

**SINGAPORE BUDDHIST WELFARE SERVICES**  
**(Unique Entity No.: S81SS0060H)**  
**(Registered in Singapore under the Societies Act 1996,**  
**Charities Act 1994 and**  
**Institution of Public Character)**

**AUDITED FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED**  
**31 DECEMBER 2024**

**SINGAPORE BUDDHIST WELFARE SERVICES**

**(Unique Entity No.: S81SS0060H)**

**(Registered in Singapore under the Societies Act 1996, Charities Act 1994 and  
Institution of Public Character)**

**FINANCIAL STATEMENTS - 31 DECEMBER 2024**

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## SINGAPORE BUDDHIST WELFARE SERVICES

### STATEMENT BY THE MANAGEMENT COMMITTEE

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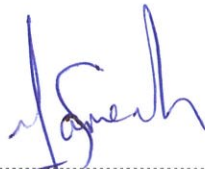
In the opinion of the Management Committee:

- (a) the accompanying financial statements of Singapore Buddhist Welfare Services (the "Charity") as set out on pages 5 to 49 are properly drawn up with the provisions of the Societies Act 1966 (the "Societies Act"), 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 financial position of the Charity as at 31 December 2024 and the results, changes in funds and cash flows of the Charity for the financial 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 Management Committee



Kuan Yan  
President



Seah Li Kheng Marie  
Honorary Treasurer



Chew Heng Tuan  
Honorary Secretary

27 JUN 2025

**INDEPENDENT AUDITOR'S REPORT****TO THE MEMBERS OF SINGAPORE BUDDHIST WELFARE SERVICES****2****Report on the Audit of the Financial Statements***Opinion*

We have audited the financial statements of Singapore Buddhist Welfare Services (the "Charity"), which comprise the statement of financial position as at 31 December 2024, and the statement of financial activities, statement of changes in funds and statement of cash flows for the financial year then ended, and notes to the financial statements, including material accounting policy information.

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 December 2024 and the results, changes in funds and cash flows of the Charity 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.

*Information Other than the Financial Statements and Auditor's Report Thereon*

The Management Committee is responsible for the other information. The other information comprises Statement by the Management Committee and the information included in the Annual Report 2024, but does not include the financial statements and our auditor's report thereon.

The annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. 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 SINGAPORE BUDDHIST WELFARE SERVICES

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

The Management Committee is responsible for the preparation and fair presentation of the financial statements in accordance with the Societies Act, the Charities Act and Regulations and FRSs, 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, the Management 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 Committee 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 Committee.
- Conclude on the appropriateness of 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 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.

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF SINGAPORE BUDDHIST WELFARE SERVICES

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#### *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, 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 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.



Robert Yam & Co PAC  
Public Accountants and  
Chartered Accountants  
Singapore

27 June 2025

# SINGAPORE BUDDHIST WELFARE SERVICES

## STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

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	Note	2024				2024	2023
		Unrestricted fund	Restricted funds			Total funds	Total funds
		General fund S\$	Fu Hui Link Building S\$	Kidney Dialysis Centre S\$	Green Haven S\$	S\$	S\$
<b>Income</b>							
Voluntary income	5	5,475,280	-	697,235	1,540,858	7,713,373	6,581,641
Fund-generating activities	6	1,578,009	-	-	-	1,578,009	1,796,824
Investment income	7	221,602	-	-	879	222,481	172,957
Income from related charitable entities	8	3,671,105	-	-	-	3,671,105	3,589,623
Other income	9	-	-	-	-	-	64,000
<b>Total income</b>		<b>10,945,996</b>	<b>-</b>	<b>697,235</b>	<b>1,541,737</b>	<b>13,184,968</b>	<b>12,205,045</b>
<b>Expenditure</b>							
<b>Cost of generating voluntary income</b>							
Carriers		5,234	-	-	-	5,234	4,620
Event set up costs		39,701	-	-	-	39,701	33,900
Food ration		3,204	-	-	-	3,204	7,239
Hospitality and gifts		2,836	-	-	60	2,896	1,518
Kitchen supply		20,719	-	-	-	20,719	18,069
Licence and subscription		29,016	-	-	100	29,116	25,113
Meal and refreshments		157,902	-	-	77,811	235,713	214,823
Staff cost – salaries and bonuses	10	2,492,865	-	-	458,993	2,951,858	2,848,406
Staff incentive	10	367	-	-	59	426	191
Staff cost - SDF	10	4,683	-	-	1,010	5,693	5,652
Staff cost - FWL	10	101,514	-	-	-	101,514	91,894
Staff cost - CPF	10	271,734	-	-	69,546	341,280	317,244
Welfare fund distributed		142,390	-	700,000	-	842,390	805,080
<b>Total cost of generating voluntary income</b>		<b>3,272,165</b>	<b>-</b>	<b>700,000</b>	<b>607,579</b>	<b>4,579,744</b>	<b>4,373,749</b>

**SINGAPORE BUDDHIST WELFARE SERVICES**

**STATEMENT OF FINANCIAL ACTIVITIES (cont'd\_2)  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

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		2024				2024	2023
		Unrestricted	Restricted funds			Total funds	Total funds
		fund					
Note		General	Fu Hui Link	Kidney Dialysis	Green		
		fund	Building	Centre	Haven		
		S\$	S\$	S\$	S\$	S\$	S\$
<b>Cost of generating fund</b>							
		3,526	-	-	240	3,766	1691
		581	-	-	-	581	702
		345	-	-	-	345	550
		249,085	-	-	-	249,085	198,684
		3,062	-	-	-	3,062	4,062
		88,812	-	-	-	88,812	77,989
		5,250	-	-	470	5,720	7,002
		132,902	-	-	-	132,902	132,467
	10	1,726,686	-	-	-	1,726,686	1,536,885
	10	465	-	-	-	465	2,683
<b>Total cost of generating fund</b>		<b>2,210,714</b>	<b>-</b>	<b>-</b>	<b>710</b>	<b>2,211,424</b>	<b>1,962,715</b>



