

BUDDHIST COMPASSION RELIEF TZU-CHI FOUNDATION (SINGAPORE)

(Unique Entity No: S93SS0148C)
(Registered under the Charities Act 1994 and Societies Act 1966)

Statement by directors and financial statements

Year ended 31 December 2022

RSM Chio Lim LLP

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BUDDHIST COMPASSION RELIEF TZU-CHI FOUNDATION (SINGAPORE)

Statement by directors and financial statements

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BUDDHIST COMPASSION RELIEF TZU-CHI FOUNDATION (SINGAPORE)

Statement by directors

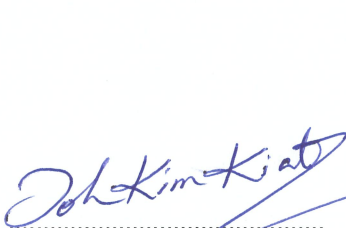
The board of directors of the Buddhist Compassion Relief Tzu-Chi Foundation (Singapore) (the "Foundation") are pleased to present the accompanying financial statements of the Foundation for the reporting year ended 31 December 2022.

In the opinion of the directors:

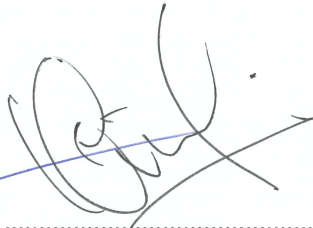
- (a) The accompanying financial statements are drawn up so as to present fairly, in all material respects, the state of affairs of the Foundation as at 31 December 2022 and of the results, changes in accumulated funds and cash flows of the Foundation for the reporting year then ended; and
- (b) At the 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 of directors approved and authorised these financial statements for issue.

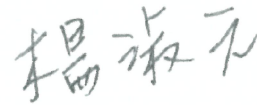
On behalf of the directors



Ms Toh Kim Kiat
President



Mr Chee Kim Huei
Treasurer



Ms Yan Su Yuan
Secretary

Singapore
14 Jun 2023

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**Independent auditor's report to the members of
Buddhist Compassion Relief Tzu-Chi Foundation (Singapore)**

Report on the financial statements

Opinion

We have audited the accompanying financial statements of the Buddhist Compassion Relief Tzu-Chi Foundation (Singapore) (the "Foundation"), which comprise the statement of financial position as at 31 December 2022, the statement of financial activities, statement of changes in accumulated funds and statement of cash flows for the reporting year then ended, and notes to the financial statements, including the significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Societies Act 1966 (the "Societies Act"), the Charities Act 1994 and other relevant regulations (the "Charities Act and Regulations") and the Financial Reporting Standards ("FRS") so as to present fairly, in all material respects, the state of affairs of the Foundation as at 31 December 2022 and of the results, changes in accumulated funds and cash flows of the Foundation for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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 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 will not express any form of assurance conclusion thereon.

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

**Independent auditor's report to the members of
Buddhist Compassion Relief Tzu-Chi Foundation (Singapore)**

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

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

In preparing the financial statements, 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 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:

- 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 Foundation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

**Independent auditor's report to the members of
Buddhist Compassion Relief Tzu-Chi Foundation (Singapore)**

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Auditor's responsibilities for the audit of the financial statements (cont'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.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide the directors 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.

Report on other legal and regulatory requirements

In our opinion,

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

**Independent auditor's report to the members of
Buddhist Compassion Relief Tzu-Chi Foundation (Singapore)**

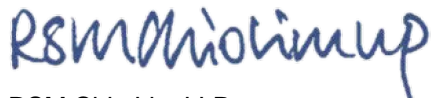
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Report on other legal and regulatory requirements (cont'd)

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 (Institution of a Public Character) Regulations; and
- (b) The Foundation has not complied with the requirements of Regulation 15 of the Charities (Institution of a Public Character) Regulations.

The engagement partner on the audit resulting in this independent auditor's report is Adrian Tan Khai-Chung.



RSM Chio Lim LLP
Public Accountants and
Chartered Accountants
Singapore

14 June 2023

Engagement partner – Appointment since year ended 31 December 2022

BUDDHIST COMPASSION RELIEF TZU-CHI FOUNDATION (SINGAPORE)

Statement of financial activities For the year ended 31 December 2022

2022	Unrestricted funds			Restricted funds													Total	
	Charity Development fund	Designated fund	Sub-total	Community Silver Trust fund	Tote Board Community Healthcare fund	GYM Tonic fund	NCSS fund	IngoT PCC fund	Home Care fund	Local building fund	MOH Transition Grant	Covid fund	Other fund	Eco fund	President's Challenge	Sub-total		
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Incoming resources																		
Voluntary income Charitable	12,788,169	–	12,788,169	–	–	–	–	–	–	–	–	–	–	–	–	–	–	12,788,169
activities income	7,663,079	–	7,663,079	–	–	–	–	–	–	–	–	–	–	–	–	–	–	7,663,079
Funds generating activities	361,823	–	361,823	–	–	–	–	–	–	–	–	–	–	–	–	–	–	361,823
Interest income	324,602	–	324,602	–	–	–	–	–	–	–	–	–	–	–	–	–	–	324,602
Sundry income	424,951	–	424,951	–	–	–	–	–	–	–	–	–	–	–	–	–	–	424,951
Government grants	774,833	–	774,833	1,014,740	491,036	–	–	–	–	–	239,906	–	–	3,724	–	1,749,406	2,524,239	
Other funding	–	–	–	–	–	–	–	–	–	–	–	–	29,359	–	–	29,359	29,359	
Amortisation of deferred capital grants	2,493	266,324	268,817	169,999	–	–	–	–	–	–	–	6,000	–	–	–	175,999	444,816	
Total incoming resources	22,339,950	266,324	22,606,274	1,184,739	491,036	–	–	–	–	–	239,906	6,000	29,359	3,724	–	1,954,764	24,561,038	

BUDDHIST COMPASSION RELIEF TZU-CHI FOUNDATION (SINGAPORE)

Statement of financial activities (cont'd) For the year ended 31 December 2022

2022	Unrestricted funds			Restricted funds													Total
	Charity Development fund \$	Designated fund \$	Sub-total \$	Community Silver Trust fund \$	Tote Board Community Healthcare fund \$	GYM Tonic fund \$	NCSS fund \$	IngoT PCC fund \$	Home Care fund \$	Local building fund \$	MOH Transition Grant \$	Covid fund \$	Other fund \$	Eco fund \$	President's Challenge \$	Sub-total \$	
Resources expended																	
Costs of generating voluntary income: fund raising	66,188	–	66,188	–	–	–	–	–	–	–	–	–	–	31,219	–	31,219	97,407
Costs of charitable activities: welfare services, homecare support expenses and cultural activities	12,426,775	3,064	12,429,839	1,184,739	366,593	72,278	–	28,000	412	–	100,998	6,000	132	–	47,995	1,807,147	14,236,986
Administrative costs	3,088,683	263,260	3,351,943	–	–	–	–	–	–	50,000	–	–	15,715	–	–	65,715	3,417,658
Total resources expended	15,581,646	266,324	15,847,970	1,184,739	366,593	72,278	–	28,000	412	50,000	100,998	6,000	15,847	31,219	47,995	1,904,081	17,752,051
Surplus/(deficit) for the year	6,758,304	–	6,758,304	–	124,443	(72,278)	–	(28,000)	(412)	(50,000)	138,908	–	13,512	(27,495)	(47,995)	50,683	6,808,987
At 1 January 2022	30,165,151	–	30,165,151	–	118,329	319,007	–	70,867	1,800,000	2,943,760	137,502	–	10,574	–	47,995	5,448,034	35,613,185
At 31 December 2022	36,923,455	–	36,923,455	–	242,772	246,729	–	42,867	1,799,588	2,893,760	276,410	–	24,086	(27,495)	–	5,498,717	42,422,172

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

BUDDHIST COMPASSION RELIEF TZU-CHI FOUNDATION (SINGAPORE)

