,981</u>	<u>37,461,620</u>
FUNDS	资金			
Capital fund	资本基金	11	230,000	230,000
<u>Unrestricted fund</u>	<u>不受限制的基金</u>			
Fair value reserve	公允价值储备	12(i)	(1,083,198)	138,546
General fund	累积基金	12(ii)	36,009,121	28,397,682
<u>Restricted fund</u>	<u>受限制的基金</u>			
Endowment fund	捐赠基金	13	8,818,058	8,695,392
Total funds	总资金		<u>43,973,981</u>	<u>37,461,620</u>

Not Part of Audited Financial Statements

以上报表不构成经审计财务报表的组成部分

善济医社 Sian Chay Medical Institution
收益及支出报表
二零二一财政年度

Statement of Income and Expenditure and Other Comprehensive Income
For the financial year ended 31 December 2021

		二零二一 2021		二零二零 2020	
		不受限制的基金 Unrestricted fund \$	捐赠基金 Restricted fund \$	总基金 Total \$	总基金 Total \$
		Note			
收入					
INCOME					
Voluntary income	自愿收入	14	15,232,149	-	13,590,828
Charitable income	慈善收入	15	2,263,100	-	2,122,350
Investment income	投资收入	16	367,686	122,666	421,786
Other income	其他收入	17	338,424	-	1,259,466
Total income	总收入		18,201,359	122,666	17,394,430
费用					
EXPENDITURE					
Cost of generating voluntary income	产生自愿收入成本	18	1,852,270	-	1,382,146
Cost of charitable activities	慈善活动成本	19	1,401,182	-	1,520,517
Other expenses	其他费用	20	7,336,468	-	6,929,343
Total expenditures	总费用		10,589,920	-	9,832,006
Surplus for the year	本财政年度盈余		7,611,439	122,666	7,562,424
其他综合收益					
Other comprehensive (loss)/income					
Fair value (loss)/gain on equity instruments at fair value through other comprehensive income	可供出售投资之公允价值之(亏损)/收益		(1,221,744)	-	138,546
Total comprehensive income for the year	本年度综合收益总额		6,389,695	122,666	7,700,970
Not Part of Audited Financial Statements					

以上报表不构成经审计财务报表的组成部分

善济医社 Sian Chay Medical Institution
储备变动状况表
二零二一财政年度

Statement of Changes in Funds

For the financial year ended 31 December 2021

	不受限制的 基金 累积基金 Unrestricted fund		受限的 基金 纪念性 捐赠基金 Restricted fund Memorial endowment fund		总基金 Total
	资本基金 Capital fund \$	公允价值储备 Fair value reserve \$	累积基金 General fund \$	纪念性 捐赠基金 Memorial endowment fund \$	\$
Balance at 1 January 2020	230,000	-	21,899,518	7,631,132	29,760,650
Surplus for the year	-	-	6,498,164	1,064,260	7,562,424
Other comprehensive income	-	138,546	-	-	138,546
Fair value gain on equity instruments at fair value through other comprehensive income	-	138,546	-	-	138,546
Total comprehensive income for the year	-	138,546	6,498,164	1,064,260	7,700,970
Balance at 31 December 2020, as restated	230,000	138,546	28,397,682	8,695,392	37,461,620
Balance at 1 January 2021	230,000	138,546	28,397,682	8,695,392	37,461,620
Surplus for the year	-	-	7,611,439	122,666	7,734,105
Other comprehensive income	-	(1,221,744)	-	-	(1,221,744)
Fair value loss on equity instrument at fair value through other comprehensive income	-	(1,221,744)	-	-	(1,221,744)
Total comprehensive income for the year	-	(1,221,744)	7,611,439	122,666	6,512,361
Balance at 31 December 2021	230,000	(1,083,198)	36,009,121	8,818,058	43,973,981