# SINGAPORE BUDDHIST WELFARE SERVICES

## STATEMENT OF FINANCIAL ACTIVITIES (cont'd\_3) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

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	Note	2024				2024	2023
		Unrestricted fund	Restricted funds			Total funds	Total funds
		General fund S\$	Fu Hui Link Building S\$	Kidney Dialysis Centre S\$	Green Haven S\$	S\$	S\$
<b>Governance cost</b>							
Audit fees		50,000	-	-	-	50,000	54,700
License fee		-	-	-	-	-	2,708
Professional fees		13,977	-	-	46,600	60,577	63,250
<b>Total governance cost</b>		<b>63,977</b>	<b>-</b>	<b>-</b>	<b>46,600</b>	<b>110,577</b>	<b>120,658</b>
<b>Charitable activities</b>							
Activity expenses		59,806	-	-	248	60,054	46,843
Advertisement		7,654	-	-	-	7,654	6,961
Books and toys for teaching aids		5,426	-	-	-	5,426	-
Counselling expenses		418	-	-	-	418	847
Nursing Care Services rendered		59,691	-	-	-	59,691	83,497
Organic farming expenses		-	-	-	1,305	1,305	1,358
<b>Total charitable activities</b>		<b>132,995</b>	<b>-</b>	<b>-</b>	<b>1,553</b>	<b>134,548</b>	<b>139,506</b>
<b>Other expenses</b>							
Agent commission		11,872	-	-	-	11,872	1,036
Ang pao		37,340	-	-	-	37,340	1,680
Backdrop and logistic		16,070	-	-	-	16,070	-
Bank charges		16,756	-	-	102	16,858	15,315
Clothing		772	-	-	-	772	1,133
Conservancy charges		5,739	-	-	-	5,739	5,438
Condolence		770	-	-	-	770	911
Decoration		497	-	-	1,615	2,112	19,377
Depreciation of property, plant and equipment	12	1,972,487	289,571	-	437,868	2,699,926	2,557,909
<b>Sub-total other expenses</b>		<b>2,062,303</b>	<b>289,571</b>	<b>-</b>	<b>439,585</b>	<b>2,791,459</b>	<b>2,602,799</b>

# SINGAPORE BUDDHIST WELFARE SERVICES

## STATEMENT OF FINANCIAL ACTIVITIES (cont'd\_3) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

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	Note	2024				2024	2023
		Unrestricted fund	Restricted funds			Total funds	Total funds
		General fund S\$	Fu Hui Link Building S\$	Kidney Dialysis Centre S\$	Green Haven S\$	S\$	S\$
<b>Other expenses (cont'd)</b>							
Car park expenses		1,086	-	-	-	1,086	1,549
Property, plant and equipment written off	12	24,000	-	-	-	24,000	-
Hardware and tools		-	-	-	-	-	1,378
Insurance		70,642	-	-	-	76,938	58,086
Interest expenses	21	124,155	-	-	9,218	133,373	35,459
IT and software expenses		34,321	-	-	1,322	35,643	44,502
Lucky draw		3,528	-	-	-	3,528	3,074
Medical fee		16,585	-	-	1,280	17,865	6,315
Medical supply		6,752	-	-	-	6,752	47,567
Newspapers and periodicals		966	-	-	-	966	8,120
Occupational therapy service		16,071	-	-	-	16,071	10,140
Other miscellaneous expenses		1,102	-	-	847	1,949	3,693
Other miscellaneous supply		2,235	-	-	2,927	5,162	4,978
Postage and stamps		15,239	-	-	-	15,239	37,817
Printing and stationery		59,423	-	-	1,280	60,703	57,601
Rental expenses		96,144	-	-	11,290	107,434	201,489
Repair cost		106,632	-	-	1,365	107,997	31,887
Replacement cost		72,866	-	-	5,921	78,787	97,434
Maintenance services		192,498	-	-	16,581	209,079	241,268
Monthly allowance		-	-	-	12,920	12,920	5,952
Pest control charges		10,850	-	-	10,885	21,735	21,971
Physiotherapy service		9,587	-	-	-	9,587	9,360
Repair and maintenance – cleaning		285,425	-	-	-	285,425	226,750
Repair and maintenance – security		311,209	-	-	59,758	370,967	390,244
Recruit expenses		39,804	-	-	-	39,804	6,928
Services rendered		16,945	-	-	5,928	22,873	67,257
<b>Sub-total other expenses</b>		<b>1,518,065</b>	<b>-</b>	<b>-</b>	<b>147,818</b>	<b>1,665,883</b>	<b>1,620,819</b>

# SINGAPORE BUDDHIST WELFARE SERVICES

## STATEMENT OF FINANCIAL ACTIVITIES (cont'd\_4) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

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	2024				2024	2023
	Unrestricted funds	Restricted funds			Total funds	Total funds
	General fund	Fu Hui Link Building	Kidney Dialysis Centre	Green Haven		
	S\$	S\$	S\$	S\$	S\$	S\$
<b>Other expenses (cont'd)</b>						
Small assets	9,375	-	-	30,688	40,063	28,437
Stamp duty	12,571	-	-	-	12,571	-
Sundry	480	-	-	-	480	1,848
Telephone charges	20,632	-	-	939	21,571	17,826
Training fee	3,833	-	-	3,656	7,489	24,099
Transportation	185	-	-	2,541	2,726	1,238
Upkeep of motor vehicles	104,251	-	-	3,246	107,497	111,244
Unclaimed GST expenses	246,307	-	-	-	246,307	183,346
Water and electricity	544,198	-	-	53,000	597,198	657,288
<b>Total other expenses</b>	<b>4,522,200</b>	<b>289,571</b>	<b>-</b>	<b>681,473</b>	<b>5,493,244</b>	<b>5,248,944</b>
<b>Total expenditure</b>	<b>10,202,051</b>	<b>289,571</b>	<b>700,000</b>	<b>1,337,915</b>	<b>12,529,537</b>	<b>11,845,572</b>
<b>Net surplus (deficits), representing total comprehensive income for the year</b>	<b>743,945</b>	<b>(289,571)</b>	<b>(2,765)</b>	<b>203,822</b>	<b>655,431</b>	<b>359,473</b>
	=====	=====	=====	=====	=====	=====

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

# SINGAPORE BUDDHIST WELFARE SERVICES

## STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2024

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	Note	2024 S\$	2023 S\$
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	12	40,343,105	39,635,138
Library books	13	10,340	10,340
		<u>40,353,445</u>	<u>39,645,478</u>
<b>Current assets</b>			
Inventories	14	45,412	36,091
Trade and other receivables	15	1,131,375	1,557,957
Prepayments		55,228	81,651
Cash and cash equivalents	16	14,543,999	12,761,963
		<u>15,776,014</u>	<u>14,437,662</u>
<b>Total assets</b>		<u>56,129,459</u> =====	<u>54,083,140</u> =====
<b>FUNDS AND LIABILITIES</b>			
<b>Funds</b>			
<b>Unrestricted fund:</b>			
Accumulated fund		40,739,632	39,995,687
<b>Restricted funds:</b>			
Kidney Dialysis Centre fund	11(a)	13,118	15,883
Green Haven fund	11(b)	390,088	186,266
Fu Hui Link Building fund	11(c)	11,398,464	11,688,035
<b>Total funds</b>		<u>52,541,302</u>	<u>51,885,871</u>
<b>Non-current liabilities</b>			
Deferred capital grants	19	253,665	501,441
Lease liabilities	21(b)	1,100,099	103,562
		<u>1,353,764</u>	<u>605,003</u>