Statement of financial activities (cont'd) For the year ended 31 December 2022

2021	Unrestricted funds			Restricted funds													Total \$
	Charity Development fund \$	Designated fund \$	Sub-total \$	Community Silver Trust fund \$	Tote Board Community Healthcare fund \$	GYM Tonic fund \$	NCSS fund \$	IngoT PCC fund \$	Home Care fund \$	Local building fund \$	MOH Transition Grant \$	Covid fund \$	Other fund \$	Eco fund \$	President's Challenge \$	Sub-total \$	
Incoming resources																	
Voluntary income Charitable activities income	11,692,529	–	11,692,529	–	–	–	–	–	–	–	–	–	–	–	–	–	11,692,529
Funds generating activities	6,650,083	–	6,650,083	–	–	–	–	–	–	–	–	–	–	–	–	–	6,650,083
Interest income	153,611	–	153,611	–	–	–	–	–	–	–	–	–	–	–	–	–	153,611
Sundry income	334,442	–	334,442	–	–	–	–	–	–	–	–	–	–	–	–	–	334,442
Government grants	593,068	–	593,068	–	–	–	–	–	–	–	–	–	–	–	–	–	593,068
Other funding	1,572,563	–	1,572,563	815,284	357,941	–	–	–	–	–	219,914	1,010	–	–	–	1,394,149	2,966,712
Amortisation of deferred capital grants	–	–	–	–	–	–	–	–	–	–	–	–	2,058	–	–	2,058	2,058
	3,854	323,167	327,021	167,711	–	–	–	–	–	–	–	1,842	–	–	–	169,553	496,574
Total incoming resources	21,000,150	323,167	21,323,317	982,995	357,941	–	–	–	–	–	219,914	2,852	2,058	–	–	1,565,760	22,889,077

BUDDHIST COMPASSION RELIEF TZU-CHI FOUNDATION (SINGAPORE)

**Statement of financial activities (cont'd)
For the year ended 31 December 2022**

2021	Unrestricted funds			Restricted funds													Total
	Charity Development fund \$	Designated fund \$	Sub-total \$	Community Silver Trust fund \$	Tote Board Community Healthcare fund \$	GYM Tonic fund \$	NCSS fund \$	IngoT PCC fund \$	Home Care fund \$	Local building fund \$	MOH Transition Grant \$	Covid fund \$	Other fund \$	Eco fund \$	President's Challenge \$	Sub-total \$	
Resources expended																	
Costs of generating voluntary income: fund raising	301,262	–	301,262	–	–	–	–	–	–	–	–	–	–	–	–	–	301,262
Costs of charitable activities: welfare services, homecare support expenses and cultural activities	11,421,340	3,065	11,424,405	982,995	277,957	68,778	–	28,000	–	–	82,412	2,852	634	–	36,873	1,480,501	12,904,906
Administrative costs	2,768,770	320,102	3,088,872	–	–	–	–	–	–	146,650	–	–	–	–	–	146,650	3,235,522
Total resources expended	14,491,372	323,167	14,814,539	982,995	277,957	68,778	–	28,000	–	146,650	82,412	2,852	634	–	36,873	1,627,151	16,441,690
Surplus/(deficit) for the year	6,508,778	–	6,508,778	–	79,984	(68,778)	–	(28,000)	–	(146,650)	137,502	–	1,424	–	(36,873)	(61,391)	6,447,387
At 1 January 2021	23,656,373	–	23,656,373	–	38,345	387,785	–	98,867	1,800,000	3,090,410	–	–	9,150	–	84,868	5,509,425	29,165,798
At 31 December 2021	30,165,151	–	30,165,151	–	118,329	319,007	–	70,867	1,800,000	2,943,760	137,502	–	10,574	–	47,995	5,448,034	35,613,185

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

BUDDHIST COMPASSION RELIEF TZU-CHI FOUNDATION (SINGAPORE)

**Statement of financial position
As at 31 December 2022**

	<u>Note</u>	<u>2022</u> \$	<u>2021</u> \$
ASSETS			
<u>Non-current assets</u>			
Plant and equipment	8	3,252,889	4,499,020
Right-of-use assets	9	1,578,373	616,238
Other financial assets	10	12,051,585	12,161,496
Total non-current assets		<u>16,882,847</u>	<u>17,276,754</u>
<u>Current assets</u>			
Inventories	12	149,450	120,298
Trade and other receivables	13	2,469,631	2,038,677
Other non-financial assets	11	282,428	318,344
Cash and cash equivalents	14	28,990,087	20,966,212
Total current assets		<u>31,891,596</u>	<u>23,443,531</u>
Total assets		<u>48,774,443</u>	<u>40,720,285</u>
LIABILITIES			
<u>Non-current liabilities</u>			
Lease liabilities	15	881,654	88,750
Provisions	16	513,242	513,242
Total non-current liabilities		<u>1,394,896</u>	<u>601,992</u>
<u>Current liabilities</u>			
Trade and other payables	17	1,580,442	1,112,372
Other non-financial liabilities	18	2,647,882	2,861,347
Lease liabilities	15	729,051	531,389
Total current liabilities		<u>4,957,375</u>	<u>4,505,108</u>
Net assets		<u>42,422,172</u>	<u>35,613,185</u>
ACCUMULATED FUNDS			
<u>Unrestricted funds</u>			
Charity Development fund	19	36,923,455	30,165,151
Total unrestricted fund		<u>36,923,455</u>	<u>30,165,151</u>
<u>Restricted funds</u>			
Tote Board Community Healthcare fund	19	242,772	118,329
Gym Tonic fund	19	246,729	319,007
IngoT PCC fund	19	42,867	70,867
Home Care fund	19	1,799,588	1,800,000
Local building fund	19	2,893,760	2,943,760
MOH Transition Grant	19	276,410	137,502
Other fund	19	24,086	10,574
Eco fund	19	(27,495)	–
President's Challenge	19	–	47,995
Total restricted funds		<u>5,498,717</u>	<u>5,448,034</u>
Total accumulated funds		<u>42,422,172</u>	<u>35,613,185</u>

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

BUDDHIST COMPASSION RELIEF TZU-CHI FOUNDATION (SINGAPORE)

**Statement of changes in accumulated funds
For the year ended 31 December 2022**

	<u>2022</u>	<u>2021</u>
	\$	\$
At beginning of year	35,613,185	29,165,798
Net surplus for the year	<u>6,808,987</u>	<u>6,447,387</u>
At end of year	<u><u>42,422,172</u></u>	<u><u>35,613,185</u></u>

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

BUDDHIST COMPASSION RELIEF TZU-CHI FOUNDATION (SINGAPORE)

**Statement of cash flows
For the year ended 31 December 2022**

	<u>2022</u>	<u>2021</u>
	\$	\$
<u>Cash flows from operating activities</u>		
Surplus for the year	6,808,987	6,447,387
Adjustments for:		
Depreciation of plant and equipment	1,711,246	1,758,233
Depreciation of right-of-use assets	1,093,439	1,304,800
Amortisation of bonds	109,911	111,764
Amortisation of deferred capital grants	(444,816)	(496,574)
(Gains)/Losses on disposal of plant and equipment	(70,736)	5,666
Losses on lease contract termination	–	79,128
Gifts in kind received	–	(4,210)
Interest income	(324,601)	(334,442)
Interest expense	80,719	75,602
Operating cash flow before changes in working capital	<u>8,964,149</u>	<u>8,947,354</u>
Inventories	(29,152)	(21,450)
Trade and other receivables	(410,182)	(1,591,167)
Other non-financial assets	35,916	1,014,465
Trade and other payables	468,070	(111,177)
Other non-financial liabilities	231,351	317,201
Net cash flows from operating activities	<u>9,260,152</u>	<u>8,555,226</u>
<u>Cash flows from investing activities</u>		
Purchase of plant and equipment	(511,863)	(182,365)
Disposal of plant and equipment	117,484	–
Interest income received	303,829	277,670
Net cash flows (used in)/from investing activities	<u>(90,550)</u>	<u>95,305</u>
<u>Cash flows from financing activities</u>		
Interest paid	(80,719)	(75,602)
Repayment of lease liabilities	(1,065,008)	(1,262,667)
Net cash flows used in financing activities	<u>(1,145,727)</u>	<u>(1,338,269)</u>
Net increase in cash and cash equivalents	8,023,875	7,312,262
Cash and cash equivalents at beginning of year	20,966,212	13,653,950
Cash and cash equivalents at end of year (note 14)	<u>28,990,087</u>	<u>20,966,212</u>

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

BUDDHIST COMPASSION RELIEF TZU-CHI FOUNDATION (SINGAPORE)

Notes to the financial statements Year ended 31 December 2022

1. General

Buddhist Compassion Relief Tzu-Chi Foundation (Singapore) (UEN: S93SS0148C) (the "Foundation") is a society registered in Singapore under the Societies Act 1966 on 20 September 1993.

The Foundation is also a charity registered under the Charities Act 1994 (the "Charities Act") with approved Institution of a Public Character ("IPC") status. The IPC status is for a period of three years from 1 March 2019 to 28 February 2022. This was renewed from 1 March 2022 to 30 November 2024.

The principal objectives of the Foundation are to promote the spirit of compassion and unselfish giving as well as peaceful and equitable love through missions and activities of charity, medical treatment, educational development and cultural promotion to the needy.

The registered office address is at 9 Elias Road, Singapore 519937. The Foundation is registered and situated in Singapore.

The financial statements are presented in Singapore dollars. The financial statements were approved and authorised for issue by the directors on the date indicated in the statement by directors.

