

Company Registration No. 2014200920N

**TTSH Community Fund**  
(A Company limited by guarantee)

Annual Financial Statements  
31 March 2021



## TTSH Community Fund

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## **TTSH Community Fund**

### **Directors' statement**

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The directors are pleased to present their statement to the member together with the audited financial statements of TTSH Community Fund (the "Company") for the financial year ended 31 March 2021.

#### **Opinion of the directors**

In the opinion of the directors,

- (i) the financial statements of the Company are drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2021 and the financial performance, and cash flows of the Company for the year ended on that date; and
- (ii) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

#### **Directors**

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

Kuok Oon Kwong (Chairman)  
Saw Phaik Hwa  
Yap Wai Ming  
Seow Choke Meng  
Tan Kia Tong  
Liang Shih Tyh  
Dr Tan Chi Chiu  
Eunice Toh

#### **Directors' interests**

According to the register kept by the Company for the purposes of Section 164 of the Companies Act, Chapter 50, no director who held office at the end of the financial year (including those held by their spouses and children) had interests in shares, debentures, warrants and share options of the Company, or of related corporations, either at the beginning of the financial year or at the end of the financial year.

Neither at the end of, nor at any time during the financial year, was the Company a party to other arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

#### **Share options**

The Company is limited by guarantee and has no issued share capital.

**TTSH Community Fund**

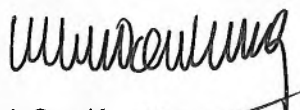
**Directors' statement**

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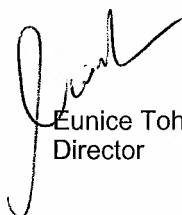
**Auditor**

Ernst & Young LLP have expressed their willingness to accept re-appointment as auditor.

On behalf of the Board of Directors



Kuok Oon Kwong  
Chairman



Eunice Toh  
Director

Singapore  
30 June 2021

## **TTSH Community Fund**

### **Independent auditor's report For the financial year ended 31 March 2021**

#### **Independent auditor's report to the members of TTSH Community Fund**

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

#### **Opinion**

We have audited the financial statements of TTSH Community Fund (the "Company"), which comprise the statement of financial position as at 31 March 2021, the statement of comprehensive income, statement of changes in funds and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Companies Act"), the Charities Act, Chapter 37 and other relevant regulations (the "Charities Act and Regulations") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the Company as at 31 March 2021 and of the financial performance, changes in funds and cash flows of the Company for the financial year ended on that date.

#### **Basis for opinion**

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

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

## **TTSH Community Fund**

### **Independent auditor's report For the financial year ended 31 March 2021**

#### **Independent auditor's report to the members of TTSH Community Fund**

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

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

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

Those charged with governance comprises the directors. Their responsibilities include overseeing the Company'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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

## TTSH Community Fund

Independent auditor's report  
For the financial year ended 31 March 2021

### Independent auditor's report to the members of TTSH Community Fund

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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 Company'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 Company 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 the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

#### Report on other legal and regulatory requirements

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

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

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

*Ernst & Young*

Ernst & Young LLP  
Public Accountants and  
Chartered Accountants  
Singapore  
30 June 2021

## TTSH Community Fund

### Statement of financial position As at 31 March 2021

	Note	2021 \$	2020 \$
<b>Assets</b>			
Other investments	4	34,249,905	30,299,940
<b>Non-current asset</b>		34,249,905	30,299,940
Cash and cash equivalents	5	43,240,891	42,596,153
Inventories	6	644,224	–
Interest receivables		40,579	147,612
Prepayments		781	50
<b>Current assets</b>		43,926,475	42,743,815
<b>Total assets</b>		78,176,380	73,043,755
<b>Liabilities</b>			
Trade and other payables	7	496,835	837,488
Deferred income	8	644,224	–
Grant received in advance		16,478	16,478
<b>Current and total liabilities</b>		1,157,537	853,966
<b>Net assets</b>		77,018,843	72,189,789
<b>Funds:</b>			
<b>Restricted funds</b>			
Main Fund			
- Needy Patients fund	9(a)(i)	4,639,928	4,394,443
- Medical Education fund	9(a)(ii)	2,122,070	2,165,664
- Medical Research fund	9(a)(iii)	1,162,715	1,046,693
- Patient Care fund	9(a)(iv)	3,487,499	2,948,587
- Central Health Enabling fund	9(a)(v)	4,104,387	4,083,124
Ng Teng Fong Healthcare Innovation Program	9(b)	54,243,539	51,544,190
		69,760,138	66,182,701
<b>Unrestricted fund</b>			
General fund		7,258,705	6,007,088
<b>Total funds</b>		77,018,843	72,189,789