**SINGAPORE BUDDHIST WELFARE SERVICES****STATEMENT OF FINANCIAL POSITION (cont'd\_2)  
AS AT 31 DECEMBER 2024****11**

	Note	2024 S\$	2023 S\$
<b>FUNDS AND LIABILITIES (cont'd)</b>			
<b>Current liabilities</b>			
Other payables	17	870,678	1,155,547
Subscriptions received in advance	18	27,440	28,616
Deferred capital grants	19	272,431	276,201
Lease liabilities	21(b)	1,063,844	131,902
		<u>2,234,393</u>	<u>1,592,266</u>
<b>Net current assets</b>		<u>13,541,621</u>	<u>12,845,396</u>
<b>Total liabilities</b>		<u>3,588,157</u>	<u>2,197,269</u>
<b>Net assets</b>		<u>52,541,302</u>	<u>51,885,871</u>
<b>Total funds and liabilities</b>		<u>56,129,459</u> =====	<u>54,083,140</u> =====

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

**SINGAPORE BUDDHIST WELFARE SERVICES**

**STATEMENT OF CHANGES IN FUNDS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

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	Unrestricted Fund	Restricted Funds			
	Accumulated Fund S\$	Fu Hui Link Building Fund S\$	Kidney Dialysis Centre Fund S\$	Green Haven Fund S\$	Total funds S\$
<b>Balance at 1 January 2023</b>	39,347,854	11,977,606	68,860	132,078	51,526,398
Net surplus (deficit), representing total comprehensive income for the year	647,833	(289,571)	(52,977)	54,188	359,473
<b>Balance at 31 December 2023</b>	39,995,687	11,688,035	15,883	186,266	51,885,871
Net surplus (deficit), representing total comprehensive income for the year	743,945	(289,571)	(2,765)	203,822	655,431
<b>Balance at 31 December 2024</b>	40,739,632	11,398,464	13,118	390,088	52,541,302
	=====	=====	=====	=====	=====

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

**SINGAPORE BUDDHIST WELFARE SERVICES**

**STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

**13**

	Note	2024 S\$	2023 S\$
<b>Cash flows from operating activities:</b>			
Net surplus for the year		655,431	359,473
<u>Adjustments for:</u>			
Depreciation of property, plant and equipment	12	2,699,926	2,557,909
Gain on disposal of property, plant and equipment	9	-	(64,000)
Amortisation of deferred capital grants and government funding	5	(273,056)	(332,127)
Fixed deposits interest income	7	(222,481)	(172,957)
Written off property, plant and equipment		24,000	-
Interest expenses	21(c)	133,373	35,459
Operating cash flow before working capital changes		3,017,193	2,383,757
<u>Changes in working capital:</u>			
Inventories		(9,321)	1,865
Trade and other receivables		426,582	(311,680)
Prepayments		26,423	(22,667)
Other payables		(284,869)	(20,200)
Subscriptions received in advance		(1,176)	176
<b>Net cash from operating activities</b>		<b>3,174,832</b>	<b>2,031,251</b>
<b>Cash flows from investing activities:</b>			
Placement of fixed deposits		(3,176,889)	(133,023)
Purchase of property, plant and equipment	12	(535,367)	(724,601)
Proceeds from disposal of property, plant and equipment		-	64,000
Received of government grants – net		21,510	52,725
Fixed deposits interest received		222,481	172,957
Changes in pledged fixed deposits		-	(14,400)
<b>Net cash used in investing activities</b>		<b>(3,468,265)</b>	<b>(582,342)</b>
<b>Cash flows from financing activities:</b>			
Lease payments		(968,047)	(921,521)
Interest paid		(133,373)	(35,459)
<b>Net cash used in financing activities</b>		<b>(1,101,420)</b>	<b>(956,980)</b>
Net (decrease) increase in cash and cash equivalents		(1,394,853)	491,929
Cash and cash equivalents at beginning of year		7,253,660	6,761,731
<b>Cash and cash equivalents at end of year</b>	16	<b>5,858,807</b>	<b>7,253,660</b>
		=====	=====

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

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

**1. Corporate Information**

The Singapore Buddhist Welfare Services (the “Charity”) is registered and domiciled in Singapore. The Charity is an approved Institution of Public Character (IPC) since 9 May 1991. Its present IPC status is effective from 01 February 2024 to 30 November 2026 subject to renewal.

The address of its registered office and principal place of operation is located at 105 Punggol Road, Singapore 546636.

The principal activities of the Charity are to initiate and organise voluntary programs, services and activities supportive of the relief of poverty, suffering, ignorance or ill-health, physical and psychological without limitation of age, gender, race, nationality, religion or personality, through the provision of counselling, advisory, financial assistance, training or education of assistance that may be deemed desirable.

The financial statements for the financial year ended 31 December 2024 were authorised for issue by the Management Committee on 27 June 2025.

**2. Basis of preparation**

**2.1 Statement of compliance**

The financial statements have been prepared on historical cost basis, except as disclosed in the material accounting policy information, and are drawn up in accordance with the Societies Act 1966, the Charities Act 1994 and other relevant regulations and Financial Reporting Standards in Singapore.

The financial statements of the Charity have been prepared on the basis that it will continue to operate as a going concern.

**2.2 Functional and presentation currency**

The financial statements are presented in Singapore Dollar, which is the Charity’s functional currency.



3. Material accounting policy information

The material accounting policy information below have been applied consistently with those of previous financial years, except as explained in Note 28, which addresses changes in material accounting policies.

3.1 Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

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

	<u>Useful lives</u>
Leasehold land and buildings	50 years
Statues	50 years
Renovation	10 to 50 years
Organic farming equipment	5 years
Furniture and fittings	10 years
Equipment	5 to 10 years
Motor vehicles	5 years
Right-of-use assets	Over lease term

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period following the Charity's consideration of the asset condition, wear-and-tear, technology changes and expected use taking into account climate-related strategy. The effect of any changes in estimate is accounted for on a prospective basis.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits to arise from the continued use of asset. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

At each reporting date, the Charity reviews the carrying amounts of its property, plant and equipment determined that there is no indication that those assets have suffered an impairment loss.

No depreciation is provided on construction-in-progress until the asset is completed and ready for its intended use. Upon completion, the cost of construction is transferred to the appropriate asset category and depreciation commences from the date the asset is available for use.

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**3. Material accounting policy information (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 Charity 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**

Financial assets and financial liabilities are recognised in the statement of financial position when the Charity becomes a party to the contractual provisions of the instruments.

**Financial asset**

All regular way purchases or sales of financial assets are recognised and derecognised on a trade basis.

Financial assets are initially measured at fair value (except for trade receivables that do not have a significant financing component which are measured at transaction price), net of transaction costs that are directly attributable to the acquisition or issue of the financial assets.

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**3. Material accounting policy information (cont'd)**

**3.3 Financial instruments (cont'd)**

**Financial asset (cont'd)**

Classification of financial assets

The Charity classifies its financial assets based on the Charity's model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

**Financial assets at amortised cost**

Financial assets (comprising cash and cash equivalents, trade and other receivables) are subsequently measured at amortised cost as they are held within a business model whose objective is to collect the contractual cash flows which are solely payments of principal and interest on the principal amount outstanding ("SPPI").

Impairment of financial assets

The Charity recognises a loss allowance for expected credit losses ("ECL") on trade and other receivables. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial asset.

The Charity has established a ECL provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment which could affect debtors' ability to pay. Details about the Charity's credit risk management and impairment policies are disclosed in Note 25(a).

