

**FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD**

(Registered in Singapore under the Companies Act 1967 and the Charities Act 1994)  
(Unique Entity No: 199300813R)

**Statement by the Board of Directors and Financial Statements**

Reporting Year Ended 30 June 2022

**RSM Chio Lim LLP**

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FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD

Statement by the Board of Directors and Financial Statements

Contents	Page
Statement by the Board of Directors.....	1
Independent Auditor's Report .....	3
Consolidated Statement of Financial Activities .....	7
Statements of Financial Position.....	9
Consolidated Statement of Cash Flows.....	10
Notes to the Financial Statements .....	11



## FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD

### Statement by the Board of Directors

The directors of the Foundation of Rotary Clubs (Singapore) Ltd (the "Foundation") are pleased to present the financial statements of the Foundation and the group for the reporting year ended 30 June 2022.

#### 1. Opinion of the directors

In the opinion of the directors,

- (a) the accompanying financial statements and the consolidated financial statements are drawn up so as to give a true and fair view of the financial position and performance of the Foundation and, of the financial position and performance of the group for the reporting year covered by the financial statements or consolidated financial statements; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Foundation will be able to pay its debts as and when they fall due.

The Board approved and authorised these financial statements for issue.

#### 2. Directors

The directors of the Foundation in office at the date of this statement are:

Cheong Kok Cheong  
Chew Ghim Bok  
Chew Tee Khiang  
Dastur Khushroo  
Gong Ing San  
Grafe, Heinrich  
Ng Hung Koon  
See Mee Lee  
Tan Kok Hiang  
Wong Kwai Wah  
Yeo Chuen Eng  
Yap Lip Kee  
Chua Kok Leng Elsie  
Goh Hwee Hoon

(Appointed on 1 July 2022)

(Resigned on 1 July 2022)  
(Alternate director to Gong Ing San)  
(Alternate director to Grafe, Heinrich)  
(Alternate director to Chew Tee Khiang)

#### 3. Directors' interest in shares and debentures, and arrangements to enable directors to acquire benefits by means of the acquisition of shares and debentures

The Foundation is a company limited by guarantee and has no share and debentures.

#### 4. Options

The Foundation is a company limited by guarantee. As such, there are no share options or unissued shares under option.

FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD

5. Independent auditor

RSM Chio Lim LLP has expressed willingness to accept re-appointment.

On behalf of the directors



Chew Ghim Bok  
Chairman



See Mee Lee  
Honorary Treasurer

8 November 2022

**RSM Chio Lim LLP**

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**Independent Auditor's Report to the Members of  
FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD**

**Report on the audit of the financial statements**

**Opinion**

We have audited the accompanying consolidated financial statements of Foundation of Rotary Clubs (Singapore) Ltd (the "Foundation") and its subsidiary (collectively, the "group"), which comprise the consolidated statement of financial position of the group and the statement of financial position of the Foundation as at 30 June 2022, and the consolidated statement of financial activities and the consolidated statement of cash flows of the group for the reporting year then ended, and notes to the financial statement, including the significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the group and the statement of financial position of the Foundation are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Companies Act"), the Charities Act 1994 and other relevant regulations (the "Charities Act and Regulations") and Singapore Financial Reporting Standards ("SFRS") so as to give a true and fair view of the consolidated financial position of the group and the financial position of the Foundation as at 30 June 2022, and of the consolidated financial activities and consolidated cash flows of the group for the reporting 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 Foundation 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 statement by directors and annual report but does not include the financial statements and our auditor's report thereon.

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



**Independent Auditor's Report to the Members of  
FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD**

**Other information (cont'd)**

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.

**Responsibilities of management and those charged with governance for the financial statements**

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with the provisions of the Companies Act, the Charities Act and Regulations and financial reporting standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

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

Those charged with governance are the directors and they are responsible for overseeing the Foundation'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:

- a) 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.



**Independent Auditor's Report to the Members of  
FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD**

**Auditor's responsibilities for the audit of the financial statements (cont'd)**

- b) 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 Foundation's internal control.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Foundation'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 Foundation to cease to continue as a going concern.
- e) 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.
- f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

We have provided the board with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**Independent Auditor's Report to the Members of  
FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD**

**Report on other legal and regulatory requirements**

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

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

- (a) the Foundation has not used the donation moneys in accordance with its objectives as required under Regulation 11 of the Charities (Institutions of a Public Character) Regulations; and
- (b) the Foundation has not complied with the requirements of Regulation 15 of the Charities (Institutions of a Public Character) Regulations.

The engagement partner on the audit resulting in this independent auditor's report is Tan Wei Ling.

*Rsm Chio Lim LLP*

RSM Chio Lim LLP  
Public Accountants and  
Chartered Accountants  
Singapore

8 November 2022

Engagement partner – effective from reporting year ended 30 June 2020

# FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD

## Consolidated Statement of Financial Activities Reporting Year Ended 30 June 2022

Unrestricted										Restricted				
	Accumulated Fund	Rotary Eldercare and Caregivers Fund	FRCS Learning Centre Fund	General Fund	Sub Total	Rotary House Project Fund	FRCS Family Service Centre Fund	MSF – Cyclical Maintenance Fund	Furniture and Equipment Fund	Programme Funds (Note 16A)	Sub Total			
Notes	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$		
2022														
Incoming Resources:														
Donations	225,234	–	–	97,401	322,635	–	–	–	–	671,939	671,939	994,574		
Grant income	117,522	28,050	57,594	11,467	214,633	–	2,863,991	–	–	483,391	3,347,382	3,562,015		
Income from programmes	–	–	73,430	–	73,430	–	11,364	–	–	–	11,364	84,794		
Other miscellaneous income	70,551	2,977	–	–	73,528	–	124	–	–	–	124	73,652		
Total incoming resources	413,307	31,027	131,024	108,868	684,226	–	2,875,479	–	–	1,155,330	4,030,809	4,715,035		
Resources Expended:														
Employee benefits expense	51,742	166,577	211,102	–	439,421	69,214	2,023,959	–	–	177,805	2,270,976	2,710,399		
Programme expenses	73,706	–	–	–	73,706	–	63,819	–	–	639,234	703,053	776,759		
Rental expenses	213	29,856	1,068	–	31,137	–	–	–	–	–	–	31,137		
Maintenance expenses	5,907	–	–	–	5,907	31,879	122,256	–	–	–	154,135	160,042		
Professional fees	16,930	7,783	11,270	–	35,983	7,783	70,128	–	–	–	77,911	113,894		
Interest on lease liabilities	–	–	–	–	–	–	622	–	–	–	622	622		
Other operating costs	1,785	33,490	48,238	–	83,513	10,311	64,586	–	–	–	74,897	158,410		
Depreciation of property, plant and equipment	46,677	3,064	2,631	–	52,372	91,593	39,345	47,831	6,938	27,723	213,418	265,790		
Depreciation of right-of-use assets	–	–	–	–	–	–	27,941	–	–	–	27,941	27,941		
Total resources expended	206,960	240,770	274,309	–	722,039	210,770	2,412,656	47,831	6,936	844,762	3,522,955	4,244,994		
Net surplus / (deficit) before income tax	206,347	(209,743)	(143,285)	108,868	(37,813)	(210,770)	462,823	(47,831)	(6,936)	310,568	507,854	470,041		
Income tax expense	–	–	–	–	–	–	–	–	–	–	–	–		
Net surplus / (deficit) for the year	206,347	(209,743)	(143,285)	108,868	(37,813)	(210,770)	462,823	(47,831)	(6,936)	310,568	507,854	470,041		
Balance at 1 July 2021	249,732	256,117	–	141,202	647,051	4,156,344	3,867,234	398,458	28,612	1,465,436	9,916,084	10,563,135		
Fund transfer	(336,451)	150,000	143,285	(66,275)	(109,441)	119,188	21,865	–	–	(31,610)	109,441	–		
Balance as at 30 June 2022	119,528	196,374	–	183,795	499,797	4,064,760	4,351,922	350,627	21,676	1,744,394	10,533,379	11,033,176		

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



# FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD

## Consolidated Statement of Financial Activities Reporting Year Ended 30 June 2022

	Notes	Unrestricted					Restricted					Total	
		Rotary Eldercare and Caregivers Fund		FRCS Learning Centre Fund	General Fund	Sub Total	Rotary House Project Fund	FRCS Family Service Centre Fund	MSF – Cyclical Maintenance Fund	Furniture and Equipment Fund	Programme Funds (Note 16A)		Sub Total
		\$	\$	\$									
<b>2021</b>													
<b>Incoming Resources:</b>													
Donations	4	–	29,135	6	9,921	39,062	25,195	100	–	–	431,889	457,184	496,246
Grant income	5	37,984	320,348	54,817	137,292	550,441	–	3,010,155	64,585	34,582	240,443	3,349,865	3,900,306
Income from programmes		–	–	72,320	–	72,320	–	7,495	–	–	–	7,495	79,815
Other miscellaneous income	6	110,551	5,955	–	–	116,506	33	4,529	–	–	–	4,562	121,068
Total incoming resources		148,535	355,438	127,143	147,213	778,329	25,228	3,022,279	64,585	34,582	672,332	3,810,105	4,597,435
<b>Resources Expended:</b>													
Employee benefits expense	7	35,035	35,035	153,390	–	223,460	35,035	1,892,148	–	–	5,453	1,932,635	2,155,096
Programme expenses		29,429	–	–	–	29,429	4,971	34,562	–	–	107,550	147,083	176,512
Rental expenses		206	35,724	1,269	–	37,199	–	–	–	–	–	–	37,199
Maintenance expenses		3,229	–	–	–	3,229	41,593	90,042	–	–	–	131,635	134,864
Professional fees		5,439	5,439	7,823	–	18,701	5,439	26,750	–	–	–	32,189	50,890
Interest on lease liabilities		–	–	–	–	–	–	822	–	–	–	822	822
Other operating costs		–	23,123	35,074	–	58,197	929	72,866	–	–	–	73,795	131,992
Depreciation of property, plant and equipment		–	–	2,928	–	2,928	91,583	40,076	44,602	6,070	–	182,331	230,236
Depreciation of right-of-use assets	9	44,977	–	–	–	47,905	–	–	–	–	–	–	–
Total resources expended	10	–	–	–	–	–	–	30,430	–	–	–	30,430	30,430
		118,315	99,321	200,484	–	418,120	179,550	2,187,696	44,602	6,070	113,003	2,530,921	2,949,041
<b>Net surplus / (deficit) before income tax</b>													
Income tax expense		30,220	256,117	(73,341)	147,213	360,209	(154,322)	834,583	19,983	28,612	559,329	1,288,185	1,648,394
Net surplus / (deficit) for the year	8	–	–	–	–	–	–	–	–	–	–	–	–
		30,220	256,117	(73,341)	147,213	360,209	(154,322)	834,583	19,983	28,612	559,329	1,288,185	1,648,394
Balance at 1 July 2020		322,955	–	(3,079)	70,219	390,095	4,227,704	3,012,170	378,475	–	906,297	8,524,646	8,914,741
Fund transfer		(103,443)	–	76,420	(76,230)	(103,253)	82,962	20,481	–	–	(190)	103,253	–
Balance as at 30 June 2021		249,732	256,117	–	141,202	647,051	4,156,344	3,067,234	398,456	28,612	1,465,435	9,916,084	10,563,135