*The accompanying accounting policies and explanatory notes form an integral part of the financial statements.*



**TTSH Community Fund**

**Statement of comprehensive income  
For the financial year ended 31 March 2021**

	Note	----- 2021 -----			----- 2020 -----		
		Restricted Funds	Unrestricted Funds	Total Funds	Restricted Funds	Unrestricted Funds	Total Funds
<b>Incoming resources</b>							
Incoming resources from:							
- Voluntary income	10	-	1,477,030	2,155,544	2,000,000	1,455,610	3,737,397
- Income from fund-raising activities	11	-	221,116	986,121	-	478,116	810,619
Deferred income - In-kind donation	8	-	429,132	429,132	-	-	-
Grant income		-	211,635	211,635	-	200,000	200,000
Government subvention		-	205,523	205,523	-	186,898	186,898
Incoming resources from charitable activities		-	114,356	114,356	-	298,814	298,814
<b>Total incoming resources</b>		-	2,658,792	4,102,311	2,000,000	2,619,438	5,233,728
<b>Resources expended</b>							
Costs of generating funds:							
- Fund-raising expenses	11	-	(333)	(26,788)	-	(32,863)	(12,152)
Charitable activities		(1,358,742)	(2,084,480)	(3,443,222)	(872,582)	(2,199,883)	(3,077,900)
Governance costs		(241)	346	(12,495)	(289)	(7,271)	(43,302)
<b>Total resources expended</b>		(1,358,983)	(2,084,467)	(3,482,400)	(872,871)	(2,240,017)	(3,133,354)
Finance income	12	4,058,332	103,763	4,209,143	529,052	212,781	817,687
<b>Net incoming resources, representing total comprehensive income for the year</b>	13	2,699,349	678,088	4,829,054	1,656,181	592,202	2,918,061

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

**TTSH Community Fund**

**Statement of changes in funds  
For the financial year ended 31 March 2021**

	Restricted Funds		Unrestricted Funds	Total
	Ng Teng Fong Healthcare Innovation Program \$	Main Fund \$	Main Fund (General) \$	\$
<b>At 1 April 2019</b>	49,888,009	14,046,309	5,337,410	69,271,728
Net incoming resources, representing total comprehensive income for the year	1,656,181	592,202	669,678	2,918,061
<b>At 31 March 2020 and 1 April 2020</b>	51,544,190	14,638,511	6,007,088	72,189,789
Net incoming resources, representing total comprehensive income for the year	2,699,349	678,088	1,451,617	4,829,054
Transfer of Fund (Note 9(c))	–	200,000	(200,000)	–
<b>At 31 March 2021</b>	54,243,539	15,516,599	7,258,705	77,018,843

*The accompanying accounting policies and explanatory notes form an integral part of the financial statements.*

**TTSH Community Fund****Statement of cash flows****For the financial year ended 31 March 2021**

	<b>Note</b>	<b>2021</b>	<b>2020</b>
		\$	\$
<b>Cash flows from operating activities</b>			
Net incoming resources		4,829,054	2,918,061
Adjustments for:			
Interest income	12	(259,178)	(592,777)
Net change in fair value of financial assets designated at fair value through profit and loss	12	(3,949,965)	(224,910)
		<u>619,911</u>	<u>2,100,374</u>
Changes in:			
- Prepayments		(731)	1,000
- Trade and other payables		(340,653)	98,861
		<u>278,527</u>	<u>2,200,235</u>
<b>Net cash flows generated from operating activities</b>			
		<u>278,527</u>	<u>2,200,235</u>
<b>Cash flows from investing activity</b>			
Interest received		366,211	577,975
		<u>366,211</u>	<u>577,975</u>
<b>Net cash flows generated from investing activity</b>			
		<u>366,211</u>	<u>577,975</u>
<b>Net increase in cash and cash equivalents</b>		644,738	2,778,210
Cash and cash equivalents at beginning of the year		42,596,153	39,817,943
		<u>43,240,891</u>	<u>42,596,153</u>
<b>Cash and cash equivalents at end of the year</b>	5	<u>43,240,891</u>	<u>42,596,153</u>

