



# Empowering People

Financial Statements 2019/2020





**ASIAN WOMEN'S WELFARE ASSOCIATION  
AND ITS SUBSIDIARY**

(Registered in Singapore under the Societies Act)

**FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED  
31 MARCH 2020**

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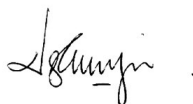
## Statement By Board Of Management

On behalf of the Board of Management, we do hereby state that in our opinion, the consolidated financial statements of Asian Women's Welfare Association (the "Association") and its subsidiary (the "Group") and the statement of financial activities and balance sheet of the Association as set out on pages 8 to 42 are drawn up in accordance with the Societies Act, Chapter 311, the Charities Act, Chapter 37 and other relevant regulations and Singapore Charities Accounting Standard so as to present fairly, in all material respects the financial position of the Group and the Association as at 31 March 2020, and of the financial performance of the Group and the Association and consolidated cash flows of the Group for the financial year then ended.

On behalf of the Board of Management



Chung Wei Han  
President



Ng Chin Yu  
Honorary Treasurer

30 July 2020

# Independent Auditor's Report to the Members of Asian Women's Welfare Association

## Report on the Audit of the Financial Statements

### **Opinion**

We have audited the accompanying financial statements of Asian Women's Welfare Association (the "Association") and its subsidiary (the "Group") as set out on pages 8 to 42, which comprise the balance sheets of the Group and the Association as at 31 March 2020, and the statements of financial activities of the Group and the Association and consolidated statement of cash flows of the Group for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the Societies Act, Chapter 311 (the "Societies Act"), the Charities Act, Chapter 37 and other relevant regulations (the "Charities Act and Regulations") and Singapore Charities Accounting Standard so as to present fairly, in all material respects, the financial position of the Group and the Association as at 31 March 2020 and of the financial performance of the Group and the Association and consolidated cash flows of the Group for the financial year ended on that date.

### **Basis for Opinion**

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

### **Other Information**

The Management is responsible for the other information. The other information comprises the Statement by Board of Management as set out on page 4 and the information included in the 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.

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

# Independent Auditor's Report to the Members of Asian Women's Welfare Association (cont'd)

## Report on the Audit of the Financial Statements (cont'd)

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

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

In preparing the financial statements, the Management is responsible for assessing the Association'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 the Management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

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

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

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

# Independent Auditor's Report to the Members of Asian Women's Welfare Association (cont'd)

## Report on the Audit of the Financial Statements (cont'd)

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

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

## Report on Other Legal and Regulatory Requirements

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

During the course of our audit, nothing has come to our attention that causes us to believe that during the financial year, the Association has not complied with the requirements of Regulation 7 (Fund-raising expenses) of the Charities (Fund-Raising Appeals for Local and Foreign Charitable Purposes) Regulations 2012.



Baker Tilly TFW LLP  
Public Accountants and  
Chartered Accountants  
Singapore

30 July 2020

# Consolidated Statement of Financial Activities

For the financial year ended 31 March 2020

	Note	Unrestricted funds \$	Restricted funds \$	Total 2020 \$	Total 2019 \$
<b>Group</b>					
<b>Income</b>					
Income from generated funds:					
Voluntary income	3	795,724	6,147,994	6,943,718	4,430,768
Activities for generating funds	4	357,500	–	357,500	433,151
Investment income	5	254,980	489,089	744,069	655,924
Income from charitable activities	6	2,213,924	58,751,780	60,965,704	57,200,119
<b>Total income</b>		<b>3,622,128</b>	<b>65,388,863</b>	<b>69,010,991</b>	<b>62,719,962</b>
<b>Expenditure</b>					
Cost of generating funds:					
Cost of generating voluntary income	7	48,296	373,149	421,445	287,701
Fundraising costs	8	50,956	3,210	54,166	69,742
Investment management costs	9	150,500	–	150,500	47,110
Charitable activities	10	1,574,159	54,510,436	56,084,595	51,353,219
Governance costs	11	13,569	127,009	140,578	139,043
Other expenditure	16	–	6,343	6,343	10,402
<b>Total expenditure</b>		<b>1,837,480</b>	<b>55,020,147</b>	<b>56,857,627</b>	<b>51,907,217</b>
<b>Net income</b>		<b>1,784,648</b>	<b>10,368,716</b>	<b>12,153,364</b>	<b>10,812,745</b>
<b>Fund transfer</b>		<b>(132,045)</b>	<b>132,045</b>	<b>–</b>	<b>–</b>
Total funds brought forward		7,257,838	44,286,891	51,544,729	40,731,984
<b>Total funds carried forward</b>		<b>8,910,441</b>	<b>54,787,652</b>	<b>63,698,093</b>	<b>51,544,729</b>

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



## Statement of Financial Activities (Association)

For the financial year ended 31 March 2020

	Note	Unrestricted funds	
		2020 \$	2019 \$
<b>Association</b>			
<b>Income</b>			
Income from generated funds:			
Investment income	5	240,124	240,124
Income from charitable activities	6	450	365
<b>Total income</b>		<b>240,574</b>	<b>240,489</b>
<b>Expenditure</b>			
Cost of generating funds:			
Investment management costs	9	150,500	47,110
Charitable activities	10	9,720	185,894
Governance costs	11	7,698	3,856
<b>Total expenditure</b>		<b>167,918</b>	<b>236,860</b>
<b>Net income</b>		<b>72,656</b>	<b>3,629</b>
Total funds brought forward		1,998,458	1,994,829
<b>Total funds carried forward</b>		<b>2,071,114</b>	<b>1,998,458</b>

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

# Balance Sheets

At 31 March 2020

	Note	Group		Association	
		2020 \$	2019 \$	2020 \$	2019 \$
<b>Non-current assets</b>					
Property, plant and equipment	14	<b>2,088,386</b>	2,881,508	–	–
Investment properties	15	<b>1,764,226</b>	1,776,736	<b>1,764,226</b>	1,776,736
Investments in financial assets	16	<b>1,006,101</b>	1,511,158	–	–
		<b>4,858,713</b>	6,169,402	<b>1,764,226</b>	1,776,736
<b>Current assets</b>					
Investments in financial assets	16	<b>500,674</b>	501,960	–	–
Receivables	17	<b>10,929,918</b>	7,562,742	–	50,140
Cash and cash equivalents	18	<b>59,432,713</b>	44,933,509	<b>370,874</b>	411,712
		<b>70,863,305</b>	52,998,211	<b>370,874</b>	461,852
<b>Total assets</b>		<b>75,722,018</b>	59,167,613	<b>2,135,100</b>	2,238,588
<b>Current liabilities</b>					
Payables	19	<b>11,355,689</b>	7,073,274	<b>63,986</b>	240,130
Provision for gratuity	20	<b>668,236</b>	549,610	–	–
<b>Total liabilities</b>		<b>12,023,925</b>	7,622,884	<b>63,986</b>	240,130
<b>Net assets</b>		<b>63,698,093</b>	51,544,729	<b>2,071,114</b>	1,998,458
<b>Funds</b>					
Unrestricted funds	21	<b>8,910,441</b>	7,257,838	<b>2,071,114</b>	1,998,458
Restricted funds	22	<b>54,787,652</b>	44,286,891	–	–
<b>Total funds</b>		<b>63,698,093</b>	51,544,729	<b>2,071,114</b>	1,998,458

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

# Consolidated Statement of Cash Flows

For the financial year ended 31 March 2020

	Group	
	2020	2019
	\$	\$
<b>Cash flows from operating activities</b>		
Net income	12,153,364	10,812,745
Adjustments for:		
Depreciation of property, plant and equipment	1,454,491	2,015,410
Depreciation of investment properties	12,510	12,510
Property, plant and equipment written off	43,028	–
Interest income	(503,419)	(415,460)
Amortisation of premium and premium written off on redemption of bonds	6,343	10,402
<b>Operating cash flows before movements in working capital</b>	<b>13,166,317</b>	<b>12,435,607</b>
Receivables	(3,391,511)	201,807
Payables	4,282,415	1,640,429
Provision for gratuity	118,626	50,953
<b>Net cash generated from operating activities</b>	<b>14,175,847</b>	<b>14,328,796</b>
<b>Cash flows from investing activities</b>		
Interest received	527,754	281,491
Restricted cash - bank balance for provision for gratuity	38,925	(399)
Purchases of property, plant and equipment	(704,397)	(1,950,283)
Proceeds from redemption of bonds	500,000	1,000,000
<b>Net cash generated from/(used in) investing activities</b>	<b>362,282</b>	<b>(669,191)</b>
<b>Net increase in cash and cash equivalents</b>	<b>14,538,129</b>	<b>13,659,605</b>
Cash and cash equivalents at beginning of the financial year	44,365,536	30,705,931
<b>Cash and cash equivalents at end of the financial year</b>	<b>58,903,665</b>	<b>44,365,536</b>
Restricted cash - provision for gratuity	360,334	399,259
- fixed deposit	168,714	168,714
<b>Cash and cash equivalents at end of financial year as presented on the balance sheet (Note 18)</b>	<b>59,432,713</b>	<b>44,933,509</b>

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

# Notes to the Financial Statements

For the financial year ended 31 March 2020

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

## 1. General information

The Asian Women's Welfare Association (Charities Registration No. 00379 and Societies Registration No. 115/70) (the "Association") is registered and domiciled in Singapore and was established as a society under Societies Act on 16 June 1970. The Association was established as a charity on 7 November 1984. The address of the Association's principal place of operations is 9 Lorong Napiri, Singapore 547531.