Derecognition of financial assets

The Charity derecognises a financial asset only when the contractual rights to the cash flows from the asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

**Financial liabilities and equity**

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

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**3. Material accounting policy information (cont'd)**

**3.3 Financial instruments (cont'd)**

**Financial liabilities and equity (cont'd)**

**Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Charity are recognised at the proceeds received, net of direct issue costs.

**Financial liabilities at amortised cost**

Financial liabilities at amortised cost include trade and other payables and borrowings. These are initially measured at fair value, net of transaction costs that are directly attributable to the acquisition or issue of the financial liabilities, and are subsequently measured at amortised cost using the effective interest method.

**Derecognition of financial liabilities**

The Charity derecognises financial liabilities when, and only when, the Charity's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

**3.4 Inventories**

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out method. Where 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. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

**3.5 Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and on hand and fixed deposits that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value. For the purpose of presentation in the statement of cash flows, pledged deposits are excluded.



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**3. Material accounting policy information (cont'd)**

**3.6 Provisions**

Provisions are recognised when the Charity 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.

**3.7 Leases**

The Charity 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.

The Charity as lessee

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

**Right-of-use assets**

The Charity 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.

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**3. Material accounting policy information (cont'd)**

**3.7 Leases (cont'd)**

**Right-of-use assets (cont'd)**

If ownership of the leased asset transfers to the Charity 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 3.2.

The Charity's right-of-use assets are presented within property, plant and equipment (Note 12).

**Lease liabilities**

At the commencement date of the lease, the Charity 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 Charity and payments of penalties for terminating the lease. If the lease term reflects the Charity 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 Charity 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 Charity's lease liabilities are presented as separate line in statement of financial position and are disclosed Note 21.

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**3. Material accounting policy information (cont'd)**

**3.7 Leases (cont'd)**

The Charity as lessor

For a lessor, each lease is classified as either an operating lease or a finance lease. A lease is classified as an operating lease if it does not transfer substantially all the risks and reward incidental to ownership of an underlying asset. Rental income from operating lease is recognised in the Statement of Financial Activities on a straight line basis over the terms of the relevant lease unless another systematic basis is representative of the pattern of the user's benefit, even if the payments are not on that basis.

When the Charity is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. It assesses the lease classification of a sublease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Charity applies the exemption described above, then it classifies the sublease as an operating lease.

**3.8 Employee benefits**

Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Charity pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Charity has no further payment obligations once the contributions have been paid.

Employee leave entitlement

Employee entitlements to annual leave are recognised as a liability when they accrue to employees. The undiscounted liability for leave expected to be settled wholly within twelve months from the reporting date is recognised for annual leave as a result of services rendered by employees up to the end of the reporting period.

**3.9 Income recognition**

Income comprises the fair value of the consideration received or receivable for the sale of goods and rendering services, net of goods and service tax ("GST") and government grants, after eliminating inter-divisions transactions.

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**3. Material accounting policy information (cont'd)**

**3.9 Income recognition (cont'd)**

**(a) School fees**

The Charity offers infant care, pre-school programmes and after-school care services for children up to age 12. Such services are recognised as a performance obligation satisfied overtime. Revenue from these services is recognised over the duration of the period in which the services is provided, having regard to the stage of completion of the service. Management has assessed that the stage of completion determined as the proportion of the total periods in which the service has been provided for the financial year as an appropriate measure of progress towards complete satisfaction of these performance obligation under FRS 115 Revenue from contracts with customers.

**(b) Sales in vegetarian cafe and catering income**

The Charity operates a cafe and kitchen providing catering in vegetarian meals.

The Charity transfer control and recognises a sale when they deliver goods to their customers.

No element of financing is deemed present as the sales are either cash sales or made with a credit term of 30 days, which is consistent with market practice. A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

**(c) Rental, utility and share services**

The Charity renders rental, utility and shared services in manpower to related parties. Such services are recognised as a performance obligation satisfied over time. Revenue from these services is recognised over the duration in the period in which the service is rendered. Management has assessed the monthly performance of these services that has elapsed for the financial year as an appropriate measure of progress toward complete satisfaction of these performance obligation under FRS 115 Revenue from Contracts with customers.

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**3. Material accounting policy information (cont'd)**

**3.9 Income recognition (cont'd)**

**(d) Patient Service Charge**

The Charity operates a senior care centre for dementia. It also operates maintenance and rehabilitation services to benefit the elderly.

Revenue from patient service is recognised when the services performed satisfies a performance obligation (PO) by completion of significant act and/or transferring control of a promised service to the customer. The amount of revenue recognised is the amount of the transaction price allocated to the satisfied PO.

Transaction price is allocated to each PO in the contract on the basis of the relative standalone selling prices of the promised services. The individual standalone selling prices of a service that has not previously been sold on a standalone basis, or has a highly variable selling price, is determined based on the residual portion of the transaction price after allocating the transaction price to services with observable standalone selling prices. A discount or variable consideration is allocated to one or more, but not all, of the performance obligations if it relates specifically to those performance obligations.

Transaction price is the amount of consideration in the contract to which the Charity expects to be entitled to in exchange for transferring the promised services. The transaction price may be fixed or variable and is adjusted for time value of money if the contract includes a significant financing component. When consideration is variable, the estimated amount is included in the transaction price to the extent that it is highly probable that a significant reversal of the cumulative revenue will not occur when the uncertainty associated with the variable consideration is resolved.

**(e) Sales of traditional medicinal products and services**

The Charity operates a TCM clinic and bus to provide traditional medical products and acupuncture services to the sick, elderly or needy.

The Charity transfers control and recognises a sale when they deliver goods or perform services to their customers on an affordable rates. No element of financing is deemed present as the sales are either cash sales or made with a credit term of 30 days, which is consistent with the market practice. A receivable is recognised with the goods or services are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before payment is due.

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**3. Material accounting policy information (cont'd)**

**3.9 Income recognition (cont'd)**

- (f) Donations are recognised on a receipt basis.
- (g) Interest income is recognised on a time-proportion basis using the effective interest method.
- (h) Membership subscriptions are recognised as income when due and receivable.

**3.10 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.

**3.11 Income tax**

The Charity is a registered charity under the Charities Act and is exempted from income tax under Section 13(1)(zm) of the Income Tax Act.

**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 for donations/ funds 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.

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**3. Material accounting policy information (cont'd)**

**3.12 Funds (cont'd)**

Accumulated fund

The accumulated fund is unrestricted and is expendable at the discretion of the Executive Committee in furtherance of the Charity's objectives.

Fu Hui Link Building fund

Fu Hui Link Building fund is a restricted fund accumulated from funds raised for the construction of the Fu Hui Link Building. Amounts equal to the depreciation charge for the building is charged to the fund. It will be exhausted when the building are fully depreciated.

Kidney Dialysis Centre fund

Kidney Dialysis Centre fund is a restricted fund accumulated from funds raised for the Singapore Buddhist Welfare Services - NKF Dialysis Centre. The Charity has committed to sponsor the centre's yearly recurrent operating costs of up to S\$700,000 (2023: S\$700,000).