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

# FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD

## Statements of Financial Position As at 30 June 2022

	Notes	2022 \$	Group 2021 \$	2022 \$	Foundation 2021 \$
<b>ASSETS</b>					
<b>Non-current assets</b>					
Plant and equipment	9	5,437,658	5,280,539	5,378,742	5,280,539
Right-of-use assets	10	85,744	51,074	85,744	51,074
Investment in subsidiary	11	—	—	50,000	—
<b>Total non-current assets</b>		<b>5,523,402</b>	<b>5,331,613</b>	<b>5,514,486</b>	<b>5,331,613</b>
<b>Current assets</b>					
Trade and other receivables	12	201,282	214,472	258,705	214,472
Other non-financial assets	13	23,869	31,073	23,695	31,073
Cash and cash equivalents	14	6,439,007	5,516,107	6,390,885	5,516,107
<b>Total current assets</b>		<b>6,664,158</b>	<b>5,761,652</b>	<b>6,673,285</b>	<b>5,761,652</b>
<b>Total assets</b>		<b>12,187,560</b>	<b>11,093,265</b>	<b>12,187,771</b>	<b>11,093,265</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Unrestricted funds</b>					
Accumulated fund	15	119,628	249,732	147,111	249,732
Rotary Eldercare and Caregivers Fund	16	196,374	256,117	196,374	256,117
FRCS Learning Centre Fund	16	—	—	—	—
General Fund	16	183,795	141,202	183,795	141,202
<b>Total unrestricted funds</b>		<b>499,797</b>	<b>647,051</b>	<b>527,280</b>	<b>647,051</b>
<b>Restricted funds</b>					
Rotary House Project Fund	16	4,064,760	4,156,344	4,064,760	4,156,344
FRCS Family Service Centre Fund	16	4,351,922	3,867,234	4,351,922	3,867,234
MSF – Cyclical Maintenance Fund	16	350,627	398,458	350,627	398,458
Furniture and Equipment Fund	16	21,676	28,612	21,676	28,612
Programme funds	16A	1,744,394	1,465,436	1,744,394	1,465,436
<b>Total restricted funds</b>		<b>10,533,379</b>	<b>9,916,084</b>	<b>10,533,379</b>	<b>9,916,084</b>
<b>Total funds</b>	17	<b>11,033,176</b>	<b>10,563,135</b>	<b>11,060,659</b>	<b>10,563,135</b>
<b>Non-current liabilities</b>					
Lease liabilities, non-current	18	58,143	23,435	58,143	23,435
Other financial liabilities	19	—	50,000	—	50,000
<b>Total non-current liabilities</b>		<b>58,143</b>	<b>73,435</b>	<b>58,143</b>	<b>73,435</b>
<b>Current liabilities</b>					
Lease liabilities, current	18	27,903	28,021	27,903	28,021
Other financial liabilities	19	110,000	—	110,000	—
Other payables	20	958,338	426,010	931,066	426,010
Other non-financial liabilities	21	—	2,664	—	2,664
<b>Total current liabilities</b>		<b>1,096,241</b>	<b>456,695</b>	<b>1,068,969</b>	<b>456,695</b>
<b>Total liabilities</b>		<b>1,154,384</b>	<b>530,130</b>	<b>1,127,112</b>	<b>530,130</b>
<b>Total equity and liabilities</b>		<b>12,187,560</b>	<b>11,093,265</b>	<b>12,187,771</b>	<b>11,093,265</b>

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

FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD

**Consolidated Statement of Cash Flows**  
**Reporting Year Ended 30 June 2022**

	<u>2022</u>	<u>2021</u>
	\$	\$
<b><u>Cash flows from operating activities</u></b>		
Net surplus for the year	470,041	1,648,394
Adjustments for:		
Depreciation of property, plant and equipment	265,790	230,236
Depreciation of right-of-use assets	27,941	30,430
Interest income	(2,277)	(6,548)
Interest expense on lease liabilities	622	822
Operating cash flow before changes in working capital	762,117	1,903,334
Other receivables	13,190	(33,904)
Other non-financial assets	7,204	32,700
Other payables	532,328	124,193
Other non-financial liabilities	(2,664)	(122,152)
Cash restricted in use	(463,160)	(1,616,016)
Net cash flows from operating activities	849,015	288,155
<b><u>Cash flows from investing activities</u></b>		
Purchase of property, plant and equipment	(422,909)	(310,304)
Interest income received	2,277	6,548
Net cash flows used in investing activities	(420,632)	(303,756)
<b><u>Cash flows from / (used in) financing activities</u></b>		
Interest expense paid	(622)	(822)
Lease liabilities – principal portion paid	(28,021)	(30,258)
Loans from Rotarians	110,000	–
Repayment of loans from Rotarians	(50,000)	–
Net cash flows from / (used in) financing activities	31,357	(31,080)
<b>Net increase / (decrease) in cash and cash equivalents</b>	459,740	(46,681)
Cash and cash equivalents, beginning balance	17,141	63,822
<b>Cash and cash equivalents, ending balance (Note 14A)</b>	476,881	17,141

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



## FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD

### Notes to the Financial Statements 30 June 2022

#### 1. General

Foundation of Rotary Clubs (Singapore) Ltd (the "Foundation") is a company limited by guarantee incorporated in Singapore under the Companies Act 1967. The Foundation is also a registered charity under the Charities Act 1994 and is an approved Institution of Public Character under the Singapore Income Tax Act 1947. The financial statements are presented in Singapore Dollar and they cover the Foundation and its subsidiary (collectively, the "group").

These financial statements are authorised for issuance by the directors on the date of the statement by the directors. The directors have the power to amend and reissue the financial statements.

The principal activities of the Foundation are that of a voluntary welfare organisation. The principal activities are carried out by the following units:

- (a) Foundation of Rotary Clubs (Singapore) Ltd ("FRCS")  
Provides services that alleviate poverty and suffering, promotes physical and mental well-being and which create environments for personal and societal improvement.
- (b) Foundation of Rotary Clubs Singapore Family Service Centre ("FRCS FSC")  
Provides family oriented programmes which are responsive to the changing needs of the community.

The financial statements of the Foundation combine the state of affairs and the results of FRCS and FRCS FSC.

The principal activities of the subsidiary are described in Note 10 to the financial statements

Each member of the Foundation has undertaken to contribute such amounts not exceeding \$50 to the assets of the Foundation in the event the Foundation is wound up and the monies are required for payment of the liabilities of the Foundation. The memorandum and articles of the Foundation restricts the use of fund monies to the furtherance of the objects of the Foundation. They prohibit the payment of dividends to members.

The Foundation has 23 (2021: 23) members represented by Rotary Clubs in Singapore at the end of the reporting year.

The registered office address of the Foundation is located at 111 North Bridge Road #06-33, Peninsula Plaza, Singapore 179098. The Foundation is situated in Singapore.

#### **Uncertainties relating to the Covid-19 pandemic and its aftermath**

Management has not identified any material uncertainties resulting from the Covid-19 pandemic and its aftermath surrounding the group's business, and accordingly no further disclosures are made in these financial statements.

## **FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD**

### **1. General (cont'd)**

#### **Statement of compliance with financial reporting standards**

These financial statements have been prepared in accordance with the Singapore Financial Reporting Standards ("SFRS") and the related interpretations to SFRS ("INT SFRS") as issued by the Singapore Accounting Standards Council. They are in compliance with the provisions of the Companies Act 1967.

#### **Accounting convention**

The financial statements are prepared on a going concern basis under the historical cost convention except where a financial reporting standard requires an alternative treatment (such as fair values) as disclosed where appropriate in these financial statements. The accounting policies in the financial reporting standards may not be applied when the effect of applying them is not material. The disclosures required by financial reporting standards may not be provided if the information resulting from that disclosure is not material.

#### **Basis of preparation of the financial statements**

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting year. Actual results could differ from those estimates. The estimates and assumptions are reviewed on an ongoing basis. Apart from those involving estimations, management has made judgements in the process of applying the Foundation's accounting policies. The areas requiring management's most difficult, subjective or complex judgements, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 2C below, where applicable.

#### **Basis of presentation**

The consolidated financial statements include the financial statements made up to the end of the reporting year of the Foundation and its subsidiary. The consolidated financial statements are the financial statements of the group (the parent and its subsidiary) presented as those of a single economic entity and are prepared using uniform accounting policies for like transactions and other events in similar circumstances. All significant intragroup balances and transactions are eliminated on consolidation. Subsidiaries are consolidated from the date the group obtains control of the investee and cease when the group loses control of the investee.

Changes in the group's ownership interest in a subsidiary that do not result in the loss of control are accounted for within equity as transactions with owners in their capacity as owners. The carrying amounts of the group's and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. When the group loses control of a subsidiary it derecognises the assets and liabilities and related equity components of the former subsidiary. Any gain or loss is recognised in profit or loss. Any investment retained in the former subsidiary is measured at fair value at the date when control is lost and is subsequently accounted as equity investments financial assets in accordance with the financial reporting standard on financial instruments.