The Association is a member of the National Council of Social Service ("NCSS") Central Fund.

The principal objective of AWWA Group which is made up of the Association and its subsidiary is to empower the disadvantaged to maximise their potential to lead dignified and independent lives. The Association leases out its investment properties to generate rental income.

The Group's principal activities are to pioneer, develop and operate a range of services for the disadvantaged from infancy to old age to enable them to maximise their potential and lead dignified and independent lives. The Group's financial statements include the services: Allied Health Professional Group, Outsource Service, Family Service Centre, Community Integration Service, Home Personal Care Service, Special Student Care Centre, Early Intervention Centre - Hougang, Early Intervention Centre - Kim Keat, Early Intervention Centre - Fernvale, Kindie Garden Preschool, Preschool Support Service - DSP, Senior Community Home, Senior Activity Centre, Rehab and Day Care Centre, Dementia Day Care Centre, Personal Care Services (Senior), AWWA School, Resource and Training Centre, Caregiver Service, Centre Based Nursing, Integrated Home & Day Care, Dementia Day Care Centre (Yishun), Transitional Shelter, Allied Health Professional Group (Inclusion), Project Bridge, Inclusion Inc, Adult Disability Home, AWWA School (Bedok) and Silver Station & Crest.

## 2. Significant accounting policies

### a) Basis of preparation

The financial statements, expressed in Singapore dollar (\$), which is the functional currency of the Group and the Association, have been prepared in accordance with the Societies Act, the Charities Act, Chapter 37 and other regulations ("Charities Act and Regulations") and Singapore Charities Accounting Standard ("CAS"). The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with CAS requires the use of 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 financial year. Although these estimates are based on the Management's best knowledge of current events and actions and historical experiences and various other factors that are believed to be reasonable under the circumstances, actual results may ultimately differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. There were no significant judgements and estimates made during the financial year except as disclosed in Note 2(u).

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

### b) Revenue recognition

Income is recognised in the statement of financial activities to the extent that the Group becomes entitled to the income, when it is probable that the income will be received; and when the amount of the income can be measured with sufficient reliability.

#### **Voluntary income**

##### *Donations*

Donations are recognised on receipt. However, donations received and subject to donor-imposed pre-conditions are deferred as liabilities until the Group is able to meet the terms of the donations.

##### *Donations-in-kind*

Donations-in-kind that can be estimated with sufficient reliability are accounted for at a reasonable estimate of the price that the Group would have to pay in the open market for an equivalent item or at the amount actually realised.

#### **Activities for generating funds**

Income from fund raising events are recognised when received. If income is received for a specific fund-raising or charity event and the event has not occurred, the income received will be deferred as a liability until the event has been conducted.

#### **Investment income**

##### *Interest income*

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

##### *Rental income*

Rental income is recognised over the term of the lease.

#### **Income from charitable activities**

##### *Subventions and grants*

Subventions and grants from government and other organisations are recognised as income only when there is sufficient evidence that the Group has complied with the conditions attached to them and there is reasonable certainty that they will be received. These subventions and grants are recognised on an accrual basis. Additionally, subventions and grants recognised in the statement of financial activities are calculated based on the funding principles set by the individual organisations. Adjustments to the subventions and grants which are made on finalisation by the relevant organisations are recognised in the statement of financial activities in the financial year in which they are finalised. Subventions and grants with specific conditions are recognised either when they have been conformed to, or when there is sufficient evidence that they will be met. In instances where there is uncertainty about the ability of the Group to meet the conditions set by grantors, the recognition of the grants as income is deferred until conditions imposed at the time of the grants can be complied with.

##### *Programme fees, school fees and therapist income*

Programme fees, school fees and therapist income are recognised when services are rendered.

##### *Transport fees*

Transport fees are recognised when services are rendered.

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

### c) Expenditure

#### **Cost of generating funds**

The cost of generating funds are those costs attributable to generating income for the Group, other than those costs incurred in undertaking charitable activities in furtherance of the Group's objects.

#### **Charitable activities**

Expenditure on charitable activities comprises all costs incurred in undertaking work to meet the charitable objects of the Group. Such costs include the direct costs of the charitable activities of the Group together with those support costs incurred that enable these activities to be undertaken.

#### **Governance costs**

Governance costs include the costs of governance arrangement, which relate to the general running of the Group as opposed to the direct management functions inherent in generating funds, service delivery and programme or project work. Governance costs will normally include both direct costs such as internal and external audit, legal advice for the Group and costs associated with constitutional and statutory requirements, and related support costs which were material, would comprise apportionment of shared and indirect costs involved in supporting the governance activities.

#### **Support costs**

Support costs are those, whilst necessary to deliver an activity, do not produce or constitute the output of the charitable activities of the Group. These costs are incurred in supporting the income generation activities of the Group. Support costs comprise manpower cost of Finance, Human Resource, Community Partnership, Information Technology, Facilities, Procurement Admin Team, Service Quality and Chief Executive Officer's office. Support costs are apportioned to the relevant activity cost category they support based on the basis as disclosed in Note 12.

### d) Defined contribution plans

Payments to defined contribution plans are charged as an expense as they fall due. Payments made to state-managed retirement benefit schemes, such as the Singapore Central Provident Fund ("CPF") are dealt with as payments to defined contribution plans where the Group's obligations under the plans are equivalent to those arising in a defined contribution plan.

### e) Taxation

The Association and its subsidiary are registered charities under the Charities Act and are exempted from income tax under the Income Tax Act.

### f) Property, plant and equipment

Property, plant and equipment are carried at cost less accumulated depreciation.

Depreciation is charged so as to write off the cost of assets over their estimated useful lives, using the straight-line method, on the following basis:

	<b>Years</b>
Leasehold building	remaining lease period
Leasehold improvements	remaining lease period
Office and other equipment	5
Furniture and fittings	5
Computers	3
Motor vehicles	10

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

### f) Property, plant and equipment (cont'd)

The depreciation period is reviewed and adjusted as appropriate at each balance sheet date. The effects of any revision are recognised in the statement of financial activities when the changes arise. No depreciation is provided on construction in progress until the construction is completed. Assets transferred by the Association are depreciated over their remaining estimated useful lives.

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are recognised in the statement of financial activities when the changes arise.

The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of financial activities.

Fully depreciated assets still in use are retained in the financial statements.

### g) Investment properties

Investment properties, comprising freehold properties, are held on a long-term basis for its investment potential and rental income. Investment properties are stated at cost, less accumulated depreciation and any impairment in value.

Depreciation is provided in equal instalments using the straight-line method over the estimated useful life of the depreciable asset. Freehold land is not depreciated and freehold buildings are depreciated over 50 years.

The estimated useful lives and depreciation method of the investment properties are reviewed and adjusted as appropriate, at each balance sheet date. The effects of any revision are recognised in the statement of financial activities when the changes arise.

Gain or loss arising on disposal of the investment properties is determined as the difference between the sale proceeds and the carrying amount of the assets and is recognised in the statement of financial activities.

### h) Impairment of investment property

Investment property is assessed for indications of impairment at each balance sheet date or whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If any such indication exists, the recoverable amount of the investment property shall be estimated. Whenever the carrying amount of the investment property exceeds its recoverable amount, an impairment loss is recognised in the statement of financial activities.

Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the asset no longer exist or have decreased. The reversal is recognised in the statement of financial activities. However, the increased carrying amount of an asset due to a reversal of an impairment loss is recognised to the extent it does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised for that investment property in prior years.

### i) Investments in financial assets

The Group's investments in financial assets, which comprise investments in bonds are initially measured at transaction price excluding transaction costs. The investment is subsequently measured at amortised cost using the effective interest method less any accumulated impairment losses. Transaction costs are recognised as expenditure immediately in the statement of financial activities.

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

### i) Investments in financial assets (cont'd)

At each balance sheet date, if there is objective evidence of impairment, the carrying amount of the asset is reduced by an allowance for impairment and the impairment loss is recognised in the statement of financial activities.