Governing instrument

The governing instrument of the Foundation is the Constitution. The Constitution of the Foundation restricts the use of fund monies to purposes that are for the furtherance of the objects of the Foundation. It prohibits the payment of dividends to members. The Foundation has no share capital. Any amendments to the Constitution must be passed at a General Meeting and come into force with the prior sanction of the Registry of Societies and Commissioner of Charities.

Covid-19 pandemic

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

Statement of compliance with financial reporting standards

These financial statements have been prepared in accordance with the Financial Reporting Standards ("FRS") and the related interpretations to FRS ("INT FRS") as issued by the Singapore Accounting Standards Council. The Foundation is also subject to the provisions of the Charities Act.

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.

BUDDHIST COMPASSION RELIEF TZU-CHI FOUNDATION (SINGAPORE)

1. General (cont'd)

Basis of preparation of 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 incoming resources and resources expended 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 at the end of this footnote, where applicable.

2. Significant accounting policies and other explanatory information

2A. Significant accounting policies

Income and revenue recognition

The FRS 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 changes to the transaction price arising from modifications), net of any related sales taxes and excluding any amounts collected on behalf of third parties. An asset (goods or services) is transferred when or as the customer obtains control of that asset. As a practical expedient the effects of any significant financing component is not adjusted if the payment for the good or service will be within one year.

(i) Donations and corporate cash sponsorships

Income from donations and corporate cash sponsorships are accounted for when received, except for committed donations and corporate cash sponsorships that are recorded when the commitments are signed. Such income is only deferred when: the donor specifies that the grant or donation must only be used in future accounting periods; or the donor has imposed conditions which must be met before the fund has unconditional entitlement.

(ii) Fund raising

Income from special event is recognised when the event takes place.

(iii) Sale of goods

Revenue is recognised at a point in time when the performance obligation is satisfied by transferring a promised good or service to the customer. Control of the goods is transferred to the customer, generally on delivery of the goods (in this respect, incoterms are considered).

BUDDHIST COMPASSION RELIEF TZU-CHI FOUNDATION (SINGAPORE)

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

2A. Significant accounting policies (cont'd)

Income and revenue recognition (cont'd)

(iv) Revenue from rendering services

Revenue from service orders and term projects is recognised when the entity satisfies the performance obligation at a point in time generally when the significant acts have been completed and when transfer of control occurs or for services that are not significant transactions revenue is recognised as the services are provided.

(v) Other revenue

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

Gifts in kind

A gift in kind is 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.

Government grants

Government grants are recognised at fair value when there is reasonable assurance that the conditions attaching to them will be complied with and that the grants will be received. Grants in recognition of specific expenses are recognised in profit or loss on a systematic basis over the periods necessary to match them with the related costs that they are intended to compensate. The grant related to assets is presented in the statement of financial position by recognising the grant as deferred income that is recognised in profit or loss on a systematic basis over the useful life of the asset and in the proportions in which depreciation expense on those assets is recognised.

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.

Income tax

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 arisen for the Foundation during the reporting year.

BUDDHIST COMPASSION RELIEF TZU-CHI FOUNDATION (SINGAPORE)

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

2A. Significant accounting policies (cont'd)

Foreign currency transactions

The functional currency is the Singapore dollar as it reflects the primary economic environment in which the entity 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 except when a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. The presentation is in the functional currency.

Plant and equipment

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:

Renovations	-	20%
Office equipment	-	20% to 25%
Furniture and fittings	-	10% to 20%
Motor vehicles	-	16 ² / ₃ % to 20%
Construction in progress	-	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.

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. The gain or loss arising from the derecognition of an item of plant and equipment is measured as the difference between the net disposal proceeds, if any, and the carrying amount of the item and is recognised in profit or loss. 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 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.

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

BUDDHIST COMPASSION RELIEF TZU-CHI FOUNDATION (SINGAPORE)

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

2A. Significant accounting policies (cont'd)

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:

Leasehold land and buildings	-	Over the terms of lease of 1 years
Office premises	-	Over the terms of lease that are from 2 to 3 years
Office equipment	-	Over the terms of lease of 5 years

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. 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, for such leases, a right-of-use asset is recognised.

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. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset and it is presented in its statement of financial position as a receivable at an amount equal to the net investment in the lease. For a finance lease the finance income is recognised over the lease term, based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.

BUDDHIST COMPASSION RELIEF TZU-CHI FOUNDATION (SINGAPORE)

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

2A. Significant accounting policies (cont'd)

Carrying amounts of non-financial assets

Irrespective of whether there is any indication of impairment, an annual impairment test is performed at about the same time every year on an intangible asset with an indefinite useful life or an intangible asset not yet available for use. The carrying amount of other 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 other than goodwill 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.

Inventories

Inventories are measured at the lower of cost (weighted average method) and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. A write down on cost is made where the cost is not recoverable or if the selling prices have declined. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Financial instruments

Recognition and de-recognition 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. 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. 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.

BUDDHIST COMPASSION RELIEF TZU-CHI FOUNDATION (SINGAPORE)

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

- (i) 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.

- (ii) 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.

- (iii) Financial asset that is an equity investment measured at FVTOCI

There were no financial assets classified in this category at reporting year end date.

- (iv) Financial asset classified as measured at 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 FVTPL in either of the following circumstances:

- (i) The liabilities are managed, evaluated and reported internally on a fair value basis; or
(ii) 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, on demand deposits and any highly liquid debt instruments purchased with an original maturity of three months or less. For the statement of cash flows the item includes cash and cash equivalents less cash subject to restriction and bank overdrafts payable on demand, if any, that form an integral part of cash management.

BUDDHIST COMPASSION RELIEF TZU-CHI FOUNDATION (SINGAPORE)

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

2A. Significant accounting policies (cont'd)

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 (e.g., 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.

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 (i.e., as prices) or indirectly (i.e., 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.

Funds

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

BUDDHIST COMPASSION RELIEF TZU-CHI FOUNDATION (SINGAPORE)

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

2B. Other explanatory information

Provisions

A liability or provision is recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. A provision is made using best estimates of the amount required in settlement and where the effect of the time value of money is material, the amount recognised is the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense. Changes in estimates are reflected in profit or loss in the reporting year they occur.

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.

3. Related party relationships and transactions

The FRS on related party disclosures requires the reporting entity to disclose: (a) transactions with its related parties; and (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 board members and key management of the Foundation. 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.

Key management personnel include the chief executive officer ("CEO").

The directors, or people connected with them, have not received remuneration, or other benefits, from the Foundation for which they are responsible, or from institutions connected with the Foundation except for the token amount as disclosed in note 3B.

All directors, chairman of sub-committees and staff members of the Foundation 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.

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

BUDDHIST COMPASSION RELIEF TZU-CHI FOUNDATION (SINGAPORE)

3. Related party relationships and transactions (cont'd)

3A. Related party transactions

There are transactions and arrangements between the reporting entity and 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.

Significant related party transactions

In addition to the transactions and balances disclosed elsewhere in the notes to the financial statements, this item includes the following:

	<u>Related parties</u>	
	<u>2022</u>	<u>2021</u>
	\$	\$
Management fees income	(138,587)	(135,482)
Partner vendor fees, spaces usage and utilities charges	(30,754)	(22,898)
Purchases of goods	46,700	34,952
Rental and related expenses	50,000	172,345
Rental income	—	(12,504)

The related parties have one or more common directors or management members.

3B. Key management compensation

Key management personnel is the CEO of the Foundation. The CEO received a symbolic salary of \$12 from the Foundation during the reporting year.

No compensation is made to any of the directors of the Foundation as their appointments are honorary in nature.

The trade transactions and related receivables and payables balances arising from sales and purchases of goods and services are disclosed elsewhere in the notes to the financial statements.

Movements in other payables to related parties are as follows:

<u>Other payables</u>	<u>Related parties</u>	
	<u>2022</u>	<u>2021</u>
	\$	\$
At beginning of year	—	2,818
Amounts paid out and settlement of liabilities on behalf of related parties	—	(2,818)
At end of year	—	—

BUDDHIST COMPASSION RELIEF TZU-CHI FOUNDATION (SINGAPORE)

4. Tax deductible receipts

The Foundation enjoys a concessionary tax treatment whereby qualifying donors are granted 2.5 (2021: 2.5) times tax deductions for the donations made to the Foundation.