The Foundation's separate financial statements have been prepared on the same basis, and as permitted by the Companies Act 1967, the Foundation's separate statement of financial activities is not presented.



**2. Significant accounting policies and other explanatory information**

**2A. Significant accounting policies**

**Incoming resources**

**(a) Grants**

Grants to cover a particular expenditure or programme are accounted for as incoming resources upon receipt of notification of the grant award, which normally coincides with the year when the related expenses, for which the grant is intended to cover, are incurred. A government grant is recognised at fair value when there is reasonable assurance that the conditions attaching to it will be complied with and that the grant will be received. Grants and government subvention receipts in recognition of specific expenses are recognised as income to match them with the related costs that they are intended to compensate.

Under the conditions of the grants received, over or under funding from National Council of Social Services ("NCSS"), Tote Board, Ministry of Social and Family Development ("MSF"), Ministry of Culture, Community and Youth ("MCCY") and Ministry of Education ("MOE") are refundable to these entities.

**(b) Income from programmes**

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

The revenue amount is the fair value of the consideration received or receivable from the gross inflow of economic benefits during the year arising from the course of the ordinary activities of the entity and it is shown net of related tax and subsidies.

Income from programmes that are of short duration is recognised at a point in time when the services are completed.

**(c) Donations**

Income from donation and corporate sponsorships are recognised at a point in time when received, except for committed donations and corporate sponsorship that are recorded when there is certainty over the amount committed by the donors, and the entity had fulfilled all conditions related to the donations and sponsorships. Such income is only deferred and recognised over time when: the donor specifies that the grant or donation must only be used in future accounting periods; or donor has imposed conditions when must be met before the entity has unconditional entitlement.

Donations in kind are included in the statement of financial activities based on an estimate of the fair value at the date of the receipt of the gift of the non-monetary asset or the grant of a right to the monetary asset. The gift is recognised if the amount of the gift can be measured reliably and there is no uncertainty that it will be received. No value is ascribed to volunteer services.

## **FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD**

### **2. Significant accounting policies and other explanatory information (cont'd)**

#### **2A. Significant accounting policies (cont'd)**

##### **Incoming resources (cont'd)**

##### **(d) Income from fund-raising projects**

Income from special fund-raising events is recognised when the event takes place.

##### **(e) Interest income**

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

##### **(f) Rental income**

Lease receipts from operating leases are recognised as income on either a straight-line basis or another systematic basis over the term of the lease.

##### **Employee benefits**

Contributions to a defined contribution retirement benefit plan are recorded as an expense as they fall due. The entity's legal or constructive obligation is limited to the amount that it is obligated to contribute to an independently administered fund (such as the Central Provident Fund in Singapore, a government managed defined contribution retirement benefit plan). For employee leave entitlement the expected cost of short-term employee benefits in the form of compensated absences is recognised in the case of accumulating compensated absences, when the employees render service that increases their entitlement to future compensated absences; and in the case of non-accumulating compensated absences, when the absences occur. A liability for bonuses is recognised where the entity is contractually obliged or where there is constructive obligation based on past practice.

##### **Foreign currency transactions**

The functional currency is the Singapore Dollar as it reflects the primary economic environment in which the Foundation operates. Transactions in foreign currencies are recorded in the functional currency at the rates ruling at the dates of the transactions. At each end of the reporting year, recorded monetary balances and balances measured at fair value that are denominated in non-functional currencies are reported at the rates ruling at the end of the reporting year and fair value measurement dates respectively. All realised and unrealised exchange adjustment gains and losses are dealt with in profit or loss. The presentation is in the functional currency.

##### **Borrowing costs**

Borrowing costs are interest and other costs incurred in connection with the borrowings. Interest expense is calculated using the effective interest rate method. Borrowing costs are recognised as an expense in the period in which they are incurred.



**2. Significant accounting policies and other explanatory information (cont'd)**

**2A. Significant accounting policies (cont'd)**

**Property, plant and equipment**

Property, plant and equipment are carried at cost on initial recognition and after initial recognition at cost less any accumulated depreciation and any accumulated impairment losses.

Cost also includes acquisition cost, borrowing cost capitalised and any cost directly attributable to bringing the asset or component to the location and condition necessary for it to be capable of operating in the manner intended by management. Subsequent costs are recognised as an asset only when it is probable that future economic benefits associated with the item will flow to the foundation and the cost of the item can be measured reliably. All other repairs and maintenance are charged to statement of financial activities when they are incurred.

Depreciation is provided on a straight-line basis to allocate the gross carrying amounts of the assets less their residual values over their estimated useful lives of each part of an item of these assets. The annual rates of depreciation are as follows:

Leasehold properties	-	2%
Renovations	-	10%
Plant and equipment	-	20% to 33%

Construction-in-progress is not depreciated.

An asset is depreciated when it is available for use until it is derecognised even if during that period the item is idle. Fully depreciated assets still in use are retained in the financial statements.

The residual value and the useful life of an asset is reviewed at least at each end of the reporting year and, if expectations differ significantly from previous estimates, the changes are accounted for as a change in an accounting estimate, and the depreciation charge for the current and future periods are adjusted.

The gain or loss arising from the derecognition of an item of property, plant and equipment is recognised in statement of financial activities.

**Right-of-use-assets**

The right-of-use-assets are accounted and presented as if they were owned such as property, plant and equipment. The annual rates of depreciation are as follows:

Office premise	-	Over the terms of lease that are 14.40%
Equipment	-	20%

## **FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD**

### **2. Significant accounting policies and other explanatory information (cont'd)**

#### **2A. Significant accounting policies (cont'd)**

##### **Leases of lessee**

A lease conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration. A right-of-use asset is capitalised in the statement of financial position, measured at the present value of the unavoidable future lease payments to be made over the lease term. A liability corresponding to the capitalised right-of-use asset is also recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs. The right-of-use asset is depreciated over the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. An interest expense is recognised on the lease liability (included in finance costs). For short-term leases of 12 months or less and leases of low-value assets (such as personal computers and small office equipment) where an accounting policy choice exists under the lease standard, the lease payments are expensed to profit or loss as incurred on a straight line basis over the remaining lease term.

##### **Leases of lessor**

For a lessor each of 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 rewards incidental to ownership of an underlying asset. Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease unless another systematic basis is representative of the time pattern of the user's benefit, even if the payments are not on that basis.

##### **Subsidiaries**

A subsidiary is an entity including unincorporated and special purpose entity that is controlled by the reporting entity and the reporting entity is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The existence and effect of substantive potential voting rights that the reporting entity has the practical ability to exercise (that is, substantive rights) are considered when assessing whether the reporting entity controls another entity.

In the reporting entity's separate financial statements, an investment in a subsidiary is accounted for at cost less any allowance for impairment in value recognised in profit or loss for a subsidiary 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. The carrying value and the net book value of the investment in a subsidiary are not necessarily indicative of the amount that would be realised in a current market exchange.



**2. Significant accounting policies and other explanatory information (cont'd)**

**2A. Significant accounting policies (cont'd)**

**Carrying amounts of non-financial assets**

The carrying amount of non-financial assets is reviewed at each end of the reporting year for indications of impairment and where an asset is impaired, it is written down through profit or loss to its estimated recoverable amount. The impairment loss is the excess of the carrying amount over the recoverable amount and is recognised in profit or loss. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs of disposal and its value in use. When the fair value less costs of disposal method is used, any available recent market transactions are taken into consideration. When the value in use method is adopted, in assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). At each end of the reporting year non-financial assets with impairment loss recognised in prior periods are assessed for possible reversal of the impairment. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been measured, net of depreciation or amortisation, if no impairment loss had been recognised.

**Financial instruments**

**Recognition and derecognition of financial instruments:**

A financial asset or a financial liability is recognised in the statement of financial position when, and only when, the entity becomes party to the contractual provisions of the instrument. All other financial instruments (including regular-way purchases and sales of financial assets) are recognised and derecognised, as applicable, using trade date accounting or settlement date accounting. At initial recognition the financial asset or financial liability is measured at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. A financial asset is derecognised when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the entity neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. A financial liability is removed from the statement of financial position when, and only when, it is extinguished, that is, when the obligation specified in the contract is discharged or cancelled or expires.

**Classification and measurement of financial assets:**

1. **Financial asset classified as measured at amortised cost:** A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss (FVTPL), that is (a) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Typically trade and other receivables, bank and cash balances are classified in this category.

## FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD

### 2. Significant accounting policies and other explanatory information (cont'd)

#### 2A. Significant accounting policies (cont'd)

##### Financial instruments (cont'd)

###### Classification and measurement of financial assets (cont'd):

2. Financial asset that is a debt asset instrument classified as measured at fair value through other comprehensive income (FVTOCI): There were no financial assets classified in this category at reporting year end date.
3. Financial asset that is an equity investment classified as measured at fair value through other comprehensive income (FVTOCI): There were no financial assets classified in this category at reporting year end date.
4. Financial asset classified as measured at fair value through profit or loss (FVTPL): There were no financial assets classified in this category at reporting year end date.

###### Classification and measurement of financial liabilities:

Financial liabilities are classified as at fair value through profit or loss (FVTPL) in either of the following circumstances: (1) the liabilities are managed, evaluated and reported internally on a fair value basis; or (2) the designation eliminates or significantly reduces an accounting mismatch that would otherwise arise. All other financial liabilities are carried at amortised cost using the effective interest method. Reclassification of any financial liability is not permitted.

##### Cash and cash equivalents

Cash and cash equivalents include bank and cash balances, and on demand deposits. For the statement of cash flows the item includes cash and cash equivalents less cash subject to restriction, if any.

##### Fair value measurement

The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When measuring the fair value of an asset or a liability, market observable data to the extent possible is used. If the fair value of an asset or a liability is not directly observable, an estimate is made using valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs (eg by use of the market comparable approach that reflects recent transaction prices for similar items, discounted cash flow analysis, or option pricing models refined to reflect the issuer's specific circumstances). Inputs used are consistent with the characteristics of the asset / liability that market participants would take into account. The entity's intention to hold an asset or to settle or otherwise fulfil a liability is not taken into account as relevant when measuring fair value.