This allowance, calculated as the difference between the asset's carrying amount and the undiscounted future cash flows that the Group expects to receive from the financial assets is recognised in the statement of financial activities in the period in which the impairment occurs. Impairment loss is reversed through the statement of financial activities if the impairment loss decrease can be related objectively to an event occurring after the impairment loss was recognised. The reversal of impairment loss shall not result in the carrying value of the investment exceeding transaction price.

### j) Receivables

Receivables, excluding prepayments, are measured at initial recognition at transaction price, excluding transaction costs, if any. Transaction costs shall be recognised as expenditure in the statement of financial activities. Prepayments shall be initially recognised at the amount paid in advance for the economic resources expected to be received in the future.

After initial recognition, trade and other receivables, excluding prepayments, shall be measured at cost less any accumulated impairment losses. Prepayments shall be measured at the amount paid less the economic resources received or consumed during the financial period.

At each balance sheet date, where there is objective evidence that a receivable is impaired, the carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the statement of financial activities. The allowance recognised is measured as the difference between the asset's carrying amount and the undiscounted future cash flows that the Group expects to receive from the receivables. When a receivable is uncollectible, it is written off against the allowance account for receivables. Subsequent recoveries of amounts previously written off are credited in the statement of financial activities.

### k) Payables

Payables are initially measured at transaction price, excluding transaction costs, if any, both at initial recognition and at subsequent measurement. Transactions costs shall be recognised as expenditure in the statement of financial activities as incurred. Accruals shall be recognised at the best estimate of the amount payable.

### l) Operating leases

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are taken to the statement of financial activities on a straight-line basis over the period of the lease.

When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

### m) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.



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

### m) Provisions (cont'd)

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

### n) Unrestricted funds

Unrestricted funds represent funds received by the Group that are expendable for any activity of the Group at the discretion of the Board of Management in furtherance of the Group's charitable objectives. Services subsidised for their activities from unrestricted funds may be required to refund the subsidy should they have surplus in subsequent years.

### o) Restricted funds

Restricted funds represent funds that have been received by the Group for which the usage is restricted - specifically for an activity in one or more of its services or for specified activities within these services. These restrictions may be designated by government agencies, other donor organisations or individuals.

### p) Funds

Unless specifically indicated, fund balances are not represented by any specific assets or liabilities but are represented by all assets of the Group.

### q) Deferred Capital grant for AWWA Centre For Care Education and Social Service ("ACCESS") Building

Government grants for the ACCESS Building and other capital expenditure are taken to the Deferred Capital grant account, which are part of the Group's restricted funds. The annual depreciation of the related property plant and equipment funded by the grants is calculated over the useful lives of the property, plant and equipment and charged to Deferred Capital grant account.

### r) Deferred Capital Asset donations for ACCESS Building

Donations for the ACCESS Building and other capital expenditure are taken to the Deferred Capital Asset donations account for ACCESS Building which is part of the Group's restricted funds. Donations are transferred to Deferred Capital fund account when the donations are utilised to purchase property, plant and equipment. Specific expenditure incurred for the maintenance and upgrading of the ACCESS Building are taken to the Deferred Capital Asset donations account.

### s) Deferred Capital fund

Deferred Capital fund comprises capital grants to fund property, plant and equipment purchased, and transfers made from Deferred Capital Asset donations for ACCESS Building fund and restricted funds. Transfers are made to the Deferred Capital fund when amounts are utilised for purchase of property, plant and equipment using funds which are specifically donated or received for the purchase of property, plant and equipment. The depreciation of the assets purchased with the related donation and grants are taken to the Deferred Capital fund over the useful lives of the related assets.

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

### t) Deferred income

Deferred income are resources (normally cash) received that do not meet the criteria for recognition as income in the Statement of Financial Activities as entitlement to the income does not exist at the reporting date. This primarily relates to grants and donations received where the donors or grantors have specified conditions for use; and these conditions have not been met at the financial year end. The deferred income will be recognised as income in the Statement of Financial Activities when the conditions are fulfilled.

### u) Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

#### *Depreciation of property, plant and equipment*

Management periodically reviews the estimated useful lives and residual values of property, plant and equipment during the financial year for reasonableness. The carrying amounts of the Group's property plant and equipment are disclosed in Note 14. The Group's property, plant and equipment are currently depreciated on a straight line basis, over the estimated useful lives of between 3 to 10 years [Note 2(f)].

The factors considered in assessing the reasonableness of the useful lives include changes in operations and activities of the Group; changes in the Singapore Land Authority's land lease terms for the building and its operations; the assets' expected level of usage and technological developments. These could impact the economic useful lives and the residual values of the assets. Therefore future depreciation charges may change if the estimates are revised.

## 3. Voluntary income

	Unrestricted funds \$	Restricted funds \$	Total 2020 \$	Total 2019 \$
<b>Group</b>				
Donations	795,724	6,147,994	6,943,718	4,430,768

During the financial year, the Subsidiary issued tax deductible receipts for donations totaling \$2,676,428 (2019: \$2,274,067).

## 4. Activities for generating funds

	Unrestricted funds \$	Restricted funds \$	Total 2020 \$	Total 2019 \$
<b>Group</b>				
Income from fundraising events	357,500	-	357,500	433,151
Fundraising costs (Note 8)	(50,956)	(3,210)	(54,166)	(69,742)
	<b>306,544</b>	<b>(3,210)</b>	<b>303,334</b>	<b>363,409</b>

**5. Investment income**

	Unrestricted funds \$	Restricted funds \$	Total 2020 \$	Total 2019 \$
<b>Group</b>				
Bank interest income	14,330	423,408	437,738	313,286
Interest income - Bonds	-	65,681	65,681	102,174
Rental income	240,650	-	240,650	240,464
	<b>254,980</b>	<b>489,089</b>	<b>744,069</b>	<b>655,924</b>
<b>Association</b>				
Bank interest income	124	-	124	124
Rental income	240,000	-	240,000	240,000
	<b>240,124</b>	<b>-</b>	<b>240,124</b>	<b>240,124</b>

**6. Income from charitable activities**

	Unrestricted funds \$	Restricted funds \$	Total 2020 \$	Total 2019 \$
<b>Group</b>				
Programme fees, school fees and therapist income	450	5,802,680	5,803,130	6,047,738
Transport fees	-	872,794	872,794	451,357
Subventions and grants	415,760	49,420,974	49,836,734	48,100,057
Subsidy for rental expenses	722,096	-	722,096	722,096
Other grants and incentives	400,772	2,124,047	2,524,819	787,193
Wage credit/Special employment credit	647,276	-	647,276	668,377
Miscellaneous income	27,570	531,285	558,855	423,301
	<b>2,213,924</b>	<b>58,751,780</b>	<b>60,965,704</b>	<b>57,200,119</b>
<b>Association</b>				
Programme fee	450	-	450	365

**7. Cost of generating voluntary income**

	Unrestricted funds \$	Restricted funds \$	Total 2020 \$	Total 2019 \$
<b>Group</b>				
Allocated manpower costs (Note 12)	48,296	373,149	421,445	287,701

**8. Fundraising costs**

	Unrestricted funds \$	Restricted funds \$	Total 2020 \$	Total 2019 \$
<b>Group</b>				
Expenditure for fundraising events	29,258	3,210	32,468	42,715
Allocated manpower costs (Note 12)	21,698	-	21,698	27,027
	<b>50,956</b>	<b>3,210</b>	<b>54,166</b>	<b>69,742</b>

**9. Investment management costs**

	Unrestricted funds \$	Restricted funds \$	Total 2020 \$	Total 2019 \$
<b>Group and Association</b>				
Depreciation of investment properties (Note 15)	12,510	-	12,510	12,510
Property tax	27,850	-	27,850	34,600
Impairment loss on sundry receivable	110,140	-	110,140	-
	<b>150,500</b>	<b>-</b>	<b>150,500</b>	<b>47,110</b>

## 10. Charitable activities

	Unrestricted funds \$	Restricted funds \$	Total 2020 \$	Total 2019 \$
<b>Group</b>				
Manpower and staff related costs <sup>(a)</sup>	725,232	46,437,287	47,162,519	42,157,135
Depreciation of property, plant and equipment (Note 14)	34,249	1,420,242	1,454,491	2,015,410
Property, plant and equipment written off	–	43,028	43,028	–
Programme activities	6,079	3,182,110	3,188,189	2,774,577
Repairs, maintenance and utilities	796,966	2,130,504	2,927,470	2,864,932
Replacement/Purchase of equipment	2,045	187,079	189,124	336,343
Supplies and materials	3,974	801,631	805,605	968,588
Others	5,614	308,555	314,169	236,234
	<b>1,574,159</b>	<b>54,510,436</b>	<b>56,084,595</b>	<b>51,353,219</b>
<b>Association</b>				
Manpower and staff related costs	375	–	375	–
Programme activities	–	–	–	430
Repairs, maintenance and utilities	9,230	–	9,230	5,350
Others <sup>(b)</sup>	115	–	115	180,114
	<b>9,720</b>	<b>–</b>	<b>9,720</b>	<b>185,894</b>

<sup>(a)</sup> Included in manpower and staff related costs are allocated manpower costs of \$3,700,254 (2019: \$3,570,443) (Note 12).