*The accompanying accounting policies and explanatory notes form an integral part of the financial statements.*

## TTSH Community Fund

### Notes to the financial statements For the financial year ended 31 March 2021

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#### 1. Corporate information

TTSH Community Fund (the "Company") was established on 8 January 2014 to promote all medical and health related services that are exclusively charitable and for the benefit of the Singapore Community.

The Company is incorporated as a company limited by guarantee, and domiciled in the Republic of Singapore. The registered office of the Company is located at 11 Jalan Tan Tock Seng, Singapore 308433.

The Company is registered as a charity under the Charities Act, Chapter 37 on 16 May 2014. The Company is approved as an institution of a Public Character ("IPC") in accordance with Section 37(9) of the Income Tax Act. The Company has obtained its IPC status since 16 May 2014. The IPC status was renewed and extended till 19 July 2021.

The Company has four registered Members, which includes Tan Tock Seng Hospital Pte Ltd ("TTSH") and MOH Holdings Pte Ltd ("MOHH") as at 31 March 2021. TTSH is the immediate holding company. National Healthcare Group Pte Ltd ("NHG") and MOHH are the intermediate holding companies of TTSH Community Fund. The ultimate controlling party is Minister for Finance. TTSH, NHG, MOHH are companies incorporated in the Republic of Singapore.

#### 2. Basis of preparation

##### 2.1 *Statement of compliance*

The financial statements have been prepared in accordance with Financial Reporting Standards in Singapore ("FRSs").

##### 2.2 *Basis of measurement*

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies set out below.

##### 2.3 *Functional and presentation currency*

These financial statements are presented in Singapore dollars, which is the Company's functional currency.

##### 2.4 *Use of estimates and judgements*

The preparation of the financial statements in conformity with FRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

There are no critical judgements in applying accounting policies that have significant effect on the amount recognised in the financial statements. Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in Note 15 – Financial risk management.

##### *Measurement of fair values*

Information about the measurement of fair values and the assumptions made in measuring fair values is included in Note 15 – Financial risk management.

## TTSH Community Fund

### Notes to the financial statements For the financial year ended 31 March 2021

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## 2. Summary of significant accounting policies (cont'd)

### 2.5 *Adoption of new standards*

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Company has adopted all the new and amended standards which are relevant to the Company and are effective for annual financial periods beginning on or after 1 April 2020. The adoption of these new and amended standards do not have an impact on the financial statements of the Company.

## 3. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently.

### 3.1 *Financial instruments*

#### a. *Non-derivative financial assets*

##### *Classification and measurement*

The Company classifies its financial assets in the following measurement categories:

- Amortised cost;
- Fair value through profit or loss ("FVTPL").

The classification depends on the Company's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset.

The Company reclassifies financial assets when and only when its business model for managing those assets changes.

##### At initial recognition

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

All financial assets are recognised initially on the trade date, which is the date that Company becomes a party to the contractual provisions of the instrument.

##### Subsequent measurement

#### a. Financial assets at amortised cost

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

## TTSH Community Fund

### Notes to the financial statements For the financial year ended 31 March 2021

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

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

###### a. Non-derivative financial assets (cont'd)

###### Subsequent measurement (cont'd)

###### b. Financial assets at FVTPL

All financial assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. A gain or loss on a debt instruments that is subsequently measured at FVTPL and is not part of a hedging relationship is recognised in surplus or deficit the period in which it arises.

###### b. Cash and cash equivalents

Cash and cash equivalents comprise cash and bank balances and deposits with financial institutions that are subject to an insignificant risk of changes in their fair values, and are used by the Company in the management of its short-term commitments.

###### c. Non-derivative financial liabilities

The Company initially recognises all financial liabilities on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument.

The Company classifies non-derivative financial liabilities into other financial liabilities category.