	<u>2022</u> \$	<u>2021</u> \$
Tax-exempt receipts issued for donations collected	<u>11,009,063</u>	<u>10,493,043</u>

5. Other operating expenses

Major and other components include the following:

	<u>2022</u> \$	<u>2021</u> \$
Audit fees paid to independent auditors	31,326	20,786
Rental expenses	37,084	26,951
Employee benefit expenses (note 6)	<u>1,555,653</u>	<u>1,490,380</u>

6. Employee benefits expense

	<u>2022</u> \$	<u>2021</u> \$
Short term employee benefits expense	7,522,837	6,925,086
Contributions to defined contribution plan	<u>856,321</u>	<u>783,333</u>
	<u>8,379,158</u>	<u>7,708,419</u>

Employee benefits expense is presented in statement of financial activities as follows:

	<u>2022</u> \$	<u>2021</u> \$
Other operating expenses	1,555,653	1,490,380
Other social activities	726,504	667,371
Charitable activities	4,837,842	4,408,616
Fund generating activities	47,539	143,933
Restricted funds	<u>1,211,620</u>	<u>998,119</u>
	<u>8,379,158</u>	<u>7,708,419</u>

7. Income tax

As an IPC, the Foundation is exempted from tax under section 13(1)(zm) of the Singapore Income Tax Act 1947 to the extent that the funds are applied to its charitable objects.

BUDDHIST COMPASSION RELIEF TZU-CHI FOUNDATION (SINGAPORE)

8. Plant and equipment

	<u>Renovations</u>	<u>Office equipment</u>	<u>Furniture and fittings</u>	<u>Motor vehicles</u>	<u>Construction in progress</u>	<u>Total</u>
	\$	\$	\$	\$	\$	\$
<u>Cost</u>						
At 1 January 2021	7,510,556	3,719,470	671,699	247,913	72,966	12,222,604
Additions	–	131,669	–	–	54,906	186,575
Disposals	(117,975)	(167,443)	(6,978)	–	–	(292,396)
Reclassification	–	10,590	–	–	(10,590)	–
At 31 December 2021	7,392,581	3,694,286	664,721	247,913	117,282	12,116,783
Additions	36,571	197,951	–	–	277,341	511,863
Disposals	(117,484)	(403,078)	(65,318)	–	–	(585,880)
Reclassification	–	89,961	–	–	(89,961)	–
At 31 December 2022	7,311,668	3,579,120	599,403	247,913	304,662	12,042,766
<u>Accumulated depreciation</u>						
At 1 January 2021	3,272,631	2,148,853	552,363	172,413	–	6,146,260
Depreciation for the year	1,197,879	523,466	20,854	16,034	–	1,758,233
Disposals	(112,960)	(167,836)	(5,934)	–	–	(286,730)
At 31 December 2021	4,357,550	2,504,483	567,283	188,447	–	7,617,763
Depreciation for the year	1,190,367	484,714	20,132	16,033	–	1,711,246
Disposals	(74,407)	(401,241)	(63,484)	–	–	(539,132)
Reclassification	(1,755)	1,755	–	–	–	–
At 31 December 2022	5,471,755	2,589,711	523,931	204,480	–	8,789,877
<u>Carrying value</u>						
At 1 January 2021	4,237,925	1,570,617	119,336	75,500	72,966	6,076,344
At 31 December 2021	3,035,031	1,189,803	97,438	59,466	117,282	4,499,020
At 31 December 2022	1,839,913	989,409	75,472	43,433	304,662	3,252,889

BUDDHIST COMPASSION RELIEF TZU-CHI FOUNDATION (SINGAPORE)

8. Plant and equipment (cont'd)

During the current year, the Foundation received total donated assets (gifts in kind) amounting to \$Nil (2021: \$4,210). These donated assets have been capitalised as part of plant and equipment.

Included in renovations is a provision for reinstatement costs of \$82,207 (2021: \$82,207).

Fully depreciated plant and equipment still in use had an initial cost of \$3,562,915 (2021: \$3,465,207).

Depreciation expense is presented in statement of financial activities as follows:

	<u>2022</u>	<u>2021</u>
	\$	\$
Fund raising	–	10,350
Administrative costs (other operating expenses)	375,949	415,205
Charitable activities	<u>1,335,297</u>	<u>1,332,678</u>
	<u>1,711,246</u>	<u>1,758,233</u>

BUDDHIST COMPASSION RELIEF TZU-CHI FOUNDATION (SINGAPORE)

9. Right-of-use assets

	Leasehold land and buildings \$	Office premises \$	Office equipment \$	Total \$
<u>Cost</u>				
At 1 January 2021	640,537	3,600,627	183,338	4,424,502
Additions	–	153,729	–	153,729
Lease contract termination	(640,537)	(623,881)	–	(1,264,418)
At 31 December 2021	–	3,130,475	183,338	3,313,813
Additions	48,875	2,006,699	–	2,055,574
Lease contract termination	(48,875)	(2,888,087)	–	(2,936,962)
At 31 December 2022	–	2,249,087	183,338	2,432,425
<u>Accumulated depreciation</u>				
At 1 January 2021	91,505	2,003,281	59,128	2,153,914
Depreciation for the year	45,753	1,219,898	39,149	1,304,800
Lease contract termination	(137,258)	(623,881)	–	(761,139)
At 31 December 2021	–	2,599,298	98,277	2,697,575
Depreciation for the year	48,875	1,005,414	39,150	1,093,439
Lease contract termination	(48,875)	(2,888,087)	–	(2,936,962)
At 31 December 2022	–	716,625	137,427	854,052
<u>Carrying value</u>				
At 1 January 2021	549,032	1,597,346	124,210	2,270,588
At 31 December 2021	–	531,177	85,061	616,238
At 31 December 2022	–	1,532,462	45,911	1,578,373

Included in office premises is a provision for reinstatement costs of \$431,035 (2021: \$431,035).

Depreciation expense is presented in statement of financial activities as follows:

	<u>2022</u> \$	<u>2021</u> \$
Fund raising	–	95,711
Administrative costs (other operating expenses)	103,847	89,687
Charitable activities	989,592	1,119,402
	<u>1,093,439</u>	<u>1,304,800</u>

BUDDHIST COMPASSION RELIEF TZU-CHI FOUNDATION (SINGAPORE)

10. Financial assets

	<u>2022</u>	<u>2021</u>
	\$	\$
Quoted bonds (at amortised cost)	<u>12,051,585</u>	<u>12,161,496</u>

The Foundation appointed an external fund manager to invest certain of its funds in accordance with the instructions by management of the Foundation. There is also an investment committee which reports to the Board of Directors on the investment strategy and performance of the Foundation. The external fund manager reports the investment holdings and performance to the Foundation on a regular basis. The fund manager is located in Singapore with credit rating of Aa1 (2021: Aa1).

As at 31 December 2022, the debt instruments comprise corporate bonds with coupon rates ranging from 2.25% to 4.05% (2021: 2.25% to 4.05%) per annum and have maturity dates ranging from 29 October 2025 to 1 August 2036 (2021: 29 October 2025 to 1 August 2036). The effective interest rates range from 0.68% to 2.79% (2021: 0.68% to 2.79%) per annum.

The fair value at end of reporting year was \$10,562,348.

10A. Disclosures relating to financial assets measured at amortised cost

The following information provides a summary of fair value of financial instruments stated at amortised cost and the significant sector concentrations within the investment portfolio including Levels 1, 2 and 3 securities:

2022

<u>Nature</u>	<u>Industry</u>	<u>Location</u>	<u>Level</u>	<u>Carrying value</u>	<u>Fair value</u>	<u>%</u>
				\$	\$	
Bonds	Transportation and logistics	Singapore	1	813,844	738,207	7
Bonds	Financial services	Singapore	1	3,610,127	3,133,445	30
Bonds	Real estate	Singapore	1	3,983,230	3,228,434	30
Bonds	Telecommunication	Singapore	1	3,644,384	3,462,262	33
				<u>12,051,585</u>	<u>10,562,348</u>	<u>100</u>

2021

Bonds	Transportation and logistics	Singapore	1	831,429	805,542	7
Bonds	Financial services	Singapore	1	3,620,836	3,605,945	30
Bonds	Real estate	Singapore	1	4,019,076	3,699,308	31
Bonds	Telecommunication	Singapore	1	3,690,155	3,714,262	32
				<u>12,161,496</u>	<u>11,825,057</u>	<u>100</u>

10B. Credit rating of debt investments at amortised cost

The debt investments carried at amortised cost are subject to the expected credit loss ("ECL") model under the FRS on financial instruments. The debt investments at amortised cost are considered to have low credit risk, and the loss allowance recognised during the reporting year is limited to 12 months expected losses. Listed bonds are regarded as of low credit risk if they have an investment grade credit rating with one or more reputable rating agencies. Other bonds are regarded as of low credit risk if they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term. The methodology applied for impairment loss depends on whether there has been a significant increase in credit risk.

All investments are in bonds issued by the Singapore Government or companies owned by Singapore Government Sovereign Funds.