<sup>(b)</sup> Included in others is donation of \$nil (2019: \$180,000) to its subsidiary, AWWA Ltd.

## 11. Governance costs

	Unrestricted funds \$	Restricted funds \$	Total 2020 \$	Total 2019 \$
<b>Group</b>				
Auditor's remuneration	10,101	101,964	112,065	107,981
Board meeting expenses and training	747	5,394	6,141	14,062
Internal audit fees	2,721	19,651	22,372	17,000
	<b>13,569</b>	<b>127,009</b>	<b>140,578</b>	<b>139,043</b>
<b>Association</b>				
Auditor's remuneration	7,698	–	7,698	3,856

The governance costs include costs of preparation and examination of statutory accounts, the cost of holding Board of Management meetings and cost of governance arrangement which relate to the general running of the Group.

## 12. Support costs

	Cost of generating voluntary income \$	Fundraising costs \$	Charitable activities \$	Total costs \$
<b>Group</b>				
<b>2020</b>				
Manpower costs	421,445	21,698	3,700,254	4,143,397
<b>2019</b>				
Manpower costs	287,701	27,027	3,570,443	3,885,171

The allocation of support costs is based on the ratio of income of the respective category of activity over total income of the Subsidiary excluding investment income. Support costs comprise manpower cost of Finance, Human Resource, Community Partnership, Information Technology, Facilities, Procurement Admin Team, Service Quality and Chief Executive Officer's office.

## 13. Employee benefits

	Group	
	2020 \$	2019 \$
Short-term employee benefits	41,976,287	37,407,987
Contributions to defined contribution plan	5,629,000	5,063,876
	<b>47,605,287</b>	<b>42,471,863</b>

Short-term employee benefits include staff salaries, bonuses, welfare and training expenses.

Included in the above are remuneration paid to key management personnel as follows:

	Group	
	2020 \$	2019 \$
Short-term employee benefits	1,044,189	936,563
Contributions to defined contribution plan	85,572	85,124
	<b>1,129,761</b>	<b>1,021,687</b>

None of the members of the Board of Management and their close family members has received any remuneration, benefits, allowances or any other manner of compensation from the Association.

**14. Property, plant and equipment**

	Leasehold building \$	Leasehold improvements \$	Office and other equipment \$	Furniture and fittings \$	Computers \$	Motor vehicles \$	Total \$
<b>Group</b>							
<b>2020</b>							
<b>Cost</b>							
At 1.4.2019	13,908,294	6,791,309	1,658,986	721,957	1,077,263	741,387	24,899,196
Additions	–	350,212	48,135	100,332	205,718	–	704,397
Written off	–	(201,804)	(101,381)	(81,874)	(155,957)	(4,679)	(545,695)
At 31.3.2020	<b>13,908,294</b>	<b>6,939,717</b>	<b>1,605,740</b>	<b>740,415</b>	<b>1,127,024</b>	<b>736,708</b>	<b>25,057,898</b>
<b>Accumulated depreciation</b>							
At 1.4.2019	13,908,294	5,068,308	1,318,889	480,015	822,688	419,494	22,017,688
Depreciation	–	1,017,322	138,868	86,260	167,372	44,669	1,454,491
Written off	–	(168,977)	(101,381)	(79,686)	(150,473)	(2,150)	(502,667)
At 31.3.2020	<b>13,908,294</b>	<b>5,916,653</b>	<b>1,356,376</b>	<b>486,589</b>	<b>839,587</b>	<b>462,013</b>	<b>22,969,512</b>
<b>Net carrying value</b>							
At 31.3.2020	–	<b>1,023,064</b>	<b>249,364</b>	<b>253,826</b>	<b>287,437</b>	<b>274,695</b>	<b>2,088,386</b>
<b>Group</b>							
<b>2019</b>							
<b>Cost</b>							
At 1.4.2018	13,908,294	5,506,494	1,504,605	592,121	968,188	622,019	23,101,721
Additions	–	1,284,815	173,936	136,400	134,124	221,008	1,950,283
Written off/disposals	–	–	(19,555)	(6,564)	(25,049)	(101,640)	(152,808)
At 31.3.2019	13,908,294	6,791,309	1,658,986	721,957	1,077,263	741,387	24,899,196
<b>Accumulated depreciation</b>							
At 1.4.2018	13,908,294	3,511,007	1,199,639	404,583	650,079	481,484	20,155,086
Depreciation	–	1,557,301	138,805	81,996	197,658	39,650	2,015,410
Written off/disposals	–	–	(19,555)	(6,564)	(25,049)	(101,640)	(152,808)
At 31.3.2019	13,908,294	5,068,308	1,318,889	480,015	822,688	419,494	22,017,688
<b>Net carrying value</b>							
At 31.3.2019	–	1,723,001	340,097	241,942	254,575	321,893	2,881,508

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

Depreciation is charged as follows:

	Group	
	2020	2019
	\$	\$
Unrestricted funds	34,249	53,543
Restricted funds		
- Deferred Capital funds	1,067,866	1,711,701
- Accumulated funds	352,376	250,166
Restricted funds	1,420,242	1,961,867
	<b>1,454,491</b>	<b>2,015,410</b>

## 15. Investment properties

	Group and Association \$
<b>2020</b>	
<b>Cost</b>	
At 1 April 2018, 31 March 2019 and 31 March 2020	2,152,011
<b>Accumulated depreciation</b>	
At 1 April 2018	362,765
Depreciation	12,510
At 31 March 2019	375,275
Depreciation	12,510
At 31 March 2020	387,785
<b>Net carrying value</b>	
At 31 March 2020	<b>1,764,226</b>
At 31 March 2019	1,776,736

The net carrying value of freehold land and buildings as at the balance sheet date are as follows:

	Group and Association	
	2020	2019
	\$	\$
Freehold land	1,526,556	1,526,556
Buildings	237,670	250,180
	<b>1,764,226</b>	<b>1,776,736</b>



**15. Investment properties (cont'd)**

For the purpose of calculating depreciation of freehold buildings, the costs attributed to freehold land and buildings as at the balance sheet date are as follows:

	<b>Group and Association</b>	
	<b>2020</b>	2019
	\$	\$
Freehold land	<b>1,526,556</b>	1,526,556
Buildings	<b>625,455</b>	625,455
	<b>2,152,011</b>	2,152,011

The fair values of the investment properties as at 31 March 2020 amounted to \$12,800,000 (2019: \$12,800,000). The fair values of the investment properties were determined by reference to a valuation performed by an independent valuer on 31 March 2020 (2019: 31 March 2019). The valuer adopted the market data approach in their valuation and this approach is based primarily on a comparison of the investment properties with other similar properties which have been sold recently, plus current asking prices and offers, thereby establishing a measure of market reaction to the subject properties. In the process of comparison, adjustments are made to account for differences in the properties. The investment properties are located in Singapore.

**16. Investments in financial assets**

	<b>Group</b>	
	<b>2020</b>	2019
	\$	\$
<i>Bonds</i>		
Balance at beginning of financial year	<b>2,013,118</b>	3,023,520
Less: Redemption	<b>(500,000)</b>	(1,000,000)
Amortisation of premium and premium written off upon redemption of bonds	<b>(6,343)</b>	(10,402)
Balance at end of financial year	<b>1,506,775</b>	2,013,118
<i>Representing:</i>		
Non-current asset	<b>1,006,101</b>	1,511,158
Current asset	<b>500,674</b>	501,960
	<b>1,506,775</b>	2,013,118

The investments in financial assets represent investment in bonds issued in Singapore which earn fixed interest ranging from 3.15% to 4.00% (2019: 3.15% to 4.25%) per annum and will mature between March 2021 to February 2022 (2019: October 2019 to February 2022).

**17. Receivables**

	Group		Association	
	2020 \$	2019 \$	2020 \$	2019 \$
Interest receivable	181,467	205,802	–	–
Prepayments	806,044	169,969	–	–
Deposits	62,768	67,909	–	–
Grant receivables <sup>(a)</sup>	8,662,984	6,095,247	–	–
Sundry receivables	1,216,655	1,023,815	–	50,140
	<b>10,929,918</b>	<b>7,562,742</b>	<b>–</b>	<b>50,140</b>

<sup>(a)</sup> Included in grant receivables is a balance of \$3,063,421 (2019: \$nil) pertaining to Jobs Support Scheme ("JSS") [Note 19(c)].