Green Haven Fund - Score financial assistance

In 2017 and 2018, the Charity relocated the Green Haven Halfway House at 770 Jurong Road Singapore 649695 to 10 Admiralty Road East Singapore 759988. A total grant of S\$2,430,361 was received from the Singapore Corporation of Rehabilitative Enterprises ("SCORE") Financial Assistance Scheme for cyclical maintenance work at the Green Haven Halfway House in 2017 and 2018. The previous grant of S\$902,223 received in 2012, with an unamortised balance of S\$451,117 was written off to profit or loss in 2017 as the related property, plant and equipment at the old premises were disposed. During the year, the Charity received S\$Nil (2023: S\$Nil) an additional grant for the beneficiaries served under Green Haven.

These capital grants are amortised over the useful lives of the related property, plant and equipment, Green Haven Halfway House which is 10 years.

**3.13 Foreign currency transactions**

Transactions in a currency other than the functional currency ("foreign currency") are recognised at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates of prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

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**4. Significant accounting judgements and estimates**

The preparation of the financial statements requires management to make judgments, 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. Actual results could differ from those estimates. The estimates and assumptions are reviewed on an ongoing basis. 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.

**4.1 Judgements made in applying accounting policies**

Management is of opinion that there are no critical judgements, apart from those involving estimations reported in Note 4.2, that has made in the process of applying the Charity's material accounting policies that have the most significant effect on the amounts reported in the financial statements.

**4.2 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 that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are related to the following areas and further explained below.

**(a) Expected credit loss on trade and other**

When measuring ECL, the Charity uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other. Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions. The carrying amount of trade and other receivables are disclosed in Note 15.



# SINGAPORE BUDDHIST WELFARE SERVICES

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

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### 5. Voluntary income

	2024 S\$	2023 S\$
<u>Unrestricted</u>		
Donation box	361,653	381,639
Donations received	1,031,434	1,457,952
Donations for Healthcare Bus	5,500	25,345
Donations for Happy Villa	214,284	277,583
Donations for Meal Scheme	574,789	574,805
Tax-exempt donations received	2,373,831	1,180,497
Subsidy from Community Development Council	15,360	15,360
Government funding	898,429	703,337
	<u>5,475,280</u>	<u>4,616,518</u>
<u>Restricted</u>		
<i>Green Haven:</i>		
- Government funding	1,259,030	1,009,399
- Donation received - Green Haven	8,772	14,130
- Amortisation of deferred capital grants – Score financial assistance (Note 19)	243,036	243,036
- Amortisation of deferred capital grants – President challenge fund (Note 19)	30,020	51,535
	<u>1,540,858</u>	<u>1,318,100</u>
<i>Kidney Dialysis Centre:</i>		
- Contributions received for Kidney Dialysis Centre Fund	697,235	647,023
	<u>2,238,093</u>	<u>1,965,123</u>
	<u>7,713,373</u>	<u>6,581,641</u>
	=====	=====

Tax-exempt donations received are donations for which tax-exempt receipts have been issued.

During the financial year, the Charity issued tax-exempt receipts for donations collected amounting to S\$3,136,904 (2023: S\$2,074,995).

**SINGAPORE BUDDHIST WELFARE SERVICES****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024****28****6. Income from fund-generating activities**

	2024 S\$	2023 S\$
Fees collected	1,031,424	1,328,329
Ordinary sponsorship subscription	12,200	14,100
Ordinary membership subscription	21,072	20,496
Registration fees	2,098	2,688
Sale of uniforms and mattress	4,268	5,442
Marriage education and enrichment program	560	840
Holiday programme	79,493	65,440
TCM and healthcare bus income	117,913	130,741
Fu Hui Golden Care income	308,981	228,748
	<u>1,578,009</u>	<u>1,796,824</u>
	=====	=====

**7. Investment income**

	2024 S\$	2023 S\$
<u>Unrestricted</u>		
Fixed deposit interest income	221,602	172,325
<u>Restricted</u>		
Fixed deposit interest income	879	632
	<u>222,481</u>	<u>172,957</u>
	=====	=====

**SINGAPORE BUDDHIST WELFARE SERVICES**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

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**8. Income from related charitable entities**

	2024 S\$	2023 S\$
Income from Grace Lodge		
- Rental	2,280,000	2,280,000
- Water and electricity	273,028	308,247
- Shared service	96,000	96,000
	<u>2,649,028</u>	<u>2,684,247</u>
Income from Fu Hui Buddhist Cultural Centre		
- Rental	180,000	180,000
- Water and electricity	39,441	47,321
- Shared services	48,000	48,000
	<u>267,441</u>	<u>275,321</u>
Income from vending machines	985	775
Income from Green Delights	584,915	535,798
Income from car park	17,359	-
Other miscellaneous income	41	3,114
Reversal of accrual and creditor	30,819	-
Jobs credit grants	120,517	90,368
	<u>3,671,105</u>	<u>3,589,623</u>
	=====	=====

**9. Other income**

	2024 S\$	2023 S\$
<u>Restricted</u>		
Gain on disposal of property, plant and equipment	-	64,000
	<u>-</u>	<u>64,000</u>
	=====	=====

# SINGAPORE BUDDHIST WELFARE SERVICES

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

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### 10. Staff costs and emoluments

	2024 S\$	2023 S\$
<u>Unrestricted</u>		
Salaries and bonuses	4,038,593	3,714,790
Central Provident Fund & Skill Development Levy	457,375	415,169
Foreign workers' levy	101,514	91,894
Staff incentives	832	2,874
	<u>4,598,314</u>	<u>4,224,727</u>
<u>Restricted</u>		
Salaries and bonuses	458,993	502,314
Central Provident Fund & Skill Development Levy	70,556	75,914
Staff incentives	59	-
	<u>529,608</u>	<u>578,228</u>
	<u>5,127,922</u>	<u>4,802,955</u>
	=====	=====
 Average number of employees	 96	 99
	=====	=====

### 11. Restricted Funds

#### (a) Kidney Dialysis Centre Fund

Kidney Dialysis Centre fund is a restricted fund accumulated from funds raised for the SBWS - NKF Dialysis Centre. The Charity has committed to sponsor the centre's yearly recurrent operating costs.

	2024 S\$	2023 S\$
Beginning of the year	15,883	68,860
Add: Funds received during the year	697,235	647,023
Less: Utilisation of funds during the year	(700,000)	(700,000)
	<u>13,118</u>	<u>15,883</u>
	=====	=====

**11. Restricted Funds (cont'd)****(b) Green Haven**

Green Haven fund is a restricted fund accumulated from funds raised for the operations of the halfway house.

	2024 S\$	2023 S\$
Beginning of the year	186,266	132,078
Add: Funds received during the year	1,541,737	1,382,732
Less: Utilisation of funds during the year	(1,337,915)	(1,328,544)
	<u>390,088</u>	<u>186,266</u>
End of the year	=====	=====

**(c) Fu Hui Link Building Fund**

Fu Hui Link Building fund is a restricted fund accumulated from funds raised for the construction of the Fu Hui Link Building.