Such financial liabilities are initially measured at fair value less directly attributable transaction costs. They are subsequently measured at amortised cost using the effective interest method. These financial liabilities comprised loan from subsidiaries, bank overdrafts, trade and other payables and employee benefits liability for short term accumulating compensated absences.

###### d. Derecognition

###### Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or when 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.

###### Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged, cancelled, or expired.

###### e. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends to either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

**3. Significant accounting policies (cont'd)**

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

**e. Offsetting (cont'd)**

The Company does not have any financial assets and financial liabilities that:

- are offset in the balance sheet; or
- are subject to an enforceable master netting arrangement, irrespective of whether they are offset in the balance sheet.

**3.2 Impairment**

**a. Non-derivative financial assets**

The Company recognises loss allowances for Expected Credit Losses ("ECLs") on financial assets measured at amortised cost.

Loss allowances of the Company are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from default events that are possible within the 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months); or
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

*General approach*

The Company applies the general approach to provide for ECLs on all financial instruments. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition.

At each reporting date, the Company assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and includes forward-looking information.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs.

The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- the financial asset is more than 90 days to 3 years past due.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

**3. Significant accounting policies (cont'd)**

**3.2 Impairment (cont'd)**

**a. Non-derivative financial assets (cont'd)**

*Measurement of ECLs*

ECLs are probability-weighted estimates of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

*Credit-impaired financial assets*

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or remain outstanding for more than 90 days to 3 years, taking into consideration historical payment track records, current macroeconomics situation as well as the general industry trend;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

*Presentation of allowance for ECLs in the statement of financial position*

Loss allowances for financial assets measured at amortised cost and FVOCI are deducted from the gross carrying amount of these assets.

*Write-off*

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

**3.3 Inventories**

Inventories are stated at the lower of cost and net realisable value. The cost of inventories is determined based on the estimated cost of purchases for those donated breathing equipment and consumables. Net realisable value represents the estimated selling price less costs to be incurred in selling the inventories.



## TTSH Community Fund

### Notes to the financial statements For the financial year ended 31 March 2021

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

##### 3.4 *Income recognition*

Incoming resources from generated funds and charitable activities comprise donations (general), those received from fund-raising activities and in-kind donation.

##### Donation income (voluntary income)

Donations, other than those specified below, are recognised in surplus or deficit in the period of receipt or when receipt of the amount is certain.

##### Donations (fund-raising activities)

Donations are recognised as income upon occurrence of the fund-raising events. For donations received after the fund-raising events, they are recognised as income in the accounting period in which they are received.

##### Donations (in-kind)

Donations relate to in-kind donations received for inventories which are donated to the Company, and are initially recognised as deferred income in the period of receipt. Deferred income is recognised as income over the periods necessary to match them with the disbursement of inventories to needy patients to which the donations relate.

##### Government subvention

Government subvention is recognised initially as other payables upon receipt and taken to surplus or deficit when conditions attached to its recognition are met.

##### Grant income

Grant income designated for specific purposes is recognised in surplus or deficit when the relevant qualifying costs are incurred.

##### 3.5 *Resources expended*

Resources expended comprise cost of generating funds, charitable activities expenses and governance costs. Resources expended are recognised as they are incurred in the accounting period in which approval is obtained from the Board, appointed to exercise stewardship over the Company, and upon receipt of invoices from the applicants. Fund-raising expenses are recognised in the accounting period in which the event occurs.

## **TTSH Community Fund**

### **Notes to the financial statements For the financial year ended 31 March 2021**

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#### **3. Significant accounting policies (cont'd)**

##### **3.6 Finance income and costs**

The Company's finance income and finance costs include:

- interest income;
- interest expense;
- the net gain or loss on financial assets at FVTPL; and
- the foreign currency gain or loss on financial assets and financial liabilities;

Interest income or expense is recognised using the effective interest method. Dividend income is recognised in surplus or deficit on the date on which the Company's right to receive payment is established.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in surplus or deficit using the effective interest method.

##### **3.7 Funds structure**

###### General fund - unrestricted

The general fund is available for use at the discretion of the Board in furtherance of the objectives of the Company.

###### Restricted fund

The restricted fund is available for use at the discretion of the Board within projects in furtherance of the objectives of the Company that have been identified by donors of the Company or communicated to donors when sourcing for the funds.