**18. Cash and cash equivalents**

	Group		Association	
	2020 \$	2019 \$	2020 \$	2019 \$
Bank and cash balances	30,150,019	19,462,793	370,874	411,712
Bank balance for provision for gratuity (Note 20)	360,334	399,259	–	–
Fixed deposits	28,922,360	25,071,457	–	–
	<b>59,432,713</b>	<b>44,933,509</b>	<b>370,874</b>	<b>411,712</b>

Fixed deposits bear interest at interest rates ranging from 0.25% to 2.12% (2019: 0.25% to 1.88%) per annum at the balance sheet date and will mature within 1 to 11 months after the balance sheet date (2019: 1 to 11 months). Included in fixed deposits are restricted amounts of \$168,714 (2019: \$168,714) which is pledged to a bank as security for the land lease, and bank balance of \$360,334 (2019: \$399,259) which is set aside for provision for gratuity for foreign staff.

**19. Payables**

	Group		Association	
	2020 \$	2019 \$	2020 \$	2019 \$
Accrued operating expenses	2,527,682	2,167,173	3,856	–
Amount due to subsidiary <sup>(a)</sup>	–	–	–	180,000
Refundable deposits	430,233	439,578	45,000	45,000
Sundry creditors	658,633	750,003	15,130	15,130
Grants received in excess of entitlement <sup>(b)</sup>	251,611	106,036	–	–
Deferred income <sup>(c)</sup>	7,487,530	3,610,484	–	–
	<b>11,355,689</b>	<b>7,073,274</b>	<b>63,986</b>	<b>240,130</b>

## 19. Payables (cont'd)

- <sup>(a)</sup> In 2019, the amount due to subsidiary was non-trade, interest-free and repayable on demand.
- <sup>(b)</sup> At the balance sheet date, Management reviews the government grants and funding received by the Group during the financial year and accounts for any underfunding and/or overfunding of grants. Management computes and estimates these underfunding and/or overfunding amounts with reference to the funding agreements for the respective programmes and grants. The final underfunding amounts receivable (Note 17) and/or overfunding amounts payable are evaluated and finalised by the respective Government agencies subsequent to the balance sheet date. Adjustments to the underfunding and overfunding accruals arising from finalisation by the Government Agencies are credited/charged to the statement of financial activities in the financial year in which the evaluation is completed.
- <sup>(c)</sup> Included in deferred income is deferred grant income of \$3,063,421 (2019: \$nil) pertaining to Jobs Support Scheme ("JSS"). JSS was announced at Budget 2020, and further enhanced at Resilience, Solidarity and Fortitude Budgets. Under the JSS, the Government will co-fund between 25% to 75% of the first \$4,600 of gross monthly wages paid to each local employee in a ten-month period through cash subsidies. In determining the deferred grant income, the Management used 25% of gross monthly salary of local employees for the months of October to December 2019 and February to March 2020. This will be recognised as grant income in financial year ending 31 March 2021.

The movements in the deferred income is as follows:

	2020 \$	2019 \$
Balance at the beginning of financial year	<b>3,610,484</b>	2,191,442
Recognised to Statement of Financial Activities	<b>(1,147,686)</b>	(1,601,279)
Recognised receipts during the year as deferred income	<b>5,024,732</b>	3,020,321
Balance at the end of financial year	<b>7,487,530</b>	3,610,484

## 20. Provision for gratuity

The provision for gratuity was created in January 1999 by the Association in connection with the gratuity payment scheme implemented by the Association for the benefit of its foreign staff. This provision and the gratuity payment scheme were transferred to its Subsidiary and will be continued by the Subsidiary with the transfer to employers from the Association to the Subsidiary. The contributions will be paid to the respective staff upon completion of the duration of their employment contracts. The provision for gratuity is calculated on a monthly basis with reference to the foreign staff's monthly salary multiplied by the comparable Singapore Central Provident Fund rates that is paid for local staff.

The movements during the financial year are as follows:

	Group	
	2020 \$	2019 \$
Balance at the beginning of financial year	<b>549,610</b>	498,657
Provision made	<b>430,839</b>	448,390
Payments during the financial year	<b>(312,213)</b>	(397,437)
Balance at the end of financial year	<b>668,236</b>	549,610

**21. Unrestricted funds**

	2020 \$	2019 \$
<b>Group</b>		
Balance at beginning of financial year	7,257,838	5,889,919
Income	3,622,128	3,164,720
Expenditure	(1,837,480)	(1,796,801)
Net income	1,784,648	1,367,919
Fund transfer	(132,045)	–
Balance at end of financial year	<u>8,910,441</u>	<u>7,257,838</u>
<b>Association</b>		
Balance at beginning of financial year	1,998,458	1,994,829
Income	240,574	240,489
Expenditure	(167,918)	(236,860)
Net income	72,656	3,629
Balance at end of financial year	<u>2,071,114</u>	<u>1,998,458</u>

**22. Restricted funds**

	2020 \$	2019 \$
<b>Group</b>		
Balance at beginning of financial year	44,286,891	34,842,065
Income	65,388,863	59,555,242
Expenditure	(55,020,147)	(50,110,416)
Net income	10,368,716	9,444,826
Fund transfer	132,045	–
Balance at end of financial year	<u>54,787,652</u>	<u>44,286,891</u>

**22. Restricted funds (cont'd)**

Each service of the Group maintains separate accounts for activities within the service. The consolidated balances and movements in these restricted funds are presented below:

	Balance at 1.4.2019 \$	Income \$	Expenditure \$	Net income/ (expenditure) \$	Fund transfer \$	Balance at 31.3.2020 \$
<b>2020</b>						
AWWA HQ	1,325,123	181,213	(403,311)	(222,098)	(153,081)	949,944
- Deferred capital grant for ACCESS Building	120,533	-	(111,526)	(111,526)	-	9,007
- Deferred capital fund	361,368	-	(233,301)	(233,301)	267,359	395,426
- Care and share fund	787,704	-	(58,479)	(58,479)	(283,609)	445,616
- Medifund	44,612	122,600	(5)	122,595	(134,872)	32,335
- Others	10,906	58,613	-	58,613	(1,959)	67,560
Community Integration Service	4,292,020	2,896,762	(3,010,624)	(113,862)	-	4,178,158
- Accumulated fund	4,068,720	2,882,709	(2,986,170)	(103,461)	-	3,965,259
- Programme development	181,468	14,053	(21,492)	(7,439)	-	174,029
- Deferred capital fund	14,624	-	(2,962)	(2,962)	-	11,662
- Others	27,208	-	-	-	-	27,208
Special Student Care Centre	1,317,574	882,616	(1,075,277)	(192,661)	-	1,124,913
- Accumulated fund	851,512	827,481	(760,443)	67,038	-	918,550
- Deferred capital fund	318,652	-	(267,436)	(267,436)	-	51,216
- Smiles fund	138,806	40,135	(45,156)	(5,021)	-	133,785
- Others	8,604	15,000	(2,242)	12,758	-	21,362
AWWA School	6,823,537	13,785,019	(12,367,660)	1,417,359	316	8,241,212
- Accumulated fund	6,112,919	12,884,684	(11,437,659)	1,447,025	316	7,560,260
- Programme development	200,703	-	-	-	-	200,703
- Pupil welfare	126,252	28,025	(25,987)	2,038	-	128,290
- Deferred capital fund	147,441	-	(109,810)	(109,810)	4,220	41,851
- Others	236,222	872,310	(794,204)	78,106	(4,220)	310,108
AWWA School (Bedok)	194,463	644,802	(113,020)	531,782	-	726,245
- Accumulated fund	194,463	-	(113,020)	(113,020)	(194,463)	(113,020)
- Renovation fund	-	644,802	-	644,802	194,463	839,265

**22. Restricted funds (cont'd)**

	Balance at 1.4.2019 \$	Income \$	Expenditure \$	Net income/ (expenditure) \$	Fund transfer \$	Balance at 31.3.2020 \$
<b>2020</b>						
Early Intervention Centre - Hougang	3,785,255	8,538,153	(7,836,178)	701,975	-	4,487,230
- Accumulated fund	3,418,265	8,170,279	(7,429,330)	740,949	-	4,159,214
- Deferred capital fund	45,896	-	(15,931)	(15,931)	-	29,965
- Pupil welfare	159,784	(11,846)	-	(11,846)	-	147,938
- Others	161,310	379,720	(390,917)	(11,197)	-	150,113
Early Intervention Centre - Fernvale	1,174,783	7,111,662	(6,404,351)	707,311	-	1,882,094
- Accumulated fund	1,118,146	7,054,662	(6,385,704)	668,958	-	1,787,104
- Deferred capital fund	56,637	-	(18,647)	(18,647)	-	37,990
- Others	-	57,000	-	57,000	-	57,000
Early Intervention Centre - Kim Keat	(183,774)	2,858,383	(2,332,467)	525,916	-	342,142
- Accumulated fund	(213,817)	2,858,383	(2,323,230)	535,153	-	321,336
- Deferred capital fund	30,043	-	(9,237)	(9,237)	-	20,806
Preschool Support Service - DSP						
- Accumulated fund	1,063,577	2,638,387	(2,245,810)	392,577	-	1,456,154
Kindle Garden Preschool	885,187	1,780,271	(1,578,821)	201,450	-	1,086,637
- Accumulated fund	383,719	1,527,015	(1,523,364)	3,651	82,446	469,816
- Lien Foundation	360,523	-	-	-	-	360,523
- Deferred capital fund	13,148	-	(7,290)	(7,290)	-	5,858
- Others	127,797	253,256	(48,167)	205,089	(82,446)	250,440
Senior Community Home	6,637,462	2,989,886	(1,649,119)	1,340,767	(611,788)	7,366,441
- Accumulated fund	2,973,147	1,846,705	(1,518,621)	328,084	-	3,301,231
- Programme development	105,522	-	-	-	-	105,522
- Clients' fund	339,903	52,376	(53,602)	(1,226)	-	338,677
- Community garden	600,000	100,000	-	100,000	-	700,000
- Community Silver Trust fund	2,552,242	989,450	(52,235)	937,215	(734,038)	2,755,419
- Deferred capital fund	66,648	-	(24,661)	(24,661)	122,250	164,237
- Others	-	1,355	-	1,355	-	1,355