Not Part of Audited Financial Statements

以上报表不构成经审计财务报表的组成部分

善济医社 Sian Chay Medical Institution

二零二一财政年度现金流量表

Statement of Cash Flows

For the financial year ended 31 December 2021

		Note	二零二一 2021 \$	二零二零 2020 \$
Cash flows from operating activities	运作活动的现金流量			
Surplus for the year	本财政年度盈余		7,734,105	7,562,424
Adjustments for:	非现金项目的调整			
Depreciation of property, plant and equipment	产业及设备折旧	8	267,006	404,938
Fair value gain on financial assets at fair value through profit or loss	公允价值计入损益的金融资产之公允价值收益	17	(3,538)	-
Gain on termination of lease	终止租赁收益	17	(21,949)	-
Dividend income	股息收入	16	(295,919)	-
Interest expense	利息费用		15,881	18,621
Interest income	利息收入	16	(194,433)	(421,786)
Operating cash flows before changes in working capital	运作资金变动前的现金流		7,501,153	7,564,197
Changes in working capital:	营运资金的变动			
Other receivables	其他应收款		(5,484)	(4,912)
Financial assets at fair value through profit or loss	投资证券		1,681,137	(4,780,156)
Inventories	存货		178,740	57,425
Trade and other payables	应付账款及其他应付款项		204,516	(329,432)
Cash generated from operations	运作活动的现金流量		9,560,062	2,507,122
Net cash flows from operating activities	来自运作活动之净现金		9,560,062	2,507,122
Cash flows from investing activities	投资活动的现金流量			
Purchase of property, plant and equipment (Note A)	购买产业及设备		(473,167)	(51,145)
Purchase of financial assets at fair value through other comprehensive income	购买以公允价值在其他综合收益处理之财务资产(股票)		(5,181,082)	(6,237,032)
Interest received	利息收入		276,768	495,705
Dividend received	股息收入		275,069	-
Net cash (used in)/from investing activities	(用于)/来自投资活动的净现金		(5,102,412)	(5,792,472)
Cash flows from financing activities	金融活动的现金流量			
Payment of principle portion of lease liabilities	偿还租赁负债本金		(151,596)	(175,728)
Interest paid	支付利息		(15,881)	(18,621)
Net cash used in financing activities	用于金融活动的净现金	10(d)	(167,477)	(194,349)
Net change in cash and cash equivalents	现金与现金等值物之净变动		4,290,173	(3,479,699)
Cash and cash equivalents at beginning of year	年初现金与现金等价物		25,880,750	29,360,449
Cash and cash equivalents at end of year	年末现金与现金等价物	4	30,170,923	25,880,750

Note A: During the financial year, the institution acquired property, plant and equipment with an aggregate cost of \$689,363 (2020 : \$51,145) of which \$216,196 (2020 : Nil) pertains to right-of-use asset and the balance of \$473,167 (2020 : 51,145) is paid in cash.

备注：在本年度期间，本医社共购买总成本为 \$689,363 (2020 : \$51,145) 之产业及设备，其中包括 \$216,196 (2020 : 无) 属于有使用权之租赁资产，其余 \$473,167 (2020 : \$51,145) 则以现金购买。

Not Part of Audited Financial Statements

以上报表不构成经审计财务报表的组成部分

善济医社 Sian Chay Medical Institution

财务报表附注
二零二一财政年度

Notes to the Financial Statements
For the financial year ended 31 December 2021

14. Voluntary income 自愿收入

		二零二一 2021 \$	二零二零 2020 \$
Unrestricted	不受限制的		
Tax deductible donations	可扣税的捐款	12,450,294	9,653,235
Government grants	政府补助	459,600	493,000
Other donations	其他捐款	2,322,255	2,444,593
		<u>15,232,149</u>	<u>12,590,828</u>
Restricted	受限制的		
Memorial endowment fund	捐赠基金	-	1,000,000
		<u>15,232,149</u>	<u>13,590,828</u>

15. Charitable income 慈善收入

		二零二一 2021 \$	二零二零 2020 \$
Acupuncture treatment fees	针灸治疗收入	396,845	388,142
Cupping treatment fees	拔罐治疗收入	46,688	34,899
Herb treatment fees	草药治疗收入	4,444	28,172
Tuina therapy treatment fees	推拿治疗收入	473,836	351,500
Prescription fees	病人登记费	922,665	1,004,938
Sale of healthcare products	保健产品销售	375,740	288,240
Others	其他	42,882	26,459
		<u>2,263,100</u>	<u>2,122,350</u>

Not Part of Audited Financial Statements

以上报表不构成经审计财务报表的组成部分

善济医社 Sian Chay Medical Institution

财务报表附注
二零二一财政年度

Notes to the Financial Statements
For the financial year ended 31 December 2021

16. Investment income 投资收入

		二零二一 2021 \$	二零二零 2020 \$
Dividend income	股息收入		
- Unrestricted	不受限制的	212,519	-
- Restricted	受限制的	83,400	64,260
Interest income	利息收入		
- Unrestricted	不受限制的	155,167	357,526
- Restricted	受限制的	39,266	64,260
		<u>490,352</u>	<u>486,046</u>