	2024 S\$	2023 S\$
Beginning of the year	11,688,035	11,977,606
Less: Utilisation of funds during the year	(289,571)	(289,571)
	<u>11,398,464</u>	<u>11,688,035</u>
End of the year	=====	=====

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

	Leasehold land and building S\$	Statues S\$	Renovation S\$	Organic farming equipment S\$	Furniture and fittings S\$	Equipment S\$	Motor vehicles S\$	Construction in progress S\$	Total S\$
<b>2024</b>									
<b>Cost</b>									
At 1 January 2024	55,432,560	130,493	6,777,135	25,914	677,704	1,896,007	920,199	24,000	65,884,012
Additions	2,896,526	-	267,829	-	-	154,853	-	112,685	3,431,893
Written off	-	-	-	-	-	-	-	(24,000)	(24,000)
Derecognise right-of-use assets relating to expired lease term	(3,151,812)	-	-	-	-	-	-	-	(3,151,812)
<b>At 31 December 2024</b>	<b>55,177,274</b>	<b>130,493</b>	<b>7,044,964</b>	<b>25,914</b>	<b>677,704</b>	<b>2,050,860</b>	<b>920,199</b>	<b>112,685</b>	<b>66,140,093</b>
<b>Accumulated depreciation</b>									
At 1 January 2024	20,478,488	80,445	3,274,925	25,914	535,501	1,214,905	638,696	-	26,248,874
Charge for the year	2,006,830	2,610	409,840	-	37,336	163,899	79,411	-	2,699,926
Derecognise right-of-use assets relating to expired lease term	(3,151,812)	-	-	-	-	-	-	-	(3,151,812)
<b>At 31 December 2024</b>	<b>19,333,506</b>	<b>83,055</b>	<b>3,684,765</b>	<b>25,914</b>	<b>572,837</b>	<b>1,378,804</b>	<b>718,107</b>	<b>-</b>	<b>25,796,988</b>
<b>Net carrying amount</b>									
At 31 December 2024	35,843,768	47,438	3,360,199	-	104,867	672,056	202,092	112,685	40,343,105

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

## 12. Property, plant and equipment (cont'd)

	Leasehold land and building S\$	Statues S\$	Renovation S\$	Organic farming equipment S\$	Furniture and fittings S\$	Equipment S\$	Motor vehicles S\$	Construction in progress S\$	Total S\$
<b><u>2023</u></b>									
<b>Cost</b>									
At 1 January 2023	55,432,560	130,493	6,115,877	25,914	631,004	1,737,938	838,319	478,617	65,390,722
Additions	-	-	137,205	-	46,700	158,069	288,474	94,153	724,601
Disposals	-	-	-	-	-	-	(206,594)	-	(206,594)
Written off	-	-	-	-	-	-	-	(24,717)	(24,717)
Reclassification	-	-	524,053	-	-	-	-	(524,053)	-
At 31 December 2023	55,432,560	130,493	6,777,135	25,914	677,704	1,896,007	920,199	24,000	65,884,012
<b>Accumulated depreciation</b>									
At 1 January 2023	18,594,933	77,835	2,870,286	25,914	498,166	1,066,454	763,971	-	23,897,559
Charge for the year	1,883,555	2,610	404,639	-	37,335	148,451	81,319	-	2,557,909
Disposals	-	-	-	-	-	-	(206,594)	-	(206,594)
At 31 December 2023	20,478,488	80,445	3,274,925	25,914	535,501	1,214,905	638,696	-	26,248,874
<b>Net carrying amount</b>									
At 31 December 2023	34,954,072	50,048	3,502,210	-	142,203	681,102	281,503	24,000	39,635,138

**12. Property, plant and equipment (cont'd)**

In 2024, the Charity acquired property, plant and equipment with an aggregate cost of S\$3,431,893 of which of S\$535,367 is acquired by cash and S\$2,896,526 was acquired by means of leases related right-of-use of assets.

Leasehold land and building at Punggol Road with Lot No. MK21-1107X is held in trust by the four trustees of the Charity.

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 21.

**13. Library books**

	2024 S\$	2023 S\$
Cost		
Beginning and end of year	10,340 =====	10,340 =====

Library books are not depreciated due to their infinite useful life and high residual value. In addition, depreciation charge on these library books would have been insignificant.

**14. Inventories**

	2024 S\$	2023 S\$
Medicines	36,424	27,845
Uniforms and T-shirts	6,816	5,999
Vests	2,172	2,172
Mattress	-	75
	45,412 =====	36,091 =====



**15. Trade and other receivables**

	2024 S\$	2023 S\$
Trade:		
Related parties	910,082	1,369,292
Non related parties	625	425
	<hr/>	<hr/>
	910,707	1,369,717
Other receivables:		
Refundable deposits	73,312	85,952
Interest receivable on fixed deposits	101,401	55,808
Others	45,955	46,480
	<hr/>	<hr/>
	1,131,375	1,557,957
	=====	=====

Trade receivables are non-interest bearing and are generally on 60 days' terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

**ECL on trade receivables**

The trade receivables shown above are subject to the expected credit loss ("ECL") model. The trade receivables are considered to have low credit risk individually. There have been no historical losses. There has been no significant increase in the risk of default since initial recognition. Accordingly, the loss allowance is measured at an amount equal to 12-month expected credit losses (ECL). No allowance loss is deemed necessary.

**Other receivables**

Refundable deposits comprise mainly of security deposits related to utility services, which are refundable to the Charity.

Interest receivables on fixed deposits are maintained with creditworthy financial institutions and are subject to an immaterial credit loss.

**ECL on other receivables**

Other receivables are considered to have low credit risk. The loss allowance is measured at an amount equal to 12-month expected credit loss and determined that the ECL is insignificant.

**16. Cash and cash equivalents**

	2024 S\$	2023 S\$
Cash at banks	5,855,552	7,250,913
Cash on hand	3,255	2,747
Fixed deposits	8,685,192	5,508,303
	<u>14,543,999</u>	<u>12,761,963</u>
	=====	=====
Comprising:		
Cash at bank restricted under		
- Green Haven	425,632	322,974
Cash on hand restricted under		
- Green Haven	523	736
Not restricted in use	<u>14,117,844</u>	<u>12,438,253</u>
	<u>14,543,999</u>	<u>12,761,963</u>
	=====	=====

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

	2024 S\$	2023 S\$
Cash and bank balances (as above)	14,543,999	12,761,963
Less: Fixed deposits pledged	(261,900)	(261,900)
Less: Placement of fixed deposits with tenure more than 3 months	(8,423,292)	(5,246,403)
	<u>5,858,807</u>	<u>7,253,660</u>
	=====	=====

Fixed deposits mature within 4 to 10 months (2023: 3 to 10 months) from the end of the reporting period and earn interest at the respective fixed deposit rates ranging from 1.50% to 3.0% (2023: 0.10% to 3.5%) per annum.