**22. Restricted funds (cont'd)**

	Balance at 1.4.2019 \$	Income \$	Expenditure \$	Net income/ (expenditure) \$	Fund transfer \$	Balance at 31.3.2020 \$
<b>2020</b>						
Rehab and Day Care Centre	5,060,521	1,932,318	(2,108,839)	(176,521)	121,186	5,005,186
- Accumulated fund	4,668,033	1,931,279	(1,877,857)	53,422	(4,800)	4,716,655
- Clients' fund	117,196	(4,521)	(8,598)	(13,119)	4,800	108,877
- Community Silver Trust fund	-	-	(76,716)	(76,716)	76,716	-
- Deferred capital fund	173,167	-	(116,537)	(116,537)	24,350	80,980
- Medifund	-	(20,120)	-	(20,120)	20,120	-
- Others	102,125	25,680	(29,131)	(3,451)	-	98,674
Senior Activity Centre	1,045,172	517,503	(417,947)	99,556	41,737	1,186,465
- Accumulated fund	891,496	499,079	(330,184)	168,895	-	1,060,391
- Programme development	45,676	-	-	-	-	45,676
- Community Silver Trust fund	21,430	-	(63,167)	(63,167)	41,737	-
- Others	86,570	18,424	(24,596)	(6,172)	-	80,398
Dementia Day Care Centre	1,049,509	3,244,663	(1,020,960)	2,223,703	250,348	3,523,560
- Accumulated fund	933,888	968,146	(732,882)	235,264	(8,043)	1,161,109
- Deferred capital fund	111,149	-	(75,528)	(75,528)	-	35,621
- Community Silver Trust fund	-	-	(202,187)	(202,187)	202,187	-
- Medifund	-	(46,203)	-	(46,203)	46,203	-
- Care Beyond Walls	-	2,322,000	-	2,322,000	-	2,322,000
- Others	4,472	720	(10,363)	(9,643)	10,001	4,830
Personnel Care Service (Senior)	46,117	325,959	(414,022)	(88,063)	102,779	60,833
- Accumulated fund	10,047	325,959	(412,039)	(86,080)	86,937	10,904
- Deferred capital fund	-	-	(1,831)	(1,831)	15,690	13,859
- Community Silver Trust fund	-	-	(152)	(152)	152	-
- Others	36,070	-	-	-	-	36,070
Integrated Home & Day Care	476,930	667,772	(790,861)	(123,089)	98,588	452,429
- Accumulated fund	360,744	734,181	(764,789)	(30,608)	30,034	360,170
- Deferred capital fund	115,512	-	(23,255)	(23,255)	-	92,257
- Community Silver Trust fund	674	-	(2,817)	(2,817)	2,145	2
- Medifund	-	(66,409)	-	(66,409)	66,409	-

**22. Restricted funds (cont'd)**

	Balance at 1.4.2019 \$	Income \$	Expenditure \$	Net income/ (expenditure) \$	Fund transfer \$	Balance at 31.3.2020 \$
<b>2020</b>						
Centre Based Nursing	190,575	28,837	(69,449)	(40,612)	–	149,963
- Accumulated fund	184,098	28,837	(67,182)	(38,345)	–	145,753
- Deferred capital fund	6,477	–	(2,267)	(2,267)	–	4,210
Dementia Day-Care Centre (Yishun)	793,199	625,038	(838,023)	(212,985)	101,127	681,341
- Accumulated fund	33,393	609,370	(650,304)	(40,934)	81,194	73,653
- Community Silver Trust fund	4,033	–	(21,826)	(21,826)	17,793	–
- Deferred capital fund	748,183	(32,192)	(162,830)	(195,022)	–	553,161
- Medifund	–	(2,140)	–	(2,140)	2,140	–
- Others	7,590	50,000	(3,063)	46,937	–	54,527
Home Personal Care Service	(38,406)	465,341	(443,410)	21,931	26,540	10,065
- Accumulated fund	(38,406)	465,341	(434,058)	31,283	–	(7,123)
- Deferred capital fund	–	–	(492)	(492)	17,680	17,188
- Community Silver Trust fund	–	–	(8,860)	(8,860)	8,860	–
Family Service Centre	3,252,026	2,929,058	(2,317,964)	611,094	–	3,863,120
- Accumulated fund	3,057,458	2,728,235	(2,233,883)	494,352	–	3,551,810
- PruCares	7,050	19,550	(26,600)	(7,050)	–	–
- Others	187,518	181,273	(57,481)	123,792	–	311,310
Caregiver Service	(152,396)	936	3,166	4,102	148,294	–
- Accumulated fund	(1,750,592)	–	3,166	3,166	1,747,426	–
- Designated general fund	1,554,405	936	–	936	(1,555,341)	–
- Deferred capital fund	1,160	–	–	–	(1,160)	–
- Others	42,631	–	–	–	(42,631)	–
Transitional Shelter	354,732	1,114,706	(782,790)	331,916	–	686,648
- Accumulated fund	333,181	944,583	(777,425)	167,158	–	500,339
- Deferred capital fund	18,006	–	(3,863)	(3,863)	–	14,143
- Others	3,545	170,123	(1,502)	168,621	–	172,166



**22. Restricted funds (cont'd)**

	Balance at 1.4.2019 \$	Income \$	Expenditure \$	Net income/ (expenditure) \$	Fund transfer \$	Balance at 31.3.2020 \$
<b>2020</b>						
Resource and Training Centre						
- Accumulated fund	10,295	-	(9,979)	(9,979)	(316)	-
Allied Health Professional Group						
- Accumulated fund	4,084,084	11,462,386	(9,800,609)	1,661,777	-	5,745,861
- Others	4,054,774	11,270,135	(9,800,583)	1,469,552	-	5,524,326
	29,310	192,251	(26)	192,225	-	221,535
Allied Health Professional Group (Inclusion)						
- Accumulated fund	55,256	399,519	(344,189)	55,330	-	110,586
Project Bridge						
- Accumulated fund	73,506	300,500	(261,169)	39,331	-	112,837
Inclusion Inc						
- Accumulated fund	-	395,538	(395,538)	-	-	-
Outsource Service						
- Accumulated fund	291,568	4,548,472	(4,412,578)	135,894	-	427,462
Adult Disability Home						
- Accumulated fund	378,996	734,343	(282,700)	451,643	-	830,639
- Renovation fund	378,996	1,001	(282,700)	(281,699)	(591,926)	(494,629)
- Others	-	653,342	-	653,342	591,926	1,245,268
	-	80,000	-	80,000	-	80,000
Silver Station & Crest						
- Accumulated fund	-	412,292	(319,120)	93,172	6,315	99,487
- Community Silver Trust fund	-	405,992	(306,505)	99,487	-	99,487
- Others	-	-	(6,315)	(6,315)	6,315	-
	-	6,300	(6,300)	-	-	-
	44,286,891	74,412,335	(64,043,619)	10,368,716	132,045	54,787,652
Inter-Service Elimination	-	(9,023,472)	9,023,472	-	-	-
	<b>44,286,891</b>	<b>65,388,863</b>	<b>(55,020,147)</b>	<b>10,368,716</b>	<b>132,045</b>	<b>54,787,652</b>