##### **3.8 Tax expense**

The Company is an approved charity organisation under the Charities Act, Chapter 37. No provision for taxation has been made in the financial statements as the Company is a registered charity with income tax exemption.

## TTSH Community Fund

### Notes to the financial statements For the financial year ended 31 March 2021

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

##### 3.9 New standards and interpretations issued but not yet effective

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

<i>Description</i>	<i>Effective for annual periods beginning on or after</i>
Annual improvements to FRSs 2018-2020	
- Amendment to FRS 109 <i>Financial Instruments</i>	1 January 2022
Amendments to FRS 37: <i>Onerous Contracts – Cost of Fulfilling a Contract</i>	1 January 2022
Amendments to FRS 1: <i>Classification of Liabilities as Current or Non-current</i>	1 January 2023

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

#### 4. Other investments

	<b>2021</b>	<b>2020</b>
	\$	\$
<b>Non-current investments</b>		
Financial assets designated at FVTPL		
- Unit trusts	34,249,905	30,299,940
	<hr/>	<hr/>
Represented by:		
Principal amount	27,000,000	27,000,000
Cumulative net change in fair value	7,249,905	3,299,940
	<hr/>	<hr/>
	34,249,905	30,299,940
	<hr/>	<hr/>

The unit trusts are set up by reputable fund managers appointed by MOHH to pool funds from MOHH and subsidiaries for investment management. The investment objective of the unit trusts is wealth preservation and risk management has the highest priority. The unit trusts invest in investment-grade fixed income and equities. Investment guidelines limit allocation of equities to 30% (2020: 30%) of the portfolios' net asset value.

##### *Credit and market risks, and fair value measurement*

Information about the Company's exposures to credit, interest rate, foreign currency and price risks, and fair value measurement, is included in Note 15.

## TTSH Community Fund

### Notes to the financial statements For the financial year ended 31 March 2021

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#### 5. Cash and cash equivalents

	<b>2021</b>	<b>2020</b>
	\$	\$
Fixed deposits placed with financial institutions	37,332,054	34,999,562
Cash on hand and at bank	5,908,837	7,596,591
	<u>43,240,891</u>	<u>42,596,153</u>

The effective interest rates per annum are as follows:

	<b>2021</b>	<b>2020</b>
	%	%
Fixed deposits placed with financial institutions	0.05 – 1.86	0.50 – 2.00

Interest rates for fixed deposits with banks are repriced at regular intervals within a year (2020: within a year). The fixed deposits are subject to an insignificant risk of changes in their fair values and are used by the Company in the management of its investment and funding requirement. All other cash balances are non-interest bearing

#### 6. Inventories

	<b>2021</b>	<b>2020</b>
	\$	\$
Breathing equipment and consumables	<u>644,224</u>	–

During the financial year ended 31 March 2021, Temasek Foundation donated 159 units of BiPAP and 90 units of oxygen concentrator amounting to \$1,073,356 for disbursement to needy patients, as well as for TTSH training and patient usage in the hospital's sleep clinics. Correspondingly, the Company recorded a deferred income (Note 8) in the statement of financial position.

A total of 66 units of BiPAP and 5 units of oxygen concentrator amounting to \$429,132 were disbursed in 2021.

## TTSH Community Fund

### Notes to the financial statements For the financial year ended 31 March 2021

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#### 7. Trade and other payables

	2021	2020
	\$	\$
Trade payables	26,939	135,929
Amount due to immediate holding company - trade	460,692	609,297
Accrued expenses	9,204	92,262
	496,835	837,488

The trade amounts due to immediate holding company is unsecured, interest-free and repayable based on normal trade terms.

The Company's exposure to liquidity risk related to trade and other payables is disclosed in Note 15.