BUDDHIST COMPASSION RELIEF TZU-CHI FOUNDATION (SINGAPORE)**10. Financial assets at amortised cost (cont'd)****10C. Sensitivity analysis for price risk of quoted bonds at amortised cost**

There are investments in corporate bonds or similar instruments. Such investments are exposed to market price risk arising from uncertainties about future values of the investment securities. The effect of sensitivity analysis is as follows:

	<u>2022</u> \$	<u>2021</u> \$
A hypothetical 5% increase in market index of quoted corporate bonds would have an effect on fair value of:	<u>528,117</u>	<u>591,253</u>

For similar price decreases in fair value of the above financial assets, there would be comparable impacts in opposite direction.

11. Other non-financial assets

	<u>2022</u> \$	<u>2021</u> \$
Deposits to secure services – outside parties	252,093	259,331
Deposits to secure services – related parties	–	5,802
Prepayments	<u>30,335</u>	<u>53,211</u>
	<u>282,428</u>	<u>318,344</u>

12. Inventories

	<u>2022</u> \$	<u>2021</u> \$
Inventories	<u>149,450</u>	<u>120,298</u>

There are no inventories pledged as security for liabilities.

BUDDHIST COMPASSION RELIEF TZU-CHI FOUNDATION (SINGAPORE)**13. Trade and other receivables**

	<u>2022</u>	<u>2021</u>
	\$	\$
Outside parties	1,314,346	357,722
Less: Allowance of impairment	(9,493)	(9,493)
Related parties	5,211	2,485
Related party recoverable for termination of lease	–	550,000
Clinic patients receivables	36,364	10,066
Government subsidies receivables	1,123,203	1,127,897
	<u>2,469,631</u>	<u>2,038,677</u>

Movements in allowance for impairment:

At beginning of year	9,493	–
Charge for trade receivables to profit or loss included in administrative costs	–	9,493
At end of year	<u>9,493</u>	<u>9,493</u>

The trade and other receivables at amortised cost shown above are subject to the ECL model under the FRS on financial instruments. The non-trade receivables are normally with no fixed terms and therefore there is no maturity. These receivables are regarded as of low credit risk if they have a low risk of default and the debtor has a strong capacity to meet its contractual cash flow obligations in the near term. The methodology applied for impairment loss depends on whether there has been a significant increase in credit risk. A loss allowance of \$9,493 (2021: \$9,493) was recorded at end of reporting year.

14. Cash and cash equivalents

	<u>2022</u>	<u>2021</u>
	\$	\$
Not restricted in use	<u>28,990,087</u>	<u>20,966,212</u>

The rate of interest for the cash on interest earning balances was between 0.20% and 4.03% (2021: 0.35% and 0.50%) per annum.

15. Lease liabilities

	<u>2022</u>	<u>2021</u>
	\$	\$
Lease liabilities, current	729,051	531,389
Lease liabilities, non-current	881,654	88,750
	<u>1,610,705</u>	<u>620,139</u>

The Foundation has a few leases relating to leasehold land and building, office premises and office equipment. The leases prohibit the lessee from selling or pledging the underlying leased assets as security unless permitted by the owners. There are no variable payments linked to an index. The leases do not provide options to purchase the underlying leased assets outright.

BUDDHIST COMPASSION RELIEF TZU-CHI FOUNDATION (SINGAPORE)

15. Lease liabilities (cont'd)

The lease liability above does not include short-term leases of less than 12 months and leases of low-value underlying assets. Variable lease payments which do not depend on an index or a rate or based on a percentage of revenue are not included from initial measurement of lease liability and right-of-use assets. The right-of-use assets are disclosed in note 9.

The weighted average incremental borrowing rate applied to lease liabilities recognised was 5.00% per annum.

A summary of maturity analysis of lease liabilities is shown in note 22E

Total cash outflows for leases are shown in the statement of cash flows.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes to in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

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

	<u>2022</u> \$	<u>2021</u> \$
Expense relating to short-term leases and leases of low-value assets included in other losses	<u>119,409</u>	<u>84,685</u>
Total commitments on short-term leases at year end date	<u>55,002</u>	<u>42,639</u>

The fair value (Level 2) is a reasonable approximation of the carrying amount.

16. Provisions, non-current

	<u>2022</u> \$	<u>2021</u> \$
Provision for dismantling and removing	<u>513,242</u>	<u>513,242</u>

The provision is based on present value of costs to be incurred to remove leasehold improvements from leased property. The estimate is based on quotations from external contractors. The unexpired terms range from 3 years to 5 years. The unwinding of discount is not significant.

BUDDHIST COMPASSION RELIEF TZU-CHI FOUNDATION (SINGAPORE)

17. Trade and other payables

	<u>2022</u>	<u>2021</u>
	\$	\$
<u>Trade payables</u>		
Outside parties and accrued liabilities	552,524	416,489
Related parties (note 3)	9,677	2,423
	<u>562,201</u>	<u>418,912</u>
 <u>Other payables</u>		
Outside parties	1,018,241	693,460
	<u>1,018,241</u>	<u>693,460</u>
	<u>1,580,442</u>	<u>1,112,372</u>

18. Other non-financial liabilities

	<u>2022</u>	<u>2021</u>
	\$	\$
Deferred capital grants (note 18A)	517,085	961,901
Deferred government grant income (note 18B)	2,093,399	1,832,460
Cash collected in advance for courses	37,398	66,986
	<u>2,647,882</u>	<u>2,861,347</u>

18A. Deferred capital grants

	<u>2022</u>	<u>2021</u>
	\$	\$
<u>At cost</u>		
At beginning of year	3,035,341	2,993,605
Purchase of plant and equipment by utilising government grants (note 18B)	–	41,736
Disposals	(19,427)	–
At end of year	<u>3,015,914</u>	<u>3,035,341</u>
 <u>Accumulated amortisation</u>		
At beginning of year	2,073,440	1,576,866
Amortisation for the year	444,816	496,574
Disposals	(19,427)	–
At end of year	<u>2,498,829</u>	<u>2,073,440</u>
 <u>Carrying value</u>		
At beginning of year	<u>961,901</u>	<u>1,416,738</u>
At end of year	<u>517,085</u>	<u>961,901</u>

BUDDHIST COMPASSION RELIEF TZU-CHI FOUNDATION (SINGAPORE)

18. Other non-financial liabilities (cont'd)

18B. Deferred government grant income

	General fund \$	Community Silver Trust \$	Covid fund \$	Total \$
At 1 January 2021	20,672	1,445,692	100,000	1,566,364
Funds received	28,044	1,096,082	–	1,124,126
Expenditure incurred	–	(815,284)	(1,010)	(816,294)
Transferred to deferred capital grants	–	(11,736)	(30,000)	(41,736)
At 31 December 2021	48,716	1,714,754	68,990	1,832,460
Funds received	–	1,314,404	–	1,314,404
Expenditure incurred	(38,725)	(1,014,740)	–	(1,053,465)
At 31 December 2022	9,991	2,014,418	68,990	2,093,399

19. Accumulated funds

	<u>2022</u> \$	<u>2021</u> \$
<u>Unrestricted fund</u>		
Charity Development fund (A)	36,923,455	30,165,151
<u>Restricted funds</u>		
Tote Board Community Healthcare fund (B)	242,772	118,329
Gym Tonic fund (C)	246,729	319,007
IngoT PCC fund (D)	42,867	70,867
Home Care fund (E)	1,799,588	1,800,000
Local building fund (F)	2,893,760	2,943,760
MOH Transition Grant (I)	276,410	137,502
Other fund (G)	24,086	10,574
Eco fund (J)	(27,495)	–
President's Challenge (H)	–	47,995
	<u>5,498,717</u>	<u>5,448,034</u>
	<u>42,422,172</u>	<u>35,613,185</u>
Ratio of unrestricted funds to annual operating expenditure (times)*	<u>2.33</u>	<u>2.04</u>

* Annual operating expenditure represents total resources expended under unrestricted funds.

A. The Charity Development fund is raised from donations (both tax deductible and non-tax deductible) received from the public. This fund is used to support and benefit local communities as follows:

- (a) Local charity programmes such as emergency/long term aid, healthcare and educational assistance to needy individuals and families;
- (b) Free medical services for the underprivileged;
- (c) Promotion of humanistic culture and education; and
- (d) Expenses incurred in furtherance of the Foundation's missions and objectives.