**22. Restricted funds (cont'd)**

	Balance at 1.4.2018 \$	Income \$	Expenditure \$	Net income/ (expenditure) \$	Fund transfer \$	Balance at 31.3.2019 \$
<b>2019</b>						
AWWA HQ	1,785,824	71,905	(418,274)	(346,369)	(114,332)	1,325,123
- Deferred capital grant for ACCESS Building	224,185	-	(117,212)	(117,212)	13,560	120,533
- Deferred capital fund	373,360	-	(189,074)	(189,074)	177,082	361,368
- Care and share fund	1,090,334	-	(111,988)	(111,988)	(190,642)	787,704
- Medifund	96,844	62,100	-	62,100	(114,332)	44,612
- Others	1,101	9,805	-	9,805	-	10,906
<b>Community Integration Service</b>	3,884,451	2,936,251	(2,789,420)	146,831	260,738	4,292,020
- Accumulated fund	3,635,246	2,926,336	(2,753,600)	172,736	260,738	4,068,720
- Programme development	192,995	9,915	(21,442)	(11,527)	-	181,468
- Others	56,210	-	(14,378)	(14,378)	-	41,832
<b>Special Student Care Centre</b>	942,914	1,230,199	(855,539)	374,660	-	1,317,574
- Accumulated fund	723,283	882,483	(754,254)	128,229	-	851,512
- Deferred capital fund	7,213	-	(29,604)	(29,604)	341,043	318,652
- Smiles fund	126,270	31,535	(18,999)	12,536	-	138,806
- Others	86,148	316,181	(52,682)	263,499	(341,043)	8,604
<b>AWWA School</b>	5,399,187	13,064,285	(11,639,935)	1,424,350	-	6,823,537
- Accumulated fund	4,536,029	12,210,174	(10,633,284)	1,576,890	-	6,112,919
- Programme development	277,383	8,541	(85,221)	(76,680)	-	200,703
- Pupil welfare	130,410	21,480	(25,638)	(4,158)	-	126,252
- Deferred capital fund	238,664	-	(118,879)	(118,879)	27,656	147,441
- Others	216,701	824,090	(776,913)	47,177	(27,656)	236,222
<b>AWWA School (Bedok)</b>						
- Accumulated fund	30,000	167,108	(2,645)	164,463	-	194,463
<b>Early Intervention Centre - Hougang</b>	3,686,063	7,138,716	(7,146,079)	(7,363)	106,555	3,785,255
- Accumulated fund	3,311,361	6,923,698	(6,816,794)	106,904	-	3,418,265
- Pupil welfare	218,540	(58,756)	-	(58,756)	-	159,784
- President Challenge 2016	-	-	(106,555)	(106,555)	106,555	-
- Others	156,162	273,774	(222,730)	51,044	-	207,206

**22. Restricted funds (cont'd)**

	Balance at 1.4.2018 \$	Income \$	Expenditure \$	Net income/ (expenditure) \$	Fund transfer \$	Balance at 31.3.2019 \$
<b>2019</b>						
Early Intervention Centre - Fernvale	708,501	5,677,085	(5,210,803)	466,282	-	1,174,783
- Accumulated fund	652,737	5,648,515	(5,183,106)	465,409	-	1,118,146
- Others	55,764	28,570	(27,697)	873	-	56,637
Early Intervention Centre - Kim Keat	(311,374)	2,119,193	(1,885,038)	234,155	(106,555)	(183,774)
- Accumulated fund	(470,657)	2,111,537	(1,854,697)	256,840	-	(213,817)
- President Challenge 2016	120,000	-	(13,445)	(13,445)	(106,555)	-
- Others	39,283	7,656	(16,896)	(9,240)	-	30,043
Preschool Support Service - DSP						
- Accumulated fund	541,494	1,710,489	(1,188,406)	522,083	-	1,063,577
Kindle Garden Preschool	1,480,141	1,619,626	(2,214,580)	(594,954)	-	885,187
- Accumulated fund	352,793	1,359,357	(1,415,741)	(56,384)	87,310	383,719
- Lien Foundation	360,523	-	-	-	-	360,523
- Deferred capital fund	766,825	-	(763,727)	(763,727)	10,050	13,148
- Others	-	260,269	(35,112)	225,157	(97,360)	127,797
Senior Community Home	4,224,049	4,863,420	(1,830,677)	3,032,743	(619,330)	6,637,462
- Accumulated fund	2,589,196	1,751,198	(1,367,247)	383,951	-	2,973,147
- Programme development	105,522	-	-	-	-	105,522
- Clients' fund	340,138	89,825	(81,688)	8,137	(8,372)	339,903
- Community garden	-	600,000	-	600,000	-	600,000
- Community Silver Trust fund	1,050,527	2,422,397	(348,852)	2,073,545	(571,830)	2,552,242
- Others	138,666	-	(32,890)	(32,890)	(39,128)	66,648
Rehab and Day Care Centre	4,700,966	2,260,726	(1,986,624)	274,102	85,453	5,060,521
- Accumulated fund	4,073,642	2,235,407	(1,641,016)	594,391	-	4,668,033
- Clients' fund	125,493	(297)	(8,000)	(8,297)	-	117,196
- Community Silver Trust fund	(6,147)	-	(56,295)	(56,295)	62,442	-
- Deferred capital fund	398,699	-	(248,962)	(248,962)	23,430	173,167
- Medifund	-	(20,291)	-	(20,291)	20,291	-
- Others	109,279	45,907	(32,351)	13,556	(20,710)	102,125

**22. Restricted funds (cont'd)**

	Balance at 1.4.2018 \$	Income \$	Expenditure \$	Net income/ (expenditure) \$	Fund transfer \$	Balance at 31.3.2019 \$
<b>2019</b>						
Senior Activity Centre	852,525	563,895	(371,248)	192,647	–	1,045,172
- Accumulated fund	661,849	491,838	(262,191)	229,647	–	891,496
- Programme development	45,676	–	–	–	–	45,676
- Community Silver Trust fund	74,644	–	(53,214)	(53,214)	–	21,430
- Others	70,356	72,057	(55,843)	16,214	–	86,570
Dementia Day Care Centre	728,758	1,044,843	(850,590)	194,253	126,498	1,049,509
- Accumulated fund	471,309	1,067,567	(648,391)	419,176	43,403	933,888
- Deferred capital fund	248,537	–	(137,388)	(137,388)	–	111,149
- Community Silver Trust fund	6,940	–	(57,311)	(57,311)	50,371	–
- Medifund	–	(32,724)	–	(32,724)	32,724	–
- Others	1,972	10,000	(7,500)	2,500	–	4,472
Personnel Care Service (Senior)	(38,154)	347,470	(344,799)	2,671	81,600	46,117
- Accumulated fund	(74,224)	347,470	(344,799)	2,671	81,600	10,047
- Others	36,070	–	–	–	–	36,070
Integrated Home & Day Care	419,783	608,092	(881,107)	(273,015)	330,162	476,930
- Accumulated fund	260,836	663,761	(761,316)	(97,555)	197,463	360,744
- Deferred capital fund	67,294	–	(20,396)	(20,396)	68,614	115,512
- Community Silver Trust fund	91,653	–	(98,495)	(98,495)	7,516	674
- Medifund	–	(56,569)	–	(56,569)	56,569	–
- Others	–	900	(900)	–	–	–
Centre Based Nursing	165,261	83,815	(69,841)	13,974	11,340	190,575
- Accumulated fund	165,261	88,355	(69,518)	18,837	–	184,098
- Medifund	–	(4,540)	–	(4,540)	4,540	–
- Others	–	–	(323)	(323)	6,800	6,477

**22. Restricted funds (cont'd)**

	Balance at 1.4.2018 \$	Income \$	Expenditure \$	Net income/ (expenditure) \$	Fund transfer \$	Balance at 31.3.2019 \$
<b>2019</b>						
Dementia Day-Care Centre (Yishun)	(375)	1,373,808	(678,843)	694,965	98,609	793,199
- Accumulated fund	(375)	393,314	(429,508)	(36,194)	69,962	33,393
- Community Silver Trust fund	-	-	(24,406)	(24,406)	28,439	4,033
- Deferred capital fund	-	-	(141,971)	(141,971)	890,154	748,183
- Medifund	-	(208)	-	(208)	208	-
- Others	-	980,702	(82,958)	897,744	(890,154)	7,590
Personal Care Service Plus (Disability)						
- Accumulated fund	259,694	-	1,044	1,044	(260,738)	-
Personal Care Service (Disability)						
- Accumulated fund	82,110	332,161	(452,677)	(120,516)	-	(38,406)
Family Service Centre	2,717,603	2,705,216	(2,170,793)	534,423	-	3,252,026
- Accumulated fund	2,367,090	2,665,843	(2,077,191)	588,652	101,716	3,057,458
- PruCares	132,896	-	(24,130)	(24,130)	(101,716)	7,050
- Others	217,617	39,373	(69,472)	(30,099)	-	187,518
Caregiver Service	(175,827)	59,856	(36,425)	23,431	-	(152,396)
- Accumulated fund	(1,756,968)	649	5,727	6,376	-	(1,750,592)
- Designated general fund	1,537,350	59,207	(42,152)	17,055	-	1,554,405
- Others	43,791	-	-	-	-	43,791
Transitional Shelter	30,575	972,980	(648,823)	324,157	-	354,732
- Accumulated fund	13,725	939,812	(620,356)	319,456	-	333,181
- Others	16,850	33,168	(28,467)	4,701	-	21,551
Resource and Training Centre	312,504	237,130	(539,339)	(302,209)	-	10,295
- Accumulated fund	310,388	237,130	(537,223)	(300,093)	-	10,295
- Others	2,116	-	(2,116)	(2,116)	-	-