**2. Significant accounting policies and other explanatory information (cont'd)**

**2A. Significant accounting policies (cont'd)**

**Fair value measurement (cont'd)**

Fair values are categorised into different levels in a fair value hierarchy based on the degree to which the inputs to the measurement are observable and the significance of the inputs to the fair value measurement in its entirety: Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (ie as prices) or indirectly (ie derived from prices). Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs). Transfers between levels of the fair value hierarchy are recognised at the end of the reporting period during which the change occurred.

The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value. The fair values of non-current financial instruments may not be disclosed separately unless there are significant differences at the end of the reporting year and in the event the fair values are disclosed in the relevant notes to the financial statements

**2B. Other explanatory information**

**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 directors. Externally restricted funds may only be utilised in accordance with the purposes established by the source of such funds or through the terms of an appeal and are in contrast with unrestricted funds over which the directors retains full control to use in achieving any of its institutional purposes. An expense resulting from the operating activities of a fund that is directly attributable to the fund is charged to that fund. Common expense if any are allocated on a reasonable basis to the funds based on a method most suitable to that common expense.

**2C. Critical judgements, assumptions and estimation uncertainties**

There were no critical judgements made in the process of applying the accounting policies that have the most significant effect on the amounts recognised in the financial statements. There were no key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting year, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting year.

## FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD

### 3. Related party relationships and transactions

The financial reporting standard on related party disclosures requires the entity to disclose: (a) related party relationships, transactions and outstanding balances, including commitments, (b) relationships between parents and subsidiaries irrespective of whether there have been transactions between those related parties. A party is related to a party if the party controls, or is controlled by, or can significantly influence or is significantly influenced by the other party.

A related party includes the directors and key management of FRCS, and all the centres managed by FRCS. It also includes an entity or person that directly or indirectly controls, is controlled by, or is under common or joint control with these persons; members of the key management personnel or close members of the family of any individual referred to herein and others who have the ability to control, jointly control or significantly influence by or for which significant voting power in such entity resides with, directly or indirectly, any such individual.

All members of the Board and staff members of the group are required to read and understand the conflict of interest policy in place and make full disclosure of interests, relationships and holding that could potentially result in conflict of interests. When a conflict of interest situation arises, the members or staff shall abstain from participating in the discussion, decision making and voting on the matter.

#### 3A. Related parties transactions

There are transactions and arrangements between the group and its related parties and the effects of these on the basis determined between the parties are reflected in these financial statements. The related party balances and transfer of resources, services or obligations if any are unsecured, without fixed repayment terms and interest or charge unless stated otherwise.

Members of the Foundation consist of 23 (2021: 23) Rotary Clubs in Singapore. No individual member has significant influence on the Foundation.

#### 3B. Key management compensation

	<u>2022</u>	<u>Group</u>	<u>2021</u>
	\$		\$
Salaries and other short-term employee benefits	<u>274,595</u>		<u>202,888</u>

Key management personnel are the persons having authority and responsibility for planning, directing and controlling the activities of the group, directly or indirectly. The above amount for key management compensation is for the general manager of the Foundation and executive director of FRCS FSC.

The directors of the Foundation are volunteers and receive no monetary remuneration for their contribution, except for reimbursement of out-of-pocket expenses, if any claimed.

There are no paid staff who are close members of the family of the FRCS and the FRCS FSC, and whose remuneration each exceeds \$50,000 during the reporting year.



## FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD

### 4. Tax deductible receipts

The Foundation enjoys a concessionary tax treatment whereby qualifying donors are granted 2.5 times tax deduction for the donations made to the Foundation. The Institutions of Public Character ("IPC") status for general donations made to the general funds of the Foundation was for the period from 1 August 2020 to 31 July 2022, and has been renewed for the period from 1 August 2022 to 31 March 2025.

	<u>2022</u> \$	<u>Group</u> <u>2021</u> \$
Tax-exempt receipts issued for donations collected	440,738	290,745

### 5. Grant income

	<u>2022</u> \$	<u>Group</u> <u>2021</u> \$
Ministry of Social and Family Development ("MSF")	2,538,649	2,285,007
NCSS: Community Chest	112,892	110,377
NCSS: Tote Board Social Service Fund	560,440	551,886
NCSS: The Invictus Fund	–	50,000
Jobs Support Scheme	51,830	225,282
Bicentennial Community Fund	–	400,000
Other miscellaneous grants	298,204	277,754
	<u>3,562,015</u>	<u>3,900,306</u>

### 6. Other miscellaneous income

	<u>2022</u> \$	<u>Group</u> <u>2021</u> \$
Interest income – Bank	2,277	6,548
Rental income	18,223	6,125
Other income	53,152	108,395
	<u>73,652</u>	<u>121,068</u>

### 7. Employee benefits expense

	<u>2022</u> \$	<u>Group</u> <u>2021</u> \$
Salaries and other short-term employee benefits	2,231,395	1,796,194
Contributions to defined contribution plan	297,231	272,727
Other benefits	181,773	87,175
Total employee benefits expense	<u>2,710,399</u>	<u>2,156,096</u>

## FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD

### 8. Income tax

The income tax in surplus varied from the amount of income tax amount determined by applying the Singapore income tax rate of 17% (2021: 17%) to surplus before income tax as a result of the following differences:

	<u>2022</u> \$	<u>Group</u> <u>2021</u> \$
Surplus before income tax	470,041	1,648,394
Income tax expense at the above rate	79,907	280,227
Expenses not deductible for tax purposes	4,672	–
Tax exemptions	(84,579)	(280,227)
Total income tax expense	–	–

As a charity, the Foundation is exempt from tax on income and gains falling within section 13(1)(zm) of the Income Tax Act 1947 to the extent that these are applied to its charitable objects. No tax charges have been imposed on the Foundation during the reporting year.

### 9. Property, plant and equipment

	<u>Leasehold</u> <u>properties</u> \$	<u>Renovations</u> \$	<u>Plant and</u> <u>equipment</u> \$	<u>Construction-</u> <u>in-progress</u> \$	<u>Total</u> \$
<u>Group</u>					
<u>Cost:</u>					
At 1 July 2020	4,579,142	972,227	256,408	–	5,807,777
Additions	–	66,417	15,624	228,263	310,304
At 30 June 2021	4,579,142	1,038,644	272,032	228,263	6,118,081
Additions	–	33,377	63,340	326,192	422,909
Transfer	–	554,455	–	(554,455)	–
At 30 June 2022	4,579,142	1,626,476	335,372	–	6,540,990
<u>Accumulated</u> <u>depreciation:</u>					
At 1 July 2020	396,860	89,229	121,217	–	607,306
Depreciation for the year	91,583	101,097	37,556	–	230,236
At 30 June 2021	488,443	190,326	158,773	–	837,542
Depreciation for the year	91,583	103,864	42,620	27,723	265,790
Transfer	–	27,723	–	(27,723)	–
At 30 June 2022	580,026	321,913	201,393	–	1,103,332
<u>Carrying value:</u>					
At 1 July 2020	4,182,282	882,998	135,191	–	5,200,471
At 30 June 2021	4,090,699	848,318	113,259	228,263	5,280,539
At 30 June 2022	3,999,116	1,304,563	133,979	–	5,437,658



FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD

9. Property, plant and equipment (cont'd)

	Leasehold properties \$	Renovations \$	Plant and equipment \$	Construction- in-progress \$	Total \$
<u>Foundation Cost:</u>					
At 1 July 2020	4,579,142	972,227	256,408	–	5,807,777
Additions	–	66,417	15,624	228,263	310,304
At 30 June 2021	4,579,142	1,038,644	272,032	228,263	6,118,081
Additions	–	–	37,801	326,192	363,993
Transfer	–	554,455	–	(554,455)	–
At 30 June 2022	4,579,142	1,593,099	309,833	–	6,482,074
<u>Accumulated depreciation:</u>					
At 1 July 2020	396,860	89,229	121,217	–	607,306
Depreciation for the year	91,583	101,097	37,556	–	230,236
At 30 June 2021	488,443	190,326	158,773	–	837,542
Depreciation for the year	91,583	103,864	42,620	27,723	265,790
Transfer	–	27,723	–	(27,723)	–
At 30 June 2022	580,026	321,913	201,393	–	1,103,332
<u>Carrying value:</u>					
At 1 July 2020	4,182,282	882,998	135,191	–	5,200,471
At 30 June 2021	4,090,699	848,318	113,259	228,263	5,280,539
At 30 June 2022	3,999,116	1,271,186	108,440	–	5,378,742

Depreciation expense are charged to the following:

	<u>Group and Foundation</u>	
	<u>2022</u>	<u>2021</u>
	\$	\$
Accumulated Fund	46,677	44,977
Rotary Eldercare and Caregivers Fund	3,064	–
FRCS Learning Centre Fund	2,631	2,928
Rotary House Project Fund	91,583	91,583
FRCS Family Service Centre Fund	39,345	40,076
MSF – Cyclical Maintenance Fund	47,831	44,602
Furniture and Equipment Fund	6,936	6,070
Programme Funds	27,723	–
	<u>265,790</u>	<u>230,236</u>

# FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD

## 10. Right-of-use assets

	Office premise \$	Equipment \$	Total \$
<u>Group and Foundation</u>			
At 1 July 2020	50,865	21,007	71,872
Additions	—	23,707	23,707
Disposals	—	(12,088)	(12,088)
At 30 June 2021	50,865	32,626	83,491
Lease modifications	62,611	—	62,611
At 30 June 2022	113,476	32,626	146,102
<u>Accumulated depreciation:</u>			
At 1 July 2020	7,139	6,936	14,075
Depreciation for the year	21,417	9,013	30,430
Disposals	—	(12,088)	(12,088)
At 30 June 2021	28,556	3,851	32,417
Depreciation for the year	21,416	6,525	27,941
At 30 June 2022	49,972	10,386	60,358
<u>Carrying value:</u>			
At 1 July 2020	43,726	14,071	57,797
At 30 June 2021	22,309	28,765	51,074
At 30 June 2022	63,504	22,240	85,744

The depreciation expense is charged to Restricted Fund – FRCS Family Service Centre fund.