BUDDHIST COMPASSION RELIEF TZU-CHI FOUNDATION (SINGAPORE)

19. Accumulated funds (cont'd)

- B. Tote Board Community Healthcare fund co-funds with Community Silver Trust to implement the Community Care pilot project at Bukit Batok to help seniors age in, and to anchor the future of the Community Care System, which is population-based, proactive and integrated. The Foundation will build linkages with partners in the Bukit Batok area, with particular emphasis on reducing fragmentation arising from service providers operating in the same area and to build a community of care ecosystem.
- C. Gym Tonic fund is granted to the Foundation with an objective to support senior-friendly strength-training programme that reverses frailty to community-dwelling seniors. The programme includes providing advanced gym equipment and software to improve functional abilities of these community-dwelling seniors.
- D. IngoT Person-Centred Care ("PCC") fund is donated to the Foundation with an objective to support subsidised services at SEEN Centres, Day Rehabilitation Centre (DRC) and Home Care (HC). It aims to de-medicalise care and increase collaboration, coordination and connectivity among disparate care providers, professionals and family caregivers. It is supported with a cloud-based system to empower care professionals to know their facilities users better, and spot physical or psychosocial danger signs.
- E. Home Care fund is set up for the purpose of home care programme. The Foundation has also applied to the Community Silver Trust for a matching grant.
- F. Local building fund is for future maintenance and improvements of the building premises occupied by the Foundation.
- G. Other fund is received via funding activities like Sayang Sayang Fund by Community Foundation of Singapore, Ready Together Fund by Agency for Integrated Care and HYC Urban Farming Fund by Charities and Foundation America. The fund is used for projects for medical consumable, staff support cost and expandable equipments.
- H. President's Challenge is a yearly campaign supported by the kindness and generosity of people from all walks of life, regardless of culture, religion or family background, to help those less fortunate, specifically for beneficiaries that are annually selected by the President's Office. The President's Challenge provides funding for the Renal Support Programme organised by the Foundation. This fund is to defray manpower and operational expenditure of running the programmes.
- I. Eldercare Centre Baseline Service (Transition Grant) ("MOH Transition Grant") is granted to the Foundation with an objective to assist eldercare centres to be brought on board the implementation of new baseline service model in phases from May 2022 to 2024. The grant will allow Foundation's SEEN @ Bukit Batok and SEEN @ Nanyang additional fund to ramp up their resources and level up their capabilities before transiting to the new model. This fund is to defray manpower and operational expenditure of running the programmes organised by the Foundation.
- J. ECO Fund is granted to the Foundation with the objective to improve the environment or advance environmental sustainability with engagement of the community in Singapore. The fund is used for the Foundation's projects in environmental education and promotion of recycling efforts.

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

BUDDHIST COMPASSION RELIEF TZU-CHI FOUNDATION (SINGAPORE)

20. Columnar presentation of statement of financial position

Majority of the assets and liabilities are attributable to the Charity Development fund, Toteboard Community Healthcare fund, Gym Tonic fund, IngoT PCC fund, Home Care fund, local building fund, other fund, President's Challenge and MOH Transition Grant, and these are represented mainly by cash and financial assets. Accordingly the Foundation did not adopt a columnar presentation of its assets, liabilities and funds in the statement of financial position as it is not meaningful to do so.

21. Capital commitments

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

	<u>2022</u> \$	<u>2021</u> \$
Commitments to purchase of plant and equipment	<u>813,092</u>	<u>38,745</u>

22. Financial instruments: information on financial risks

22A. Categories of financial assets and liabilities

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

	<u>2022</u> \$	<u>2021</u> \$
<u>Financial assets</u>		
Financial assets at amortised cost	<u>43,511,303</u>	<u>35,166,385</u>
<u>Financial liabilities</u>		
Financial liabilities at amortised cost	<u>3,191,147</u>	<u>1,732,511</u>

Further quantitative disclosures are included throughout these financial statements.

22B. Financial risk management

The main purpose for holding or issuing financial instruments is to raise and manage the finances for the Foundation'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; and
- All financial risk management activities are carried out following acceptable 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.

BUDDHIST COMPASSION RELIEF TZU-CHI FOUNDATION (SINGAPORE)

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

22C. Fair value 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 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.

22D. 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, receivables and other financial assets. 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 ECL on financial assets, the three-stage approach in the financial reporting standard on financial instruments is used to measure the impairment allowance. Under this approach the financial assets move through the three stages as their credit quality changes. However, a simplified approach is permitted by the financial reporting standards on financial instruments for financial assets that do not have a significant financing component, such as trade receivables. On initial recognition, a day-one loss is recorded equal to the 12-month ECL (or lifetime ECL for trade receivables), unless the assets are considered credit impaired. For credit risk on other 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.

Note 14 discloses maturity of cash and cash equivalents balances. Cash and cash equivalents are also subject to the impairment requirements of the standard on financial instruments. There was no identified impairment loss.

BUDDHIST COMPASSION RELIEF TZU-CHI FOUNDATION (SINGAPORE)

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

22E. Liquidity risk

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 paid at their contractual maturity. The average credit period taken to settle trade payables is approximately 30 days. In order to meet such cash commitments the operating activity is expected to generate sufficient cash inflows.

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

	Less than <u>1 year</u> \$	2 to 5 <u>years</u> \$	More than <u>5 years</u> \$	<u>Total</u> \$
<u>2022</u>				
Gross lease obligations	789,330	906,981	–	1,696,311
Trade and other payables	1,580,442	–	–	1,580,442
	<u>2,369,772</u>	<u>906,981</u>	<u>–</u>	<u>3,276,753</u>
<u>2021</u>				
Gross lease obligations	544,829	91,278	–	636,107
Trade and other payables	1,112,372	–	–	1,112,372
	<u>1,657,201</u>	<u>91,278</u>	<u>–</u>	<u>1,748,479</u>

22F. Interest rate risk

The interest rate risk exposure is mainly from changes in fixed rate and floating interest rates. The following table analyses the breakdown of the significant financial instruments by type of interest rate:

	<u>2022</u> \$	<u>2021</u> \$
<u>Financial assets</u>		
Fixed rates	<u>26,268,473</u>	<u>27,865,062</u>

Sensitivity analysis: The effect on surplus is insignificant.

22G. Foreign currency risks

Foreign exchange risk arises on financial instruments that are denominated in a foreign currency, ie 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.

There is insignificant exposure to foreign currency risk as part of its normal business.

BUDDHIST COMPASSION RELIEF TZU-CHI FOUNDATION (SINGAPORE)

23. Changes and adoption of financial reporting standards

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

24. New or amended standards in issue but not yet effective

For future reporting years, certain new or revised FRS were issued by the Singapore Accounting Standards Council and these will only be effective for future reporting years. None of these are applicable to the reporting entity based on the Foundation's current operations.

<u>FRS No.</u>	<u>Title</u>	<u>Effective date for periods beginning on or after</u>
FRS 8	Definition of Accounting Estimates	1 January 2023
Various	Amendments to FRS 1: Non-current Liabilities with Covenants	1 January 2023

BUDDHIST COMPASSION RELIEF TZU-CHI FOUNDATION (SINGAPORE)

**The accompanying supplementary schedules
of the Foundation have been prepared for management purposes only
and do not form part of the audited financial statements**

BUDDHIST COMPASSION RELIEF TZU-CHI FOUNDATION (SINGAPORE)

**Statement of financial activities – Supplementary schedules
For the year ended 2022**

2022	Unrestricted funds			Restricted funds												Total \$
	Charity Development fund \$	Designated fund \$	Sub-total \$	Community Silver Trust fund \$	Tote Board Community Healthcare fund \$	GYM Tonic fund \$	IngoT PCC fund \$	Home Care fund \$	Local building fund \$	MOH Transition Grant \$	Covid fund \$	Other fund \$	Eco fund \$	President's Challenge \$	Sub-total \$	
INCOMING RESOURCES																
Voluntary income																
Tax deductible donations	11,008,063	–	11,008,063	–	–	–	–	–	–	–	–	–	–	–	–	11,008,063
Tax deductible donations (Save for a Good Cause)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Non-tax deductible donations	1,780,106	–	1,780,106	–	–	–	–	–	–	–	–	–	–	–	–	1,780,106
Non-tax deductible donations (Save for a Good Cause)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
	<u>12,788,169</u>	<u>–</u>	<u>12,788,169</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>12,788,169</u>
Charitable income																
Children and youth classes	2,634,142	–	2,634,142	–	–	–	–	–	–	–	–	–	–	–	–	2,634,142
Continuing education centre	89,708	–	89,708	–	–	–	–	–	–	–	–	–	–	–	–	89,708
Sales of recycle items	2,534	–	2,534	–	–	–	–	–	–	–	–	–	–	–	–	2,534
Donated assets	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Free clinics, rehabilitation, and other clinic services	2,491,972	–	2,491,972	–	–	–	–	–	–	–	–	–	–	–	–	2,491,972
ILTC – MOH – subvented home medical, nursing, therapy and palliative care services	1,751,917	–	1,751,917	–	–	–	–	–	–	–	–	–	–	–	–	1,751,917
Community care services	46,200	–	46,200	–	–	–	–	–	–	–	–	–	–	–	–	46,200
Youth activity centre	646,606	–	646,606	–	–	–	–	–	–	–	–	–	–	–	–	646,606
	<u>7,663,079</u>	<u>–</u>	<u>7,663,079</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>7,663,079</u>
Funds generating activities																
Flag Day	209,354	–	209,354	–	–	–	–	–	–	–	–	–	–	–	–	209,354
Tax deductible donations (Placement of donation boxes)	1,000	–	1,000	–	–	–	–	–	–	–	–	–	–	–	–	1,000
Non-tax deductible donations (Placement of donation boxes)	149,912	–	149,912	–	–	–	–	–	–	–	–	–	–	–	–	149,912
Charity Fair	1,557	–	1,557	–	–	–	–	–	–	–	–	–	–	–	–	1,557
	<u>361,823</u>	<u>–</u>	<u>361,823</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>361,823</u>

Not part of audited financial statements.