**22. Restricted funds (cont'd)**

	Balance at 1.4.2018 \$	Income \$	Expenditure \$	Net income/ (expenditure) \$	Fund transfer \$	Balance at 31.3.2019 \$
<b>2019</b>						
Allied Health Professional Group	2,401,178	10,276,238	(8,593,332)	1,682,906	-	4,084,084
- Accumulated fund	2,376,887	10,232,972	(8,555,085)	1,677,887	-	4,054,774
- Others	24,291	43,266	(38,247)	5,019	-	29,310
Allied Health Professional Group (Inclusion)						
- Accumulated fund	-	186,239	(130,983)	55,256	-	55,256
Project Bridge						
- Accumulated fund	-	175,000	(101,494)	73,506	-	73,506
Inclusion Inc						
- Accumulated fund	-	234,917	(234,917)	-	-	-
Outsource Service						
- Accumulated fund	62,078	3,498,142	(3,268,652)	229,490	-	291,568
Adult Disability Home						
- Accumulated fund	(47,864)	491,926	(65,066)	426,860	-	378,996
	34,842,065	66,050,731	(56,605,905)	9,444,826	-	44,286,891
Inter-Service Elimination	-	(6,495,489)	6,495,489	-	-	-
	34,842,065	59,555,242	(50,110,416)	9,444,826	-	44,286,891

## 22. Restricted funds (cont'd)

Services with accumulated funds in deficit will be funded where required through reserves maintained as unrestricted funds. However, for those services with common funding, the deficit will be made good by reserves held by similar services subject to funder's approval.

(a) The restricted funds are represented by the following:

	2020 \$	2019 \$
<b>Assets</b>		
Property, plant and equipment		
- Leasehold improvements	1,023,064	1,704,838
- Office and other equipment	229,644	340,097
- Furniture and fittings	196,371	232,887
- Computers	260,876	252,834
- Motor vehicles	274,695	238,150
	<b>1,984,650</b>	2,768,806
Investment in financial assets	1,506,775	2,013,118
Receivables	9,790,995	6,848,639
Cash and cash equivalents	46,830,672	34,968,225
Payables	(5,325,440)	(2,311,897)
	<b>54,787,652</b>	44,286,891

(b) The purposes of the major restricted funds are set out below:

- *Deferred Capital Asset donations for ACCESS Building*

To fund the cost of capital expenditure, upgrading, repair and maintenance, including any consultancy, professional fees and staff costs for maintenance of the premise to be incurred for ACCESS Building located at Nos. 9 and 11 Lorong Napiri, Singapore.

- *Deferred Capital fund*

This fund comprises transfers made from Deferred Capital Asset donations for ACCESS Building fund and Restricted funds. Transfers are made to the Deferred Capital fund when amounts are utilised for purchases of property, plant and equipment using funds which are specifically donated or received for purchases of property, plant and equipment. The depreciation charge of the assets purchased with the related donation and grants are taken to the Deferred Capital fund over the useful lives of the related assets.

- *Care and Share fund*

This represents a dollar for a dollar matching for eligible donations raised and shall be used to develop social service related Voluntary Welfare Organisations and their services to better serve the beneficiaries. The grant shall be used for both capability and capacity building.

- *Deferred Capital grants for ACCESS Building*

The fund comprises government grants for the ACCESS Building and other related capital expenditure.

## 22. Restricted funds (cont'd)

(b) The purposes of the major restricted funds are set out below (cont'd):

- *Medifund*

The Medifund Account is a grant from the Medical Endowment Fund (the "MEF") which is set up by the Government under the Medical and Elderly Care Endowment Schemes Act (Cap. 173A) (the "Act"). The MEF is an endowment fund established to assist needy Singaporeans to pay for their medical care.

The Medifund scheme came into operation with effect from 1 April 1993 to disburse the interest income generated from the fund to needy Singaporean patients ("Medifund"). The Medifund Silver scheme was established in November 2007 to assist needy Singaporean patients aged 65 years or above ("Medifund Silver"). Medifund Silver is carved out from Medifund and specifically for the use of the needy elderly under the Medifund Silver scheme.

- *Accumulated fund*

Accumulated funds classified under restricted funds are funds received specifically for the respective services.

- *Programme development*

To provide for the payment of salaries, increment, bonuses, overseas training for staff and volunteers and other staff related costs, purchase of vehicles, and to fund approved project expenses.

- *Smiles fund*

This represents subsidies for programme fees, transportation needs, ad hoc activities, or any other SMILES expenses.

- *Pupil Welfare*

To provide subsidies on school and transport fees and other financial assistance to needy students. To fund the purchase, replacement, upgrade and maintenance of the school bus.

- *President Challenge 2016*

This represents transport fee assistance for AWWA Early Intervention Centre's students and their caregivers.

- *Lien Foundation*

This represents funds for curriculum enhancement and staff training.

- *Community Garden*

This is used for the development of the Community Garden, that is built to be used as a platform for AWWA Senior Community Home's clients and residents staying in the neighbourhood to build bond with each other during their free time through a wide variety of garden and non-garden activities.

- *Community Silver Trust fund*

Community Silver Trust ("CST") is a Trust managed by the Ministry of Health ("MOH") and Ministry of Social and Family Development ("MSF"). The objective of CST is to encourage donations and provide additional resources for the service providers in the intermediate and long term care sector to enhance capabilities and provide value-added services to achieve higher quality care and affordable step down care.



## 22. Restricted funds (cont'd)

(b) The purposes of the major restricted funds are set out below (cont'd):

- *Clients' fund*

To provide financial assistance to clients.

- *PruCares*

This is a community project established by Prudential to provide temporary financial assistance to underprivileged families who are clients of AWWA Family Service.

- *Renovation fund*

This will be used to fund the capital expenditure.

- *Care Beyond Walls*

This is a multi-pronged project to break boundaries by designing a new form of care for persons with dementia through the provision of personalised, interest-based activities and regular opportunities to venture out and be supported in and by the community around them.

## 23. Reserve management

The Group's accumulated reserves are made up of unrestricted and restricted funds. The Board of Management reviews its policy on accumulated reserves annually to ensure long term sustainability of the Group's activities. The Board of Management's current policy is for the Group's restricted funds to be at least up to three months of the operational expenditure incurred by each of its services. Reserves of unrestricted funds should be 12 months of operational expenditure incurred by the central headquarters administration departments. This should enable services with unanticipated reduction or disruption in funding to continue running smoothly until new funding is available.

## 24. Commitments

### (a) Capital commitments

Capital commitments not provided for in the financial statements:

	Group	
	2020	2019
	\$	\$
Expenditure for property, plant and equipment, approved by Board of Management and contracted for	1,545,837	–

**24. Commitments (cont'd)****(b) Lease commitments - as lessee**

At the balance sheet date, the Group has outstanding commitments under non-cancellable operating leases, which fall due as follows:

	<b>Group</b>	
	<b>2020</b>	2019
	\$	\$
Within one financial year	<b>1,035,006</b>	1,045,769
In the second to third financial year inclusive	<b>1,873,601</b>	397,456
	<b>2,908,607</b>	1,443,225

Included in operating lease payments represent land lease rentals payable of \$168,714 (2019: \$843,570) by the Group for its leasehold land and the leases are negotiated for a term of three years. The land rental expenses are fully subsidised by Ministry of Education and Ministry of Social and Family Development.

**(c) Lease commitments - as lessor**

The Association leases out its investment properties to non-related parties under non-cancellable operating leases. The lease agreement has remaining lease terms of 7 (2019: 19) months at the balance sheet date.

The future minimum lease receivable under non-cancellable operating leases contracted for at the balance sheet date but not recognised as receivable, are as follows:

	<b>Association</b>	
	<b>2020</b>	2019
	\$	\$
Within one financial year	<b>112,500</b>	180,000
In the second to fifth financial year inclusive	-	112,500
	<b>112,500</b>	292,500

The lease includes a clause for contingent rent which is determined based on monthly rents net of operating costs collected by the lessee for the financial year up to a maximum of \$60,000 per annum. Contingent rent income recoverable for the financial year totalled \$60,000 (2019: \$60,000).

**25. Authorisation of financial statements**

The financial statements of the Group and the Association for the financial year ended 31 March 2020 were authorised for issue in accordance with a resolution of the Board of Management dated 30 July 2020.



**AWWA LTD.**

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