#### 8. Deferred income

	2021	2020
	\$	\$
At beginning of the year	-	-
In-kind donation received during the year	1,073,356	-
Donations made during the year	(429,132)	-
At end of the year	644,224	-

#### 9. Restricted funds

##### (a) Main Fund

- i. The Needy Patients fund is set up to provide financial assistance to needy patients of Tan Tock Seng Hospital for their treatment and related medical needs.
- ii. The Medical Education fund is set up to provide funds for furtherance of continued medical education, nursing, paramedical, and caregiver education and training programmes. This also includes holding of or attending medical conference, seminars, fellowships, attachment programmes, as well as public health education and workshops.
- iii. The Medical Research fund is set up to provide funds for provision and improvement of equipment and facilities as well as necessary manpower services and consumables for research and development.
- iv. The Patient Care fund is set up to provide funds for patient care facilities and equipment for Tan Tock Seng Hospital's patients and the community. It may also include funding for one or more of the above purposes.
- v. Central Health Enabling fund is set up to help support the Regional Health System mission to transform healthcare by driving the 3 key shifts – Beyond Hospital to Community, Beyond Quality to Value, and Beyond Healthcare to Health.

## TTSH Community Fund

### Notes to the financial statements For the financial year ended 31 March 2021

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#### 9. Restricted funds (cont'd)

- (b) The Ng Teng Fong Healthcare Innovation Program is set up to provide funds for developing and building human capital via healthcare-related training and innovation to deliver better patient-care.
- (c) During the financial year, there was a transfer of \$200,000 from Unrestricted General Fund to the Restricted Fund for the Breathewell Program to support cost of storage, maintenance and delivery of donated breathing equipment.

#### 10. Voluntary income

	2021	2020
	\$	\$
Tax deductible donations	1,938,140	3,637,373
Other donations	217,404	100,024
	<u>2,155,544</u>	<u>3,737,397</u>

#### 11. Income from fund raising activities

	2021	2020
	\$	\$
Income from fund-raising activities		
- Tax deductible donations	330,846	521,498
- Other donations	655,275	289,121
	<u>986,121</u>	<u>810,619</u>
Fund-raising expenses	<u>26,788</u>	<u>12,152</u>
Fund-raising efficiency	<u>2.7%</u>	<u>1.5%</u>

#### 12. Finance income

	2021	2020
	\$	\$
Interest income	259,178	592,777
Net change in fair value of financial assets designated as FVTPL	3,949,965	224,910
	<u>4,209,143</u>	<u>817,687</u>

## TTSH Community Fund

### Notes to the financial statements For the financial year ended 31 March 2021

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#### 13. Net incoming resources

All manpower services to support the management and administration of the Company's activities are provided by TTSH and no consideration was paid for services rendered. TTSH has allowed the Company to use its premise and pays for the operating expenses of the Company. It does not charge rental for the usage of its premise or seek reimbursement of expenses paid on behalf of the Company, except as disclosed below.

During the year, significant transactions with TTSH are as follows:

	2021	2020
	\$	\$
Payment for charitable activities	(1,323,490)	(874,163)
Reimbursement receipts	75,509	21,863

#### 14. Income taxes

There is no tax charge for the current financial period. All Institutions of Public Character are exempted from tax with effect from the Year of Assessment 2008.

#### 15. Financial risk management

##### *Overview*

Risk management is integral to the operations of the Company. The Company has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The investment objective of the unit trusts is wealth preservation and risk management has the highest priority.

##### *Credit risk*

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations, and arises primarily from the Company's cash and cash equivalents and investment in unit trusts.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet. The Company does not hold any collateral in respect of its financial assets.

##### *Cash and cash equivalents*

Cash and fixed deposits are placed with various reputable banks which are regulated.

##### *Investment in unit trusts*

Fund managers are responsible to comply with investment guidelines. The investment guidelines set forth investment objectives and risk parameters including asset allocation ranges, minimum credit ratings and foreign currency exposure. Investment guidelines limits its credit risk exposure by restricting the investments to investment-grade securities. The unit trusts are set up by reputable fund managers appointed by MOHH.

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

***Liquidity risk***

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due under normal and stressed conditions without incurring unacceptable losses or risking damage to the Company's reputation.

The Board monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by the Board to finance the Company's operations and to mitigate the effects of fluctuations in cash flows.

The expected contractual undiscounted cash outflows of trade and other payables approximate their carrying values and are due to be settled within one year.

***Market risk***

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

***Interest rate risk***

The Company's exposure to market risk for changes in interest rates relates primarily to fixed deposits placed with banks. The Company manages its interest rate risks by placing such balances on varying maturities and fixed interest rate terms.