BUDDHIST COMPASSION RELIEF TZU-CHI FOUNDATION (SINGAPORE)

**Statement of financial activities – Supplementary schedules (cont'd)
For the year ended 2022**

2022	Unrestricted funds			Restricted funds											Total	
	Charity Development fund	Designated fund	Sub-total	Community Silver Trust fund	Tote Board Community Healthcare fund	GYM Tonic fund	IngoT PCC fund	Home Care fund	Local building fund	MOH Transition Grant	Covid fund	Other fund	Eco fund	President's Challenge		Sub-total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
INCOMING RESOURCES (cont'd)																
Others																
Interest income	324,602	–	324,602	–	–	–	–	–	–	–	–	–	–	–	–	324,602
Sundry income	424,951	–	424,951	–	–	–	–	–	–	–	–	–	–	–	–	424,951
Government grants	774,833	–	774,833	1,014,740	491,036	–	–	–	–	239,906	–	–	3,724	–	1,749,406	2,524,239
Other funding	–	–	–	–	–	–	–	–	–	–	–	29,359	–	–	29,359	29,359
Amortisation of deferred capital grants	2,493	266,324	268,817	169,999	–	–	–	–	–	–	6,000	–	–	–	175,999	444,816
	1,526,879	266,324	1,793,203	1,184,739	491,036	–	–	–	–	239,906	6,000	29,359	3,724	–	1,954,764	3,747,967
Total incoming resources	22,339,950	266,324	22,606,274	1,184,739	491,036	–	–	–	–	239,906	6,000	29,359	3,724	–	1,954,764	24,561,038
RESOURCES EXPENDED																
Cost of generating voluntary income: fund raising																
Flag Day expenses	3,581	–	3,581	–	–	–	–	–	–	–	–	–	–	–	–	3,581
Recycling activities expenses	62,607	–	62,607	–	–	–	–	–	–	–	–	–	31,219	–	31,219	93,826
	66,188	–	66,188	–	–	–	–	–	–	–	–	–	31,219	–	31,219	97,407

Not part of audited financial statements.

BUDDHIST COMPASSION RELIEF TZU-CHI FOUNDATION (SINGAPORE)

**Statement of financial activities – Supplementary schedules (cont'd)
For the year ended 2022**

2022	Unrestricted funds			Restricted funds												Total
	Charity Development fund	Designated fund	Sub-total	Community Silver Trust fund	Tote Board Community Healthcare fund	GYM Tonic fund	IngoT PCC fund	Home Care fund	Local building fund	MOH Transition Grant	Covid fund	Other fund	Eco fund	President's Challenge	Sub-total	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
RESOURCES EXPENDED (cont'd)																
Cost of charitable activities:																
Welfare services and homecare support expenses and cultural activities																
Programme for needy families	1,204,814	–	1,204,814	–	–	–	–	–	–	–	–	–	–	–	–	1,204,814
Programme for medical treatments	1,427,708	–	1,427,708	–	–	–	–	–	–	–	–	–	–	47,995	47,995	1,475,703
Seed of hope programmes	57,566	–	57,566	–	–	–	–	–	–	–	–	–	–	–	–	57,566
Free clinics, rehabilitation, and other clinic services	2,585,821	–	2,585,821	507,639	234,145	–	–	–	–	–	–	–	–	–	741,784	3,327,605
ILTC – MOH – subvented home medical, nursing, therapy and palliative care services	1,828,954	–	1,828,954	–	–	–	–	412	–	–	–	–	–	–	412	1,829,366
ILTC – MOH – subvented home medical, nursing, therapy and palliative care services – depreciation	2,414	–	2,414	–	–	–	–	–	–	–	–	–	–	–	–	2,414
Depreciation	1,071,129	3,064	1,074,193	169,999	(780)	55,471	28,000	–	–	–	6,000	–	–	–	258,690	1,332,883
Depreciation – right of use assets	989,592	–	989,592	–	–	–	–	–	–	–	–	–	–	–	–	989,592
Lease interest expense	76,082	–	76,082	–	–	–	–	–	–	–	–	–	–	–	–	76,082
Children and youth classes	2,207,885	–	2,207,885	–	–	–	–	–	–	–	–	–	–	–	–	2,207,885
Continuing education centre	80,041	–	80,041	–	–	–	–	–	–	–	–	–	–	–	–	80,041
Community care services	(38,242)	–	(38,242)	507,101	133,228	16,807	–	–	–	100,998	–	–	–	–	758,134	719,892
Youth activity centre	918,459	–	918,459	–	–	–	–	–	–	–	–	132	–	–	132	918,591
Volunteer training	14,552	–	14,552	–	–	–	–	–	–	–	–	–	–	–	–	14,552
	12,426,775	3,064	12,429,839	1,184,739	366,593	72,278	28,000	412	–	100,998	6,000	132	–	47,995	1,807,147	14,236,986

Not part of audited financial statements.

BUDDHIST COMPASSION RELIEF TZU-CHI FOUNDATION (SINGAPORE)

**Statement of financial activities – Supplementary schedules (cont'd)
For the year ended 2022**

2022	Unrestricted funds			Restricted funds												Total \$
	Charity Development fund \$	Designated fund \$	Sub-total \$	Community Silver Trust fund \$	Tote Board Community Healthcare fund \$	GYM Tonic fund \$	IngoT PCC fund \$	Home Care fund \$	Local building fund \$	MOH Transition Grant \$	Covid fund \$	Other fund \$	Eco fund \$	President's Challenge \$	Sub-total \$	
RESOURCES EXPENDED (cont'd)																
Administrative costs																
Depreciation	109,300	263,260	372,560	-	-	-	-	-	-	-	-	3,389	-	-	3,389	375,949
Depreciation – right of use assets	54,972	-	54,972	-	-	-	-	-	48,875	-	-	-	-	-	48,875	103,847
Gain or loss on lease modification																
Other social activities	768,124	-	768,124	-	-	-	-	-	-	-	-	-	-	-	-	768,124
Other operating expenses	2,152,775	-	2,152,775	-	-	-	-	-	-	-	-	12,326	-	-	12,326	2,165,101
Lease interest expense	3,512	-	3,512	-	-	-	-	-	1,125	-	-	-	-	-	1,125	4,637
	3,088,683	263,260	3,351,943	-	-	-	-	-	50,000	-	-	15,715	-	-	65,715	3,417,658
Total resources expended	15,581,646	266,324	15,847,970	1,184,739	366,593	72,278	28,000	412	50,000	100,998	6,000	15,847	31,219	47,995	1,904,081	17,752,051

Not part of audited financial statements.

BUDDHIST COMPASSION RELIEF TZU-CHI FOUNDATION (SINGAPORE)

**Statement of financial activities – Supplementary schedules (cont'd)
For the year ended 2022**

2021	Unrestricted funds			Restricted funds												Sub-total	Total
	Charity Development fund	Designated fund	Sub-total	Community Silver Trust fund	Tote Board Community Healthcare fund	GYM Tonic fund	IngoT PCC fund	Home Care fund	Local building fund	MOH Transition Grant	Covid fund	Other fund	Eco fund	President's Challenge	Sub-total		
Note	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
INCOMING RESOURCES																	
Voluntary income																	
	4	10,453,224	–	10,453,224	–	–	–	–	–	–	–	–	–	–	–	–	10,453,224
	4	39,819	–	39,819	–	–	–	–	–	–	–	–	–	–	–	–	39,819
		862,276	–	862,276	–	–	–	–	–	–	–	–	–	–	–	–	862,276
		337,210	–	337,210	–	–	–	–	–	–	–	–	–	–	–	–	337,210
		11,692,529	–	11,692,529	–	–	–	–	–	–	–	–	–	–	–	–	11,692,529
Charitable income																	
		2,488,188	–	2,488,188	–	–	–	–	–	–	–	–	–	–	–	–	2,488,188
		83,740	–	83,740	–	–	–	–	–	–	–	–	–	–	–	–	83,740
		43,181	–	43,181	–	–	–	–	–	–	–	–	–	–	–	–	43,181
		4,210	–	4,210	–	–	–	–	–	–	–	–	–	–	–	–	4,210
		2,113,162	–	2,113,162	–	–	–	–	–	–	–	–	–	–	–	–	2,113,162
		1,482,705	–	1,482,705	–	–	–	–	–	–	–	–	–	–	–	–	1,482,705
		31,411	–	31,411	–	–	–	–	–	–	–	–	–	–	–	–	31,411
		403,486	–	403,486	–	–	–	–	–	–	–	–	–	–	–	–	403,486
		6,650,083	–	6,650,083	–	–	–	–	–	–	–	–	–	–	–	–	6,650,083
Funds generating activities																	
		89,435	–	89,435	–	–	–	–	–	–	–	–	–	–	–	–	89,435
		64,176	–	64,176	–	–	–	–	–	–	–	–	–	–	–	–	64,176
		153,611	–	153,611	–	–	–	–	–	–	–	–	–	–	–	–	153,611

Not part of audited financial statements.