17. Other income 其他收入

		二零二一 2021 \$	二零二零 2020 \$
Special employment credit	雇用补贴所得	53,193	55,984
Job support scheme	工作补贴所得	157,914	655,940
Job growth incentive	就业增长补贴	27,153	-
Temporary employment credit	短期雇用补贴所得	-	1,400
Wage credit scheme	薪金补贴所得	63,878	61,968
Fair value gain on financial assets at FVPL	财务资产公允价值收益	3,538	79,174
Gain on termination of lease	终止租赁收益	21,949	-
Bicentennial Community Fund	二百年纪念社区基金所得	-	400,000
Others	其他	10,799	5,000
		<u>338,424</u>	<u>1,259,466</u>

18. Cost of generating voluntary income 产生自愿收入成本

		二零二一 2021 \$	二零二零 2020 \$
Fund raising expenses	筹资成本	1,852,270	1,382,146

Not Part of Audited Financial Statements

以上报表不构成经审计财务报表的组成部分

善济医社 Sian Chay Medical Institution

财务报表附注
二零二一财政年度

Notes to the Financial Statements
For the financial year ended 31 December 2021

19. Cost of charitable activities 慈善活动成本

		二零二一 2021 \$	二零二零 2020 \$
Medicine and medical supplies - Unrestricted	药物和医疗用品 为不受限制的费用	1,401,182	1,520,517

Not Part of Audited Financial Statements

以上报表不构成经审计财务报表的组成部分

善济医社 Sian Chay Medical Institution

财务报表附注
二零二一财政年度

Notes to the Financial Statements
For the financial year ended 31 December 2021

20. Other expenses 其他费用

		二零二一 2021 \$	二零二零 2020 \$
Unrestricted	不受限制的费用		
Bank charges	银行手续费	90,708	136,984
Branding	品牌化费	-	500
Brochures	手册刊印费	-	283
Community event	社区活动	10,000	39,506
Community relation	社区关系	1,262,340	169,800
Community welfare and services	社区福利	601,373	620,880
Depreciation of property, plant and equipment (Note 8)	产业及设备折旧	267,006	404,938
Donation to the Invictus Funds for Covid-19	捐赠永不言败基金	-	1,000,000
General expenses	杂费	230,081	264,443
Goods and services tax(GST) input tax not claimable	无抵扣消费税	196,769	245,766
Insurance	保险费	54,057	51,175
Interest expense on lease liabilities (Note 10)	租赁利息费用	15,881	18,621
Information technology maintenance	信息技术维护费用	41,333	40,712
Lease expense (Note 10)	租赁费用	64,881	43,855
Legal and professional fee	法律及专业费用	73,682	95,428
License fee	牌照费	6,905	5,173
Maintenance charges	维修费	106,196	71,666
Marketing communication expenses	宣传费	370,114	135,652
Media production expenses	媒体制作费	-	40,800
Medical records, receipts, stationery	医药记录, 单据及其他文具	3,740	5,890
Momentoes for donors	纪念品	61,306	35,411
Office supplies	办公室费用	153,568	130,876
Other equipment expensed off	其他设备注销	12,742	4,045
Photo frames for photo gallery	相集相框费	2,013	5,230
Photography/Video services	摄影/视频服务费	23,720	9,280
Printing charges	印刷费	56,619	30,860
Project expenses	客户关系管理项目	2,304	4,000
Property tax	产业税	1,920	1,920
Property, plant and equipment expensed off	产业及设备注销	20,607	27,248
Recruitment costs	招募费	16,623	4,906
Carried forward	结转	3,746,488	3,645,848

Not Part of Audited Financial Statements

以上报表不构成经审计财务报表的组成部分

善济医社 Sian Chay Medical Institution

财务报表附注
二零二一财政年度

Notes to the Financial Statements
For the financial year ended 31 December 2021

20. Other expenses (continued) 其他费用 (延續)

		二零二一 2021 \$	二零二零 2020 \$
Unrestricted (continued)	不受限制的费用 (延續)		
Brought forward	余额承前	3,746,488	3,645,848
Signages for outlets	医社招牌	43,033	-
Staff bonding/interaction	员工交流会	9,784	424
Staff training	员工培训	65,002	80,405
Start-up costs of new outlets	新分社开办费	2,350	7,300
Telephone and internet charges	电话和网络费用	38,253	36,695
Transport charges	交通费	95,743	52,998
Utilities expense	水电费	71,517	58,565
Website hosting and social media	网页寄存及社交传媒费用	90,915	66,376
		<u>4,163,085</u>	<u>3,948,611</u>
 Employee benefits expense	 雇员福利费用		
- salaries, bonuses and related costs	员工薪金, 花红及相关成本	2,848,361	2,669,513
- employer's contribution to Central Provident Fund	雇主缴付之公积金额	325,022	311,219
		<u>3,173,383</u>	<u>2,980,732</u>
		<u>7,336,468</u>	<u>6,929,343</u>

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