At the balance sheet date, the Company's fixed deposits with financial institutions bear fixed interest rates, there was no significant exposure to interest rate risk.

***Foreign currency risk***

The financial assets and financial liabilities of the Company are denominated in Singapore dollars. The Company has no exposure to foreign currency risk.

***Price risk***

The objective of the Company's price risk management is to manage and control price risk exposures within acceptable parameters, while optimising the return on risk.

The Company is exposed to price risk changes arising from its investments in unit trusts at the reporting date.

***Sensitivity analysis – price risk***

A 5% increase in the price of the underlying investment in the unit trusts at the reporting date would increase the net incoming resources by \$1,712,495 (2020: \$1,514,997); an equal change in the opposite direction would decrease the Company's net incoming resources by \$1,712,495 (2020: \$1,514,997).



**TTSH Community Fund**

**Notes to the financial statements  
For the financial year ended 31 March 2021**

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

**Fair value versus carrying amounts**

The fair values of recognised financial assets and liabilities together with the carrying amounts shown in the statement of financial position are as follows:

	<b>Note</b>	<b>Designated at fair value \$</b>	<b>Amortised cost \$</b>	<b>Total carrying amount \$</b>	<b>Fair value \$</b>
<b>31 March 2021</b>					
<b>Financial assets measured at fair value</b>					
Other investments	4	34,249,905	–	34,249,905	34,249,905
<b>Financial assets not measured at fair value</b>					
Interest receivables		–	40,579	40,579	
Cash and cash equivalents	5	–	43,240,891	43,240,891	
		–	43,281,470	43,281,470	
<b>Financial liabilities not measured at fair value</b>					
Trade and other payables	7	–	(496,835)	(496,835)	
<b>31 March 2020</b>					
<b>Financial assets measured at fair value</b>					
Other investments	4	30,299,940	–	30,299,940	30,299,940
<b>Financial assets not measured at fair value</b>					
Interest receivables		–	147,612	147,612	
Cash and cash equivalents	5	–	42,596,153	42,596,153	
		–	42,743,765	42,743,765	
<b>Financial liabilities not measured at fair value</b>					
Trade and other payables	7	–	(837,488)	(837,488)	

## TTSH Community Fund

### Notes to the financial statements For the financial year ended 31 March 2021

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#### 15. Financial risk management (cont'd)

##### *Fair value hierarchy*

The table below analyses financial fair value measurements for financial assets and financial liabilities, by the levels in the fair value hierarchy based on inputs to valuation techniques. The different levels are defined as follows:

- **Level 1** : quoted prices (unadjusted) in active markets for identical assets or liabilities, that the Company can access at the measurement date.
- **Level 2** : inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- **Level 3** : inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
<b>31 March 2021</b>				
Other investments	–	34,249,905	–	34,249,905
<b>31 March 2020</b>				
Other investments	–	30,299,940	–	30,299,940

The above does not include fair value information for financial assets not measured at fair value if the carrying amount is a reasonable approximation of fair value.

The valuation techniques and the inputs used in the fair value measurements of the financial assets and financial liabilities for measurement and/or disclosure purposes are set out below.

##### *Other investments*

The fair value of other investments designated at FVTPL categorised under Level 2 of the fair value hierarchy are based on the net asset value in the fund managers' valuation reports at the balance sheet date and is derived from prices from an observable market.

##### *Non-derivative financial assets and liabilities*

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

##### *Other short-term financial assets and liabilities*

The carrying amounts of financial assets and liabilities with a maturity of less than one year (including cash and cash equivalents, and trade and other payables) approximate their fair values because of the short period to maturity. All other financial assets and liabilities are discounted to determine their fair values.

## **TTSH Community Fund**

### **Notes to the financial statements**

**For the financial year ended 31 March 2021**

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#### **16. Key management personnel compensation**

Key management personnel of the Company are those persons having the authority and responsibility for planning, directing and controlling the activities of the Company. The Board of Directors are considered to be key management personnel of the Company. The Board of Directors did not receive any form of remuneration in the financial year (2020: Nil).

#### **17. Authorisation of financial statements for issue**

The financial statements for the financial year ended 31 March 2021 were authorised for issue in accordance with a resolution of the directors on 30 June 2021.