Fixed deposits of S\$261,900 (2023: S\$261,900) are pledged to secure bankers' guarantees in lieu of rental deposits for leasing premises.

# SINGAPORE BUDDHIST WELFARE SERVICES

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

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### 17. Other payables

	2024 S\$	2023 S\$
Refundable deposits	136,693	162,875
Sundry payables	296,175	554,279
Accruals	372,913	377,833
	<hr/>	<hr/>
Financial liabilities	805,781	1,094,987
GST payable	64,897	60,560
	<hr/>	<hr/>
	870,678	1,155,547
	=====	=====

Refundable deposit relate to deposits received for child care service rendered by Grace Child Development Centre.

Sundry payables are non-trade in nature, unsecured, non-interest bearing and are generally on 30 days' terms.

### 18. Subscriptions received in advance

Subscriptions received in advance consist of advance payments for membership and sponsorship fees. Yearly membership fee and donor's sponsorship fee are S\$24 and S\$100 respectively.

### 19. Deferred capital grants

	2024 S\$	2023 S\$
<u>Score Financial Assistance:</u>		
Beginning of the year	744,477	987,513
Refund of unused funding	(4,740)	-
Utilisation of funds for the year	(243,036)	(243,036)
	<hr/>	<hr/>
End of the year	496,701	744,477
	=====	=====
<u>President Challenge Fund:</u>		
Beginning of the year	33,165	69,531
Refund of unused funding	26,250	52,725
Utilisation of funds for the year	(30,020)	(89,091)
	<hr/>	<hr/>
End of the year	29,395	33,165
	=====	=====

**19. Deferred capital grants (cont'd)**

	2024 S\$	2023 S\$
Analysed as:		
Current	272,431	276,201
Non-current	253,665	501,441
	<u>526,096</u>	<u>777,642</u>
	=====	=====

Score Financial Assistance from is received from Yellow Ribbon Singapore (YRSG), formerly known as Singapore Corporation of Rehabilitative Enterprise (SCORE) and is recognised deferred grant. These grant are amortised in line with the depreciation of renovation assets used for rehabilitation purposes at 10 Admiralty Road East, Singapore 759988.

The grant is classified as a deferred grant under non-current liabilities upon receipt, as it relates to the acquisition of long-term assets. The deferred grant is amortised over the useful life of the renovation assets on a systematic basis, in line with the depreciation of the related renovation costs.

**20. Commitments****Sponsorship to Kidney Dialysis Centre**

The SBWS – NKF Dialysis Centre at Block 114, Hougang Avenue 1 is under the management of National Kidney Foundation. The Charity has committed to sponsor the centre's yearly recurrent operating costs of up to S\$700,000 (2023: S\$700,000).

**21. Leases****Operating lease income commitments - as lessor**

A mature analysis of the undiscounted non-cancellable lease amounts to be received on an annual basis is as follows:

	2024 S\$	2023 S\$
Not later than 1 year	2,460,000	1,890,000
Between 1 and 2 years	750,000	5,120,000
Total	<u>3,210,000</u>	<u>7,020,000</u>
	=====	=====
Rental income for the year (Note 8)	<u>2,460,000</u>	<u>2,460,000</u>
	=====	=====

**21. Leases (cont'd)**

Operating and finance lease income commitments are for the lease of the following:

- (i) certain floor area at the premise of Yen Pei Building located at 105 Punggol Road, Singapore 546636 to Fu Hui Buddhist Cultural Centre; and
- (ii) the premise located at 19 Compassvale Walk, Singapore 544644 to Grace Lodge.

The lease rental income terms are negotiated for an average term of 1 to 3 year.

**The Charity as a lessee**

The Charity leases premises at 19 Compassvale Walk Singapore 544644 and 10 Admiralty Road East Singapore 759988 from the Singapore Land Authority under non-cancellable operating lease agreements. These leases have remaining lease terms of 25 and 9 months, respectively, with no contingent rent provision in the contract.

**(a) Right-of-use assets**

Carrying amounts of right-of-use assets classified within property, plant and equipment.

	Leasehold land S\$
At 1 January 2023	1,120,113
Depreciation	(892,079)
	<hr/>
At 31 December 2023	228,034
Addition	2,896,526
Depreciation	(1,015,355)
	<hr/>
At 31 December 2024	2,109,205
	<hr/>

**(b) Lease liabilities**

The carrying amounts of lease liabilities are as follows:

	2024 S\$	2023 S\$
Lease liabilities for:		
Land	2,163,943	235,464
	<hr/>	<hr/>

**21. Leases (cont'd)****(b) Lease liabilities (cont'd)**

	2024 S\$	2023 S\$
Analysed as:		
Current	1,063,844	131,902
Non-current	1,100,099	103,562
	<u>2,163,943</u>	<u>235,464</u>
	=====	=====

The maturity analysis of lease liabilities is disclosed in Note 25(b).

**(c) Amounts recognised in profit or loss**

	2024 S\$	2023 S\$
Depreciation of right-of-use assets	1,015,355	892,079
Interest expense on lease liabilities	133,373	35,459
Lease expense not capitalised in lease liabilities		
- Expense relating to short-term leases (included in administrative expense)	107,434	201,489
	<u>1,256,162</u>	<u>1,129,027</u>
	=====	=====

**(d) Total cash outflow**

The Charity's had total cash outflows for leases of S\$1,101,420 (2023: S\$956,980) in 2024.

**(e) Reconciliation of liabilities arising from financing activities**

The table below details changes in the Charity's liabilities arising from financing activities. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Charity's statement of cash flows as cash flows from financial activities.

(in S\$)	1 January 2024	Cash flows	Non-cash changes		31 December 2024
			Lease additions	Interest expense	
Lease liabilities	235,464	(1,101,420)	2,896,526	133,373	2,163,943

**21. Leases (cont'd)**

(in S\$)	1 January 2023	Cash flows	Non-cash changes		31 December 2023
			Lease additions	Interest expense	
Lease liabilities	1,156,985	(956,980)	-	35,459	235,464

**22. Columnar presentation of statement of financial position**

A large majority of the assets and liabilities are attributable to the General Fund. All the assets of the funds are represented by cash balances and property, plant and equipment. 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. 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.

**(a) Sale and purchase of goods and services:**

	2024 S\$	2023 S\$
Income from:		
- Grace Lodge (Note 8)	2,649,028	2,684,247
- Fu Hui Buddhist Cultural Centre (Note 8)	267,441	275,321
	<u>2,196,469</u>	<u>2,959,568</u>
	=====	=====

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

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Charity. This includes the Management Committee and designated key management employees below:

**23. Related party transactions (cont'd)***Singapore Buddhist Welfare Services ("SBWS"):*

- |   |                 |
|---|-----------------|
| 1. Director of Finance  | Mr. Tee Tai Win |
| 2. Director of Administrative Management (terminated on 30 December 2024) | Ms. Cindy Tang  |

*Divisions of SBWS:*

- |   |                     |
|---|---------------------|
| 1. Green Haven  | Mr. Lee Jun Jie     |
| 2. Happy Villa  | Ms. Joanne Liew     |
| 3. Grace Child Development Centre                             | Ms. Chin Siew Khoon |
| 4. Hearty Care Centre   | Ms. Tammy Tan       |
| 5. Fu Hui Golden Care Centre                                  | Ms. Soon Choon Wah  |
| 6. SBWS Mobile Healthcare (TCM) Service and Fu Hui TCM Clinic | Ms. Sek Sern Ching  |

**(b) Compensation of key management personnel**

No compensation is made to any members of the Management Committee as their appointments are honorary.