## 11. Investments in subsidiary

	Foundation	
	2022 \$	2021 \$
<u>Unquoted equity shares, at cost:</u>		
At beginning of the year	—	—
Acquisitions	50,000	—
At end of the year	50,000	—

During the current reporting year, the Foundation incorporated a company, with a total cost of investment of \$50,000.

The subsidiary held by the Foundation is listed below:

Name of subsidiary, country of incorporation, place of operations and principal activities	Cost		Effective equity held	
	2022 \$	2021 \$	2022 %	2021 %
Healthsafe Pte. Ltd. Singapore <sup>(a)</sup> Disinfection cleaning services for mobility devices	50,000	—	100	—

(a) Other independent auditor. Audited by firms of accountants other than member firms of RSM International of which RSM Chio Lim LLP in Singapore is a member.

## FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD

### 12. Other receivables

	Group		Foundation	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
	\$	\$	\$	\$
Outside parties	71,282	59,496	71,282	59,496
Subsidiary	–	–	57,423	–
Grant receivables	130,000	154,976	130,000	154,976
	<u>201,282</u>	<u>214,472</u>	<u>258,705</u>	<u>214,472</u>

Other receivables are normally with no fixed terms and therefore there is no maturity.

Other receivables shown above are subject to the expected credit loss model under the financial reporting standard on financial instruments. Other receivables which can be graded as low risk individually are considered to have low credit risk. At the end of the first reporting period, a loss allowance is assessed at an amount equal to 12 month expected credit losses.

At each subsequent reporting date, an evaluation is made whether there is a significant change in credit risk by comparing the debtor's credit risk at initial recognition (based on the original, unmodified cash flows) with the credit risk at the reporting date (based on the modified cash flows). Adjustment to the loss allowance is made for any increase or decrease in credit risk. No loss allowance is deemed necessary at the end of the reporting year.

### 13. Other non-financial assets

	Group		Foundation	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
	\$	\$	\$	\$
Deposits to secure services	9,055	8,455	9,055	8,455
Prepayments	14,814	22,618	14,640	22,618
	<u>23,869</u>	<u>31,073</u>	<u>23,695</u>	<u>31,073</u>

### 14. Cash and cash equivalents

	Group	
	<u>2022</u>	<u>2021</u>
	\$	\$
Cash in hand	1,501	2,747
Cash at banks	5,864,637	4,943,550
Fixed deposits	572,869	569,810
	<u>6,439,007</u>	<u>5,516,107</u>
Represented by:		
Not restricted in use	476,881	17,141
Cash under unrestricted designated fund	289,450	364,190
Cash under restricted funds		
- FRCS Family Services Centre Fund	4,455,011	3,797,703
- Programme / project funds	1,217,665	1,337,073
	<u>6,439,007</u>	<u>5,516,107</u>



## FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD

### 14. Cash and cash equivalents (cont'd)

	Foundation	
	<u>2022</u>	<u>2021</u>
	\$	\$
Cash in hand	1,501	2,747
Cash at banks	5,816,515	4,943,550
Fixed deposits	572,869	569,810
	<u>6,390,885</u>	<u>5,516,107</u>
Represented by:		
Not restricted in use	428,759	17,141
Cash under unrestricted designated fund	289,450	364,190
Cash under restricted funds		
- FRCS Family Services Centre Fund	4,455,011	3,797,703
- Programme / project funds	1,217,665	1,337,073
	<u>6,390,885</u>	<u>5,516,107</u>

The rate of interest for the cash on interest earning balances of \$572,869 (2021: \$569,810) is between 0.24% and 0.66% (2021: 0.24% and 0.40%) per annum at the end of the reporting year.

### 14A. Cash and cash equivalents in the statement of cash flows

	Group	
	<u>2022</u>	<u>2021</u>
	\$	\$
Amount as shown above	6,439,007	5,516,107
Cash under unrestricted designated fund	(289,450)	(364,190)
Cash under restricted funds	(5,672,676)	(5,134,776)
Cash and cash equivalents for statement of cash flows purposes at end of year	<u>476,881</u>	<u>17,141</u>

### 15. Accumulated fund

	Group	
	<u>2022</u>	<u>2021</u>
	\$	\$
Unrestricted accumulated fund	<u>119,628</u>	<u>249,732</u>
Resources expended under accumulated fund	206,960	118,315
Ratio of reserves on unrestricted accumulated fund to unrestricted annual resources expended (times)	<u>0.58</u>	<u>2.11</u>

The accumulated fund aims to provide financial stability and means for the development of the Foundation's activities. The Foundation intends to maintain the funds at a level sufficient for its operating needs. The directors reviews the level of funds regularly for the Foundation's continuing obligations.

## FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD

### 16. Funds

#### Unrestricted funds

- (a) FRCS Learning Centre Fund represents accumulated fund for the Institute's day to day operations.
- (b) Rotary Eldercare and Caregivers Fund represents accumulated fund for the Eldercare Centre's day to day operations.
- (c) General fund amounting to \$183,795 (2021: \$141,202) represents designated fund for those programme / projects funds usage in future. As at reporting year ended 30 June 2022, the General fund has been allocated into three proportions \$122,956, \$11,467 and \$49,372 (2021: \$87,516, \$18,489 and \$35,197) for use in the following 3 broad categories namely (i) Youth at Risk (ii) Education and (iii) Community / Terminally Ill / Health / Others respectively.

#### Restricted funds

- (a) Rotary House Project Fund represents accumulated fund which is ring-fenced for the exclusive use of FRCS Rotary House.
- (b) FRCS Family Service Centre Fund represents accumulated fund which is ring-fenced for the exclusive use of FRCS FSC.
- (c) MSF – Cyclical Maintenance Fund represents funds from MSF provided to eligible organisations for cyclical maintenance works.
- (d) Furniture and Equipment Fund represents funds from MSF for the purpose of purchasing furniture and equipment for West Coast office.
- (e) Various programme funds represent funds earned by the Foundation for its programmes.

#### Programme funds

The programme funds of the Foundation under 4 categories and they comprise the following:

##### (i) Youth at Risk

- (a) Rotary Club of Bugis Junction (RCBJ) Children-in-Need Fund represents funds raised to provide financial assistance to children identified by the social workers.
- (b) Cotton on Youth Project Fund represents fund to support youth projects that create positive and measureable change in the lives of young men and women in Singapore.
- (c) FRCS Starfish represents funds raised for Project Starfish for expenses relating to tuition for out of school youth to prepare them for GCE N (T) Level exams to qualify for ITE admission.
- (d) Rotary Youth Education represents funds raised to provide for education of youth.

## FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD

### 16. Funds (cont'd)

#### Programme funds (cont'd)

##### (ii) Education

- (a) Rotary Club of Queenstown Children's Education/Kid's Read Fund represents funds raised to provide interactive reading session with the school students.
- (b) Rotary Club of Bugis Junction (RCBJ) ITE Excellence Awards Fund represents funds for the purpose of rewarding ITE outstanding students to build self-confidence and pride in their skills.
- (c) FRCS-REF Dr. Mary Chin Education Fund represents donations received in memoriam of Dr. Mary Chin for education purposes.
- (d) Rotary Club of Tanglin (RCT) Scholarship SIT Fund represents funds raised to provide for scholarship for SIT students.
- (e) FRCS- Donation to FRCS Learning Centre ("RLI") represents donations allocated for operation purposes of the Learning Centre.
- (f) Rotary Club of Changi (RCC) Education represents funds raised to provide for scholarship for needy students.
- (g) Rotary Club of Pandan Valley (RCPV) Programme Fund represents funds raised for children of selected families in aid of school going needs.

##### (iii) Elderly

- (a) Happiness Fund represents funds raised by Rotary Club of Jurong Town for use in Inter-generational projects for the needy aged.
- (b) Project caregivers & eldercare represents funds raised for use in care for elderly.

##### (iv) Community / Terminally Ill / Health / Others

- (a) Avoidable Blindness Fund represents funds raised to combat against blindness that can be avoided. The fund is used to help those inflicted with such illnesses and others who are at risk.
- (b) Rotary Club of Raffles City (RCRC) Crohn's Irritable Bowel Disease (IBD) Fund represents funds raised for the Crohn's & Colitis Society of Singapore to support the patients suffering from IBD.
- (c) Rotary Club of Bugis Junction (RCBJ) Meals from the Heart Fund represents funds raised to provide meals to needy citizens.
- (d) Rotary Club of Tanglin (RCT) Check-in for Charity Fund represents funds raised from corporations through mobile app.
- (e) Rotary Club of Singapore North (RCSN) Loaf of Bread Project Fund represents funds raised to distribute bread and grocery items to needy senior residents in the Teck Ghee Constituency.
- (f) Rotary E-Club My Wish Fund represents funds raised to grant meaningful wishes to terminally-ill adult patients from low-income households.



## FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD

### 16. Funds (cont'd)

#### Programme funds (cont'd)

#### (iv) Community / Terminally Ill / Health / Others (cont'd)

- (g) Rotary Club of Singapore (RCSG) Skills Dev Ex-offenders Fund represents funds raised for subsidising the cost of acquiring vocational driving licenses for eligible ex-offenders through Industrial and Service Co-operative Society Ltd which offers training subsidies for ex-offenders to enhance job prospects.
- (h) Rotary Club of Kampung Gelam (RCKG) Ramadan Syawal Gift Fund represents funds raised to provide meals for eligible families during Ramadan by collaboration with Badan Agama and Pelajaran Radin Mas (BAPA).
- (i) Rotary Club of Singapore (RCSG) Willing Hearts Kitchen Fund represents funds raised for the purchase of kitchen equipment to enable Willing Hearts to prepare 20,000 meals per day when they move to their new premises located in Telok Kurau.
- (j) Rotary Club of Singapore East (RCSE) Project Dignity Day Fund represents funds raised for differently-abled and under-privileged individuals to get trained and employed in the food and beverage industry and provide meals for the community situated in Boon Keng.
- (k) The Invictus Fund represents funds raised for enhancing staff welfare, purchasing of COVID-19 safety items and funding online courses relevant to mental wellness and educational subjects.
- (l) Rotary E-Club Irlen represents funds raised in aid of students with Irlen Syndrome.
- (m) Rotary E-Club Heroes represents funds raised to provide for bursaries to NUS Alice Lee Centre for Nursing Studies.
- (n) Rotary Club of Singapore (RCSG) Share-a-Pot Programme Fund represents funds raised for providing nutritious high protein soup and to engage beneficiaries in physical exercises together as a group, breaking social isolation, building community bond, strengthening physical conditioning and optimal nutrition in partnership with Yishun Health's community health program.

## FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD

### 16. Funds (cont'd)

#### Programme funds (cont'd)

#### Foundation of Rotary Clubs Family Service Centre ("FRCS FSC")

The programme funds of FRCS FSC comprise the following:

- (i) Lee Foundation – Financial Assistance Fund represents funds from Lee Foundation for the purpose of providing financial assistance to low-income individuals for a period of six months.
- (ii) School Pocket Money Fund represents funds (initiated by the Straits Times) to assist students from low-income families with their educational expenses.
- (iii) Family Service Centre (FSC) Comcare funds represents funds from the Ministry of Social and Family Development for the purpose of providing urgent financial assistance to the FSC's active clients. Assistance to clients is disbursed in the form of cash, vouchers or food rations. Subsequent to the year end, additional funding was received to defray the deficit for the fund for the current reporting year.
- (iv) FRCS FSC SuperStudents Fund represents funds for primary and secondary school students' bursary awards, education assistance fund and back to school fund. This fund is fully utilized in current reporting year.
- (v) Community Chest Haze Fund represents funds for the purpose of alleviating the haze situation by supporting programme operations and clients during the haze situation.
- (vi) FRCS FSC Ramadan Bonus Fund represents funds from Majlis Ugama Islam Singapura for once-off, lump-sum bonus provided to underprivileged Muslim families during the Ramadan festivities.
- (vii) SG Cares Volunteer Centre Development Programme Funds are from Ministry of Culture, Community and Youth for growing and developing volunteer supply and coordinating with local community stakeholders to better support residents in need.
- (viii) Social Service Office Fund represents funds for ComCare assistance.

FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD

16. Funds (cont'd)

16A. Programme funds

	FRCS				FRCS FSC															
	Community/ Terminally Ill/Health / Others (Note 16E)				FRCS Learning Centre Star Up Fund		Lea Foundation – Financial Assistance Fund		School Pocket Money Fund		FSC Comcare Fund		Community Chest Haze Fund		FSC Ramadan Bonus Fund		SG Cares Volunteer Centre Fund		Social Service Office Fund	
	\$	(Note 16B)	Education (Note 16C)	Elderly (Note 16D)	\$		\$		\$		\$		\$		\$		\$		\$	
2022																				Total
<u>Incoming Resources:</u>																				
Grant income	–	–	–	–	–	–	25,200	–	–	14,160	–	–	–	–	–	2,400	435,091	6,540	483,391	
Donations	23,039	54,419	120,652	–	465,379	–	–	8,450	–	–	–	–	–	–	–	–	–	–	671,939	
Total incoming resources	23,039	54,419	120,652	–	465,379	–	25,200	8,450	–	14,160	–	–	–	–	–	2,400	435,091	6,540	1,155,330	
<u>Resources Expended:</u>																				
Employee benefits expense	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	177,805	–	177,805	
Depreciation of plant and equipment	–	–	–	27,723	–	–	–	–	–	–	–	–	–	–	–	–	–	–	27,723	
Programme expenses	125	171,279	1,791	–	404,850	–	32,550	7,185	10,594	–	–	–	–	–	–	4,200	–	6,660	639,234	
Total resources expended	125	171,279	29,514	–	404,850	–	32,550	7,185	10,594	–	–	–	–	–	–	4,200	177,805	6,660	844,762	
Net surplus / (deficit)	22,914	(116,860)	91,138	–	60,529	–	(7,350)	1,265	3,566	–	–	(1,800)	257,286	(120)	–	–	–	–	310,568	
Balance as at 1 July 2021	168,390	216,079	387,418	–	564,238	–	17,100	8,590	3,358	–	–	4,200	94,547	1,000	–	–	–	–	1,465,436	
Fund transfer	47,500	(79,110)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	(31,610)	
Balance as at 30 June 2022	238,804	20,109	478,556	–	624,767	–	9,750	9,845	6,924	–	–	2,400	351,833	880	–	–	–	–	1,744,394	



FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD

16. Funds (cont'd)

16A. Programme funds (cont'd)

2021	FRCS				FRCS FSC								Total
	Youth at Risk (Note 15B)	Education (Note 16C)	Elderly (Note 16D)	Community/ Terminally Ill/Health / Others (Note 16E)	FRCS Learning Centre Star Up Fund	Lee Foundation – Financial Assistance Fund	School Pocket Money Fund	FSC Comcare Fund	Community Chest Haze Fund	FSC Ramadan Bonus Fund	SG Cares Volunteer Centre Fund	Social Service Office Fund	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Incoming Resources:													
Grant income	7,190	38,000	–	54,705	–	34,680	–	168	–	4,200	100,000	1,500	240,443
Donations	31,749	162,910	–	228,350	–	–	8,880	–	–	–	–	–	431,889
Total incoming resources	38,939	200,910	–	283,055	–	34,680	8,880	168	–	4,200	100,000	1,500	672,332
Resources Expended:													
Employee benefits expense	–	–	–	–	–	–	–	–	–	–	5,453	–	5,453
Programme expenses	20,282	1,040	401	33,207	–	21,980	15,060	9,080	–	6,000	–	500	107,550
Total resources expended	20,282	1,040	401	33,207	–	21,980	15,060	9,080	–	6,000	5,453	500	113,003
Net surplus / (deficit)	18,657	199,870	(401)	249,848	–	12,700	(6,180)	(8,912)	–	(1,800)	94,547	1,000	559,329
Balance as at 1 July 2020	149,733	1,509	367,819	314,580	14,700	4,400	14,760	12,270	526	6,000	–	–	906,297
Fund transfer	–	14,700	–	(190)	(14,700)	–	–	–	–	–	–	–	(190)
Balance as at 30 June 2021	169,390	216,079	387,418	584,238	–	17,100	8,580	3,358	526	4,200	94,547	1,000	1,455,436

FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD

16. Funds (cont'd)

16B. Youth at Risk Funds

	2022					2021				
	Children in Need Fund \$	Cotton On Youth Project Fund \$	FRCS- Rotary Youth Fund \$	FRCS- Starfish \$	Total \$	Children in Need Fund \$	Cotton On Youth Project Fund \$	FRCS- Rotary Youth Fund \$	FRCS- Starfish \$	Total \$
Incoming Resources:										
Grant income	-	-	-	-	-	-	-	-	7,190	7,190
Donations	-	-	-	23,039	23,039	-	-	9,025	22,724	31,749
Total incoming resources	-	-	-	23,039	23,039	-	-	9,025	29,914	38,939
Resources Expended:										
Programme expenses	-	125	-	-	125	-	-	1,896	18,386	20,282
Total resources expended	-	125	-	-	125	-	-	1,896	18,386	20,282
Net (deficit) / surplus	-	(125)	-	23,039	22,914	-	-	7,129	11,528	18,657
Balance at beginning of the year	7,992	133,000	16,567	10,831	168,390	7,992	133,000	9,438	(697)	149,733
Fund transfer	-	-	-	47,500	47,500	-	-	-	-	-
Balance at end of the year	7,992	132,875	16,567	81,370	238,804	7,992	133,000	16,567	10,831	168,390

FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD

16. Funds (cont'd)

16C. Education Funds

	2022										2021									
	Children's Education / Kid's Read Fund \$	ITE Excellence Awards Fund \$	FRCS- REF Dr. Mary Chin Edu.Fund \$	RC Tanglin- Scholarship- SIT Fund \$	FRCS- Donation to FRCS Learning Centre \$	RC Changi - Education \$	RC Panday Valley Prog Fund \$	Total \$	Children's Education / Kid's Read Fund \$	ITE Excellence Awards Fund \$	FRCS- REF Dr. Mary Chin Edu.Fund \$	RC Tanglin- Scholarship- SIT Fund \$	FRCS- Donation to FRCS Learning Centre \$	Total \$	Children's Education / Kid's Read Fund \$	ITE Excellence Awards Fund \$	FRCS- REF Dr. Mary Chin Edu.Fund \$	RC Tanglin- Scholarship- SIT Fund \$	FRCS- Donation to FRCS Learning Centre \$	Total \$
<u>Incoming Resources:</u>																				
Grant income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Donations	-	-	-	37,319	-	13,300	3,800	54,419	-	3,500	54,410	95,000	-	162,910	-	3,500	54,410	95,000	-	162,910
Total incoming resources	-	-	-	37,319	-	13,300	3,800	54,419	-	3,500	54,410	133,000	-	200,910	-	3,500	54,410	133,000	-	200,910
<u>Resources Expended:</u>																				
Programme expenses	-	960	-	170,319	-	-	-	171,279	-	1,040	-	-	-	1,040	-	1,040	-	-	-	1,040
Total resources expended	-	960	-	170,319	-	-	-	171,279	-	1,040	-	-	-	1,040	-	1,040	-	-	-	1,040
Net (deficit) / surplus	-	(960)	-	(133,000)	-	13,300	3,800	(116,850)	-	2,460	84,410	133,000	-	189,870	-	2,460	84,410	133,000	-	189,870
Balance at beginning of the year	1	3,958	64,410	133,000	14,700	-	-	216,079	1	1,500	-	-	-	1,509	-	1,500	-	-	-	1,509
Fund transfer	-	-	(64,410)	-	(14,700)	-	-	(79,110)	-	-	-	-	14,700	14,700	-	-	-	-	14,700	14,700
Balance at end of the year	1	3,008	-	-	-	13,300	3,800	20,108	1	3,960	84,410	133,000	14,700	215,079	1	3,960	84,410	133,000	14,700	215,079



FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD

16. Funds (cont'd)

16D. Elderly Funds

	2022			2021		
	Happiness Fund \$	Project Caregivers and Eldercare \$	Total \$	Happiness Fund \$	Project Caregivers and Eldercare \$	Total \$
<u>Incoming Resources:</u>						
Grant income	-	-	-	-	-	-
Donations	-	120,652	120,652	-	-	-
Total incoming resources	-	120,652	120,652	-	-	-
<u>Resources Expended:</u>						
Depreciation of plant and equipment	-	27,723	27,723	-	-	-
Programme expenses	865	926	1,791	401	-	401
Total resources expended	865	28,649	29,514	401	-	401
Net (deficit) / surplus	(865)	92,003	91,138	(401)	-	(401)
Balance at beginning of the year	65,179	322,239	387,418	65,580	322,239	387,819
Fund transfer	-	-	-	-	-	-
Balance at end of the year	64,314	414,242	478,556	65,179	322,239	387,418

FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD

16. Funds (cont'd)

16E. Community / Terminally Ill / Health / Others Funds

2022	Avoidable Blindness Fund \$	Grohn's IBD Fund \$	Meals from the Hearts Fund \$	My Wish Fund \$	Check In for Charity (Tanglin) Fund \$	RCSN Loaf of Bread project \$	RCS- Skills Dev Ex-offenders \$	RCKG- Ramadan Syawal Gift \$	RCSG- Willing Heart Kitchen \$	RCSE- Project Dignity Day \$	The Invictus Fund \$	RC E-Club - Irlen \$	FRCS - Flag Day \$	Rotary House \$	Sub-Total carried forward \$
Incoming Resources:															
Grant income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Donations	-	-	-	-	-	13,353	7,059	-	164,960	-	-	5,795	32,265	25,011	248,443
Total incoming resources	-	-	-	-	-	13,353	7,059	-	164,960	-	-	5,795	32,265	25,011	248,443
Resources Expended:															
Programme expenses	-	31,131	-	-	-	15,808	11,764	6,935	-	43,463	53,724	-	-	25,089	187,914
Total resources expended	-	31,131	-	-	-	15,808	11,764	6,935	-	43,463	53,724	-	-	25,089	187,914
Net (deficit) / surplus	-	(31,131)	-	-	-	(2,455)	(4,705)	(6,935)	164,960	(43,463)	(53,724)	5,795	32,265	(78)	60,529
Balance at beginning of the year	167,023	32,416	10,228	63,449	7,340	16,989	4,705	6,935	157,966	43,463	53,724	-	-	-	564,238
Fund transfer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at end of the year	167,023	1,285	10,228	63,449	7,340	14,534	-	-	322,926	-	-	5,795	32,265	(78)	624,767

FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD

16. Funds (cont'd)

16E. Community / Terminally Ill / Health / Others Funds (cont'd)

2022	Sub- Total brought forward \$	RCS- Calendar \$	RC E-Club - Heroes \$	RC SG - Share-a-Pot \$	FRCS - SSO Concert \$	Total \$
<u>Incoming Resources:</u>						
Grant income	-	-	-	-	-	-
Donations	248,443	461	12,140	150,754	53,581	465,379
Total incoming resources	248,443	461	12,140	150,754	53,581	465,379
<u>Resources Expended:</u>						
Programme expenses	187,914	461	12,140	150,754	53,581	404,850
Total resources expended	187,914	461	12,140	150,754	53,581	404,850
Net (deficit) / surplus	60,529	-	-	-	-	60,529
Balance at beginning of the year	564,238	-	-	-	-	564,238
Fund transfer	-	-	-	-	-	-
Balance at end of the year	624,767	-	-	-	-	624,767



FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD

16. Funds (cont'd)

16E. Community / Terminally III / Health / Others Funds (cont'd)

	Avoidable Blindness Fund	Crohn's IBD Fund	Meals from the Hearts Fund	My Wish Fund	Check in for Charity (Tanglin) Fund	RCSN Loaf of Bread project	Care Pack	RCS- Skills Dev Ex-offenders	RCKG- Ramadan Syawal Gift	RCSG- Willing Heart Kitchen	RCSE- Project Dignity Day	The Invictus Fund	Total
2021	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<u>Incoming Resources:</u>													
Grant income	—	—	—	—	—	—	—	4,705	—	—	—	50,000	54,705
Donations	—	2,837	—	—	—	—	—	13,425	6,935	157,966	43,463	3,724	228,350
Total incoming resources	—	2,837	—	—	—	—	—	18,130	6,935	157,966	43,463	53,724	283,055
<u>Resources Expended:</u>													
Programme expenses	—	—	10,500	400	—	8,882	—	13,425	—	—	—	—	33,207
Total resources expended	—	—	10,500	400	—	8,882	—	13,425	—	—	—	—	33,207
Net surplus / (deficit)	—	2,837	(10,500)	(400)	—	(8,882)	—	4,705	6,935	157,966	43,463	53,724	249,848
Balance at beginning of the year	167,023	29,579	20,728	63,849	7,340	25,871	190	—	—	—	—	—	314,580
Fund transfer	—	—	—	—	—	—	(190)	—	—	—	—	—	(190)
Balance at end of the year	167,023	32,416	10,228	63,449	7,340	16,989	—	4,705	6,935	157,966	43,463	53,724	584,238

FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD

17. Categorisation of fund account balances

2022	Unrestricted					Restricted					Elimination between funds	Total	
	Rotary		FRCS	General	Sub Total	Rotary House Project Fund	FRCS Family Service Centre Fund	MSF-Cyclical Maintenance Fund	Furniture and Equipment Fund	Programme Funds (Note 16A)			Sub Total
	Accumulated Fund	Eldercare and Caregivers Fund	Learning Centre Fund										
<b>Assets</b>													
<b>Non-current assets</b>													
Property, plant and equipment	365,254	25,816	3,476	-	394,546	3,999,117	144,963	350,627	21,676	526,729	5,043,112	-	5,437,658
Right-of-use assets	-	-	-	-	-	-	85,744	-	-	-	85,744	-	85,744
Total non-current assets	365,254	25,816	3,476	-	394,546	3,999,117	230,707	350,627	21,676	526,729	5,128,856	-	5,523,402
<b>Current assets</b>													
Other receivables	28,593	28,050	12,698	-	69,341	1,941	130,000	-	-	-	131,941	-	201,282
Other assets	6,021	3,185	-	-	9,206	280	14,383	-	-	-	14,663	-	23,869
Interfund balances	-	116,337	-	-	116,337	63,422	770	-	-	-	64,192	(180,529)	-
Cash and cash equivalents	476,881	23,099	82,556	183,795	766,331	-	4,455,011	-	-	1,217,565	5,672,676	-	6,439,007
Total current assets	511,495	170,671	95,254	183,795	961,215	65,643	4,600,164	-	-	1,217,565	5,883,472	(180,529)	6,864,158
Total assets	876,749	196,487	98,730	183,795	1,355,761	4,064,760	4,830,871	350,627	21,676	1,744,394	11,012,328	(180,529)	12,187,560
<b>Liabilities</b>													
<b>Non-current liabilities</b>													
Lease liabilities, non-current	-	-	-	-	-	-	58,143	-	-	-	58,143	-	58,143
Other financial liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-
Total non-current liabilities	-	-	-	-	-	-	58,143	-	-	-	58,143	-	58,143
<b>Current liabilities</b>													
Lease liabilities	-	-	-	-	-	-	27,903	-	-	-	27,903	-	27,903
Other financial liabilities	110,000	-	-	-	110,000	-	-	-	-	-	-	-	110,000
Other payables	560,196	113	5,126	-	565,435	-	392,903	-	-	-	392,903	-	958,338
Interfund balances	86,925	-	93,604	-	180,529	-	-	-	-	-	-	(180,529)	-
Total current liabilities	757,121	113	98,730	-	855,964	-	420,806	-	-	-	420,806	(180,529)	1,086,241
Total liabilities	757,121	113	98,730	-	855,964	-	478,949	-	-	-	478,949	(180,529)	1,154,384
Net assets	119,628	196,374	-	183,795	499,797	4,064,760	4,351,922	350,627	21,676	1,744,394	10,533,379	-	11,033,176

FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD

## 17. Categorisation of fund account balances (cont'd)

2021	Unrestricted						Restricted						Elimination between funds	Total		
	Rotary		FRCS		Sub Total	Rotary House Project Fund	FRCS Family Service Centre Fund		MSF—Cyclical Maintenance Equipment Fund		Furniture and Equipment Fund				Programme Funds (Note 15A)	Sub Total
	Accumulated Fund	Eldercare and Caregivers Fund	General Fund	Learning Centre Fund			General Fund	Family Service Centre Fund	Maintenance Equipment Fund	Equipment Fund	Funds (Note 15A)					
Assets																
Non-current assets																
Property, plant and equipment	346,302	228,263	3,697	—	578,462	—	4,090,700	184,307	398,458	28,612	—	4,702,077	—	5,280,539		
Right-of-use assets	—	—	—	—	—	—	—	51,074	—	—	—	51,074	—	51,074		
Total non-current assets	346,302	228,263	3,697	—	578,462	—	4,090,700	235,381	398,458	28,612	—	4,753,151	—	5,331,613		
Current assets																
Other receivables	48,199	—	11,013	—	59,212	—	284	154,976	—	—	—	155,260	—	214,472		
Other assets	3,719	3,186	—	—	6,905	—	280	23,888	—	—	—	24,168	—	31,073		
Interfund balances	—	—	16,980	—	16,980	—	65,080	7,218	—	—	—	200,861	(217,641)	—		
Cash and cash equivalents	4,911	179,024	43,954	141,202	369,101	—	—	3,809,933	—	—	—	5,147,008	—	5,516,107		
Total current assets	56,829	182,210	71,957	141,202	452,198	—	65,644	3,996,015	—	—	—	5,527,085	(217,641)	5,761,652		
Total assets	403,131	410,473	75,654	141,202	1,030,660	—	4,156,344	4,231,396	398,458	28,612	1,465,436	10,280,248	(217,641)	11,093,265		
Liabilities																
Non-current liabilities																
Lease liabilities, non-current	—	—	—	—	—	—	—	23,435	—	—	—	23,435	—	23,435		
Other financial liabilities	—	—	50,000	—	50,000	—	—	—	—	—	—	—	—	50,000		
Total non-current liabilities	—	—	50,000	—	50,000	—	—	23,435	—	—	—	23,435	—	73,435		
Current liabilities																
Lease liabilities	—	—	—	—	—	—	—	28,021	—	—	—	28,021	—	28,021		
Other payables	152,611	—	1,956	—	154,567	—	—	271,443	—	—	—	271,443	—	426,010		
Other liabilities	1,050	—	1,514	—	2,564	—	—	—	—	—	—	—	—	2,564		
Interfund balances	24,198	154,356	22,284	—	200,838	—	—	16,803	—	—	—	16,803	(217,641)	—		
Total current liabilities	177,859	154,356	25,854	—	358,069	—	—	316,267	—	—	—	316,267	(217,641)	456,695		
Total liabilities	177,859	154,356	75,854	—	408,069	—	—	339,702	—	—	—	339,702	—	530,130		
Net assets	225,272	256,117	—	141,202	622,591	—	4,156,344	3,891,694	398,458	28,812	1,465,436	9,940,544	—	10,563,135		



## FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD

### 18. Lease liabilities

Lease liabilities are presented in the statement of financial position as follows:

	<u>Group and Company</u>	
	<u>2022</u>	<u>2021</u>
	\$	\$
Lease liabilities, current	27,903	28,021
Lease liabilities, non-current	58,143	23,435
	<u>86,046</u>	<u>51,456</u>

The related right-of-use assets are disclosed in Note 8.

The weighted average incremental borrowing rate applied to lease liabilities recognised was 1.72% (2021: 1.72%) per annum.

A summary of the maturity analysis of lease liabilities is disclosed in Note 23E. Total cash outflows from leases are shown in the statement of cash flows. The related right-of-use-assets are disclosed in Note 10.

There were no future cash outflows to which the lessee is potentially exposed that are not reflected in the measurement of lease liabilities above. At reporting year date there were no commitments on leases which had not yet commenced.

Other disclosures on leases:

Apart from the disclosures made in other Notes to the financial statements, amounts relating to leases include the following:

	<u>Group and Foundation</u>	
	<u>2022</u>	<u>2021</u>
	\$	\$
Expense relating to short-term leases included in resources expended	<u>-</u>	<u>37,199</u>

### 19. Other financial liabilities

	<u>Group and Foundation</u>	
	<u>2022</u>	<u>2021</u>
	\$	\$
Loans from Rotarians		
- Current	110,000	-
- Non-current	-	50,000
	<u>110,000</u>	<u>50,000</u>

The loans from Rotarians are unsecured, non-interest bearing and repayable on demand. The loan existing as at 30 June 2021 had been repaid during the current reporting year.

## FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD

### 20. Other payables

	<u>Group</u>		<u>Foundation</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
	\$	\$	\$	\$
Other payable and accrued liabilities	730,698	290,590	703,426	290,590
Other payable to Rotary International <sup>(a)</sup>	227,640	135,420	227,640	135,420
	<u>958,338</u>	<u>426,010</u>	<u>931,066</u>	<u>426,010</u>

<sup>(a)</sup> This is pertaining to the members' contributions collected on behalf of Rotary International Convention's Host Organising Committee. Contributions collected would be used to defray the expenses to be incurred by the Rotary International Convention to be held in 2024.

### 21. Other non-financial liabilities

	<u>Group and Foundation</u>	
	<u>2022</u>	<u>2021</u>
	\$	\$
Deferred grant – Jobs Support Scheme	<u>–</u>	<u>2,664</u>

### 22. Capital commitment

Estimated amounts committed at the end of the reporting year for future capital expenditure but not recognised in the financial statements are as follows:

	<u>Group and Foundation</u>	
	<u>2022</u>	<u>2021</u>
	\$	\$
Commitments for renovation works	<u>–</u>	<u>285,755</u>

### 23. Financial instruments: information on financial risks

#### 23A. Categories of financial assets and liabilities

The following table categorises the carrying amount of financial assets and financial liabilities recorded at the end of the reporting year:

	<u>Group</u>		<u>Foundation</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
	\$	\$	\$	\$
<u>Financial assets:</u>				
At amortised cost	<u>6,640,289</u>	<u>5,730,579</u>	<u>6,649,590</u>	<u>5,730,579</u>
<u>Financial liabilities:</u>				
At amortised cost	<u>1,154,384</u>	<u>527,466</u>	<u>1,127,112</u>	<u>527,466</u>

Further quantitative disclosures are included throughout these financial statements.

## FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD

### 23. Financial instruments: information on financial risks (cont'd)

#### 23B. Financial risk management

The main purpose for holding or issuing financial instruments is to raise and manage the finances for the group's operating, investing and financing activities. There are exposures to the financial risks on the financial instruments such as credit risk, liquidity risk and market risk comprising interest rate, currency risk and price risk exposures. Management has certain practices for the management of financial risks. However these are not documented in formal written documents. The following guidelines are followed: All financial risk management activities are carried out and monitored by senior management staff. All financial risk management activities are carried out following good market practices.

There have been no changes to the exposures to risk; the objectives, policies and processes for managing the risk and the methods used to measure the risk.

#### 23C. Fair values of financial instruments

The analyses of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 are disclosed in the relevant notes to the financial statements. These include both the significant financial instruments stated at amortised cost and at fair value in the statement of financial position. The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value.

#### 23D. Credit risk on financial assets

Financial assets that are potentially subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner. These arise principally from cash balances with banks, cash equivalents and receivables. The maximum exposure to credit risk is the total of the fair value of the financial assets at the end of the reporting year. Credit risk on cash balances with banks and any other financial instruments is limited because the counter-parties are entities with acceptable credit ratings.

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

For credit risk on trade receivables, an ongoing credit evaluation is performed on the financial condition of the debtors and an impairment loss is recognised in profit or loss. Reviews and assessments of credit exposures in excess of designated limits are made. Renewals and reviews of credits limits are subject to the same review process.

Cash and cash equivalents are also subject to the impairment requirements of the standard on financial instruments. There was no identified impairment loss.



## FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD

### 23. Financial instruments: information on financial risks (cont'd)

#### 23E. Liquidity risk – financial liabilities maturity

The liquidity risk refers to the difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. It is expected that all the liabilities will be settled at their contractual maturity. The average credit period taken to settle trade payables is about 30 days (2021: 30 days). The other payables are with short-term durations. The classification of the financial assets is shown in the statement of financial position as they may be available to meet liquidity needs and no further analysis is deemed necessary. The Foundation has sufficient cash balances to support cash commitments from their existing liabilities.

The following table analyses the non-derivative financial liabilities by their remaining contractual maturity (contractual undiscounted cash flows):

	Less than 1 year	1 – 3 years	3 – 5 years	Total
Group	\$	\$	\$	\$
<u>2022:</u>				
Gross lease liabilities	30,866	59,178	-	90,044
Other financial liabilities	110,000	-	-	110,000
Other payables	958,338	-	-	958,338
At end of the year	<u>1,099,204</u>	<u>59,178</u>	<u>-</u>	<u>1,158,382</u>
<u>2021:</u>				
Gross lease liabilities	28,644	20,392	3,708	52,744
Other financial liabilities	-	50,000	-	50,000
Other payables	426,010	-	-	426,010
At end of the year	<u>454,654</u>	<u>70,392</u>	<u>3,708</u>	<u>528,754</u>
	Less than 1 year	1 – 3 years	3 – 5 years	Total
Foundation	\$	\$	\$	\$
<u>2022:</u>				
Gross lease liabilities	30,866	59,178	-	90,044
Other financial liabilities	110,000	-	-	110,000
Other payables	931,066	-	-	931,066
At end of the year	<u>1,071,932</u>	<u>59,178</u>	<u>-</u>	<u>1,131,110</u>
<u>2021:</u>				
Gross lease liabilities	28,644	20,392	3,708	52,744
Other financial liabilities	-	50,000	-	50,000
Other payables	426,010	-	-	426,010
At end of the year	<u>454,654</u>	<u>70,392</u>	<u>3,708</u>	<u>528,754</u>

The above amounts disclosed in the maturity analysis are the contractual undiscounted cash flows and such undiscounted cash flows differ from the amount included in the statement of financial position. When the counterparty has a choice of when an amount is paid, the liability is included on the basis of the earliest date on which it can be required to pay.

## FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD

### 23. Financial instruments: information on financial risks (cont'd)

#### 23F. Interest rate risk

Interest rate risk arises on interest-bearing financial instruments recognised in the statement of financial position. The following table analyses the breakdown of the significant financial instruments by type of interest rate:

	<u>Group and Foundation</u>	
	<u>2022</u>	<u>2021</u>
	\$	\$
<u>Financial assets:</u>		
Fixed rates	<u>572,869</u>	<u>569,810</u>
<u>Financial liabilities:</u>		
Fixed rates	<u>86,046</u>	<u>51,456</u>

Sensitivity analysis: The effect on pre-tax profit is not significant.

#### 23G. Foreign currency risks

Foreign exchange risk arises on financial instruments that are denominated in a foreign currency, i.e. in a currency other than the functional currency in which they are measured. For the purpose of this financial reporting standard on financial instruments: disclosures, currency risk does not arise from financial instruments that are non-monetary items or from financial instruments denominated in the functional currency.

The group is not exposed to significant foreign currency risk.

### 24. Changes and adoption of financial reporting standards

For the current reporting year certain new or revised financial reporting standards were issued by the Singapore Accounting Standards Council. None of these are applicable to the group for the current reporting year.

### 25. New or amended standards in issue but not yet effective

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

<u>SFRS No.</u>	<u>Title</u>	<u>Effective date for periods beginning on or after</u>
Various	Annual Improvements to SFRSs 2018-2020	1 Jan 2022
SFRS 8	Definition of Accounting Estimates - Amendments	1 Jan 2023
Various	Amendments to SFRS 1 and SFRS Practice Statement 2: Disclosure of Accounting Policies	1 Jan 2023