BUDDHIST COMPASSION RELIEF TZU-CHI FOUNDATION (SINGAPORE)

**Statement of financial activities – Supplementary schedules (cont'd)
For the year ended 2022**

2021	Unrestricted funds			Restricted funds											Sub-total	Total	
	Charity Development fund	Designated fund	Sub-total	Community Silver Trust fund	Tote Board Community Healthcare fund	GYM Tonic fund	IngoT PCC fund	Home Care fund	Local building fund	MOH Transition Grant	Covid fund	Other fund	Eco fund	President's Challenge			Sub-total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
INCOMING RESOURCES (cont'd)																	
Others																	
Interest income	334,442	–	334,442	–	–	–	–	–	–	–	–	–	–	–	–	–	334,442
Sundry income	593,068 ^(a)	–	593,068	–	–	–	–	–	–	–	–	–	–	–	–	–	593,068
Government grants	1,572,563 ^(b)	–	1,572,563	815,284	357,941	–	–	–	–	219,914	1,010	–	–	–	1,394,149	2,966,712	
Other funding	–	–	–	–	–	–	–	–	–	–	–	2,058	–	–	2,058	2,058	
Amortisation of deferred capital grants	3,854	323,167	327,021	167,711	–	–	–	–	–	–	1,842	–	–	–	169,553	496,574	
	2,503,927	323,167	2,827,094	982,995	357,941	–	–	–	–	219,914	2,852	2,058	–	–	1,565,760	4,392,854	
Total incoming resources	21,000,150	323,167	21,323,317	982,995	357,941	–	–	–	–	219,914	2,852	2,058	–	–	1,565,760	22,889,077	
RESOURCES EXPENDED																	
Cost of generating voluntary income: fund raising																	
Save for a Good Cause	101	–	101	–	–	–	–	–	–	–	–	–	–	–	–	–	101
Charity Fair expenses	29,027	–	29,027	–	–	–	–	–	–	–	–	–	–	–	–	–	29,027
Recycling activities	165,214	–	165,214	–	–	–	–	–	–	–	–	–	–	–	–	–	165,214
Recycling activities – depreciation	10,350	–	10,350	–	–	–	–	–	–	–	–	–	–	–	–	–	10,350
Recycling activities – depreciation right of use assets	95,711	–	95,711	–	–	–	–	–	–	–	–	–	–	–	–	–	95,711
Recycling activities – lease interest	859	–	859	–	–	–	–	–	–	–	–	–	–	–	–	–	859
	301,262	–	301,262	–	–	–	–	–	–	–	–	–	–	–	–	–	301,262

(a) Includes amount of \$255,876 for rental concession income.

(b) Includes amount of \$436,287 received from Jobs Support Scheme, the purpose of which is to provide wage support to employers to help them retain their local employees during the period of economic uncertainty amid Covid-19 for 17 months from April 2021 to August 2022

Not part of audited financial statements.

BUDDHIST COMPASSION RELIEF TZU-CHI FOUNDATION (SINGAPORE)

**Statement of financial activities – Supplementary schedules (cont'd)
For the year ended 2022**

2021	Unrestricted funds			Restricted funds												Sub-total	Total
	Charity Development fund	Designated fund	Sub-total	Community Silver Trust fund	Tote Board Community Healthcare fund	GYM Tonic fund	IngoT PCC fund	Home Care fund	Local building fund	MOH Transition Grant	Covid fund	Other fund	Eco fund	President's Challenge	Sub-total		
Note	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
RESOURCES EXPENDED (cont'd)																	
Costs of charitable activities:																	
Welfare services and homecare support expenses and cultural activities																	
Programme for needy families	994,779	–	994,779	–	–	–	–	–	–	–	–	–	–	–	(6,575)	(6,575)	988,204
Programme for medical treatments	1,340,802	–	1,340,802	–	–	–	–	–	–	–	–	–	–	–	43,448	43,448	1,384,250
Seed of hope programmes	3,854	–	3,854	–	–	–	–	–	–	–	–	–	–	–	–	–	3,854
Free clinics, rehabilitation, and other clinic services	2,362,959	–	2,362,959	320,632	132,572	–	–	–	–	–	–	–	–	–	–	453,204	2,816,163
ILTC – MOH – subvented home medical, nursing, therapy and palliative care services	1,643,980	–	1,643,980	–	–	–	–	–	–	–	–	–	–	–	–	–	1,643,980
ILTC – MOH – subvented home medical, nursing, therapy and palliative care services – depreciation	1,982	–	1,982	–	–	–	–	–	–	–	–	–	–	–	–	–	1,982
Depreciation	1,074,044	3,065	1,077,109	167,711	563	55,471	28,000	–	–	–	1,842	–	–	–	253,587	1,330,696	
Depreciation – right of use assets	1,119,402	–	1,119,402	–	–	–	–	–	–	–	–	–	–	–	–	–	1,119,402
Lease interest expense	50,093	–	50,093	–	–	–	–	–	–	–	–	–	–	–	–	–	50,093
Children and youth classes	2,121,083	–	2,121,083	–	–	–	–	–	–	–	–	–	–	–	–	–	2,121,083
Continuing education centre	78,118	–	78,118	–	–	–	–	–	–	–	–	–	–	–	–	–	78,118
Community care services	(33,882)	–	(33,882)	494,652	144,822	13,307	–	–	–	82,412	1,010	–	–	–	736,203	702,321	
Youth activity centre	575,625	–	575,625	–	–	–	–	–	–	–	–	634	–	–	634	576,259	
Volunteer training	2,582	–	2,582	–	–	–	–	–	–	–	–	–	–	–	–	–	2,582
Humanistic culture	85,919	–	85,919	–	–	–	–	–	–	–	–	–	–	–	–	–	85,919
	11,421,340	3,065	11,424,405	982,995	277,957	68,778	28,000	–	–	82,412	2,852	634	–	36,873	1,480,501	12,904,906	

Not part of audited financial statements.

BUDDHIST COMPASSION RELIEF TZU-CHI FOUNDATION (SINGAPORE)

**Statement of financial activities – Supplementary schedules (cont'd)
For the year ended 2022**

2021	Unrestricted funds			Restricted funds												Sub-total	Total
	Charity Development fund	Designated fund	Sub-total	Community Silver Trust fund	Tote Board Community Healthcare fund	GYM Tonic fund	IngoT PCC fund	Home Care fund	Local building fund	MOH Transition Grant	Covid fund	Other fund	Eco fund	President's Challenge	Sub-total		
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
RESOURCES EXPENDED (cont'd)																	
Administrative costs																	
Depreciation	95,103	320,102	415,205	-	-	-	-	-	-	-	-	-	-	-	-	-	415,205
Depreciation – right of use assets	43,935	-	43,935	-	-	-	-	-	45,752	-	-	-	-	-	-	45,752	89,687
Gain or loss on lease modification	-	-	-	-	-	-	-	-	79,128	-	-	-	-	-	-	79,128	79,128
Other social activities	697,870	-	697,870	-	-	-	-	-	-	-	-	-	-	-	-	-	697,870
Other operating expenses	1,928,982	-	1,928,982	-	-	-	-	-	-	-	-	-	-	-	-	-	1,928,982
Lease interest expense	2,880	-	2,880	-	-	-	-	-	21,770	-	-	-	-	-	-	21,770	24,650
	<u>2,768,770</u>	<u>320,102</u>	<u>3,088,872</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>146,650</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>146,650</u>	<u>3,235,522</u>	
Total resources expended	14,491,372	323,167	14,814,539	982,995	277,957	68,778	28,000	-	146,650	82,412	2,852	634	-	36,873	1,627,151	16,441,690	

Not part of audited financial statements.