Compensation of management employees mentioned above are included in the staff costs as follows:

	2024	2023
	S\$	S\$
Short term employee benefits		
- SBWS	319,293	298,133
- Division of SBWS	610,750	532,686
Employer's contribution to Central Provident Fund		
- SBWS	29,072	27,178
- Division of SBWS	76,473	60,402
	1,035,588	918,399
	1,035,588	918,399

Number of key management personnel in remuneration band:

	2024	2023
S\$50,001 to S\$150,000	7	8
S\$50,000 and below	1	-
	7	8



**24. Categories of financial assets and financial liabilities**

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

	2024 S\$	2023 S\$
<b><u>Financial assets</u></b>		
Financial asset at amortised cost:		
Trade and other receivables	1,131,375	1,557,957
Cash and cash equivalents	14,543,999	12,761,963
	<u>15,675,374</u>	<u>14,319,920</u>
	=====	=====
<b><u>Financial liabilities</u></b>		
Financial liabilities at amortised cost:		
Other payables	805,781	1,094,987
Lease liabilities	2,163,943	235,464
	<u>2,969,724</u>	<u>1,330,451</u>
	=====	=====

Further quantitative disclosures are included throughout these financial statements.

**25. 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 Management 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.

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.

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**25. Financial risk management (cont'd)**

**(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 receivables and cash and bank balances. The Charity minimises credit risk by dealing only with high credit quality counterparties.

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.

The Charity 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 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 which could affect debtors' ability to pay.

The Charity considers a financial asset in default when contractual payments are 60 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.

**25. Financial risk management (cont'd)****(a) Credit risk (cont'd)**

At the end of the reporting period, approximately 100% (2023: 88%) of trade and other receivables were due from related parties.

Cash and bank balances is held with creditworthy institutions and is subject to immaterial credit loss.

**(b) Liquidity risk**

Liquidity risk is the risk that the Charity will encounter difficulty in 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 table below summarises the maturity profile of the Charity's financial liabilities at the end of the reporting period based on contractual undiscounted payment obligation.

	1 year or less S\$	1 to 5 year S\$	Total S\$
<b><u>2024</u></b>			
Other payables	805,781	-	805,781
Lease liabilities	1,153,440	1,134,900	2,288,340
	<u>1,959,221</u>	<u>1,134,900</u>	<u>3,094,121</u>
	=====	=====	=====
<b><u>2023</u></b>			
Other payables	1,094,987	-	1,094,987
Lease liabilities	141,120	105,840	246,960
	<u>1,236,107</u>	<u>105,840</u>	<u>1,341,947</u>
	=====	=====	=====

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**26. Fair value of financial assets and financial liabilities**

The carrying amounts of trade and other receivables, cash and cash equivalents and other payables and current lease liabilities are reasonable approximation of fair values due to their short-term nature.

Fair value information of the non-current lease liabilities as disclosed in Note 21(b).

**27. 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 program activities to the public and its members.

The capital structure of the Charity consists of Accumulated Fund, Fu Hui Link Building Fund, Green Haven Fund and Kidney Dialysis Centre fund, as shown in the statement of financial position. In order to maintain or adjust the capital structures, 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 2023.

The Charity is not subject to any externally imposed capital requirements for the financial years ended 31 December 2024 and 2023. The Charity maintains an accumulated fund at a level adequate to fund 3.5 years of annual operating expenditure.

**28. Adoption of new and revised standards**

In the current year, the Charity have applied all the new and revised FRSs that are mandatorily effective for an accounting period that begins on or after January 1, 2024. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements except as below.

*Amendments to FRS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current*

The Charity has adopted the amendments to FRS 1, published in May 2020, for the first time in the current year. The amendments affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items.

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**28. Adoption of new and revised standards (cont'd)**

*Amendments to FRS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current (cont'd)*

The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

*Amendments to FRS 1 Presentation of Financial Statements: Non-current Liabilities with Covenants*

The Charity has adopted the amendments to FRS 1, published in December 2022, for the first time in the current year.

The amendments specify that only covenants that an entity is required to comply with on or before the end of the reporting period affect the entity's right to defer settlement of a liability for at least twelve months after the reporting date (and therefore must be considered in assessing the classification of the liability as current or non-current). Such covenants affect whether the right exists at the end of the reporting period, even if compliance with the covenant is assessed only after the reporting date (e.g. a covenant based on the entity's financial position at the reporting date that is assessed for compliance only after the reporting date).

The right to defer settlement of a liability for at least twelve months after the reporting date is not affected if an entity only has to comply with a covenant after the reporting period. However, if the entity's right to defer settlement of a liability is subject to the entity complying with covenants within twelve months after the reporting period, an entity discloses information that enables users of financial statements to understand the risk of the liabilities becoming repayable within twelve months after the reporting period. This would include information about the covenants (including the nature of the covenants and when the entity is required to comply with them), the carrying amount of related liabilities and facts and circumstances, if any, that indicate that the entity may have difficulties complying with the covenants.

29. 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 Committee and these will only be effective for future reporting years. 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.

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 109 and FRS 107 Financial Instruments: Disclosure: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Annual Improvement to FRSs Volume 11	1 January 2026
FRS 118 Presentation and Disclosure in Financial Statements Illustrative Examples	1 January 2027

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

30. Capital commitment

As at 31 December 2024, the Charity had capital commitments of S\$163,585 (2023: S\$Nil) in respect of plant construction contracts entered into but not provided for in the financial statements.

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**31. Subsequent events**

**Termination of Director and Employment Tribunal Proceedings**

On 30 December 2024, the Charity terminated the employment of its Director of Administrative Management. Subsequently, the former director lodged a claim with the Employment Claims Tribunal, alleging wrongful dismissal and seeking compensation of approximately S\$36,169.

According to the minutes of the final Board meeting with the individual, the Board had resolved and communicated an immediate dismissal. The Charity had also paid the annual wage supplement in line with its remuneration policy. While the former staff member subsequently made a request for a performance bonus, there was no contractual entitlement to such a bonus existed, nor was any amount accrued at the reporting date, as performance bonuses are subject to management discretion.

Management has reviewed the circumstances and, based on legal correspondence and internal documentation, assessed that the likelihood of a material outflow of economic resources is not probable. In addition, the claimed amount is not material to the financial statements. Accordingly, no provision has been recognised in accordance with FRS 37 Provisions, Contingent Liabilities and Contingent Assets.