Ang Mo Kio - Thye Hua Kwan Hospital Ltd
(A Company limited by guarantee
and not having a share capital)

Registration Number : 200201385C
(Registered under the Charities Act 1994)

Annual Report
Year ended 31 March 2024

Directors' statement

We are pleased to submit this annual report to the members of the Company together with the audited financial statements for the financial year ended 31 March 2024.

In our opinion:

(a) the financial statements set out on pages FS1 to FS46 are drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2024 and the financial activities and cash flows of the Company for the year ended on that date in accordance with the provisions of the Companies Act 1967, the Singapore Charities Act 1994 and relevant Charities Regulations, and Financial Reporting Standards in Singapore; and

(b) 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.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

Directors

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

Lee Kim Siang
Ong Ser Huan
Jayaram Lingamanaicker
Choo Wee Jin Philip
Tan Tiong Har
Teo Woon Keng John
Low Cheng Hock
Ching Chiat Kwong
Eu Yee Ming Richard
Richard Cheong Su Tan
Koh Juay Meng
Siow Yuen Khong Alex
Tan Khiaw Ngoh
Abdul Razakjr Bin Omar

Directors' interests

As the Company is limited by guarantee and has no share capital, no director who held office at the end of the financial year had interests in the capital of the Company either at the beginning of the financial year or at the end of the financial year.

According to the register kept by the Company for the purposes of Section 164 of the Companies Act 1967 (the "Act"), no director who held office at the end of the financial year (including those held by their spouses and infant children) had interests in shares or debentures 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 any 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.

Auditors

The auditors, KPMG LLP, will not be seeking re-appointment at the forthcoming Annual General Meeting. Deloitte & Touche LLP has been nominated to be the auditor for the ensuing year. The appointment of Deloitte & Touche LLP is subject to shareholder's approval at the forthcoming 22nd Annual General Meeting.

On behalf of the Board of Directors

Lee Kim Siang
Director

Jayaram Lingamanaicker
Director

12 September 2024

KPMG LLP
12 Marina View #15-01
Asia Square Tower 2
Singapore 018961

Telephone +65 6213 3388
Fax +65 6225 0984
Internet www.kpmg.com.sg

Independent auditors' report

Members of the Company
Ang Mo Kio - Thye Hua Kwan Hospital Ltd

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Ang Mo Kio - Thye Hua Kwan Hospital Ltd (the "Company"), which comprise the statement of financial position as at 31 March 2024, the statements of financial activities and cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages FS1 to FS46.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act 1967 ('the Companies Act'), the Charities Act 1994 and other relevant regulations ('the Charities Act and Regulations'), and 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 2024 and of the financial activities and cash flows of the Company 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 '*Auditors' 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 *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 contained in the annual report. Other information is defined as all information in the annual report other than the financial statements and our auditors' report thereon.

We have obtained all other information prior to the date of this auditors' report.

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

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

Responsibilities of management and directors 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.

Auditors' 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 auditors' 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 controls.

- Obtain an understanding of internal controls 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 controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- 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 auditors' 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 auditors' 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 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 controls 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, the Charities Act and Regulations.

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

(a) the 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.

kpmg llp

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
12 September 2024

Statement of financial position
As at 31 March 2024

	Note	2024 $	2023 $
Non-current assets			
Property, plant and equipment	4	2,113,532	1,683,868
Right-of-use assets	5	8,096,673	12,431,029
Investment property	7	12,782,163	–
Intangible assets	6	10,719	15,885
Investments	8	38,504,625	60,040,568
Other financial assets	12	–	86,981
		61,507,712	74,258,331
Current assets			
Investments	8	14,475,846	14,553,292
Inventories	9	168,857	222,227
Trade and other receivables	10	16,273,178	16,964,397
Other financial assets	12	64,545,981	42,000,000
Cash and cash equivalents	11	27,887,718	20,663,434
		123,351,580	94,403,350
Total assets		184,859,292	168,661,681
Funds			
Restricted funds	13	3,916,523	4,051,300
Unrestricted funds		157,270,253	138,144,376
Fair value reserve	14	680,173	278,966
		161,866,949	142,474,642
Non-current liabilities			
Lease liabilities	16	4,595,652	8,696,096
Current liabilities			
Trade and other payables	15	11,854,564	11,674,258
Lease liabilities	16	3,792,052	3,975,524
Deferred government grants	17	2,750,075	1,841,161
		18,396,691	17,490,943
Total liabilities		22,992,343	26,187,039
Total funds and liabilities		184,859,292	168,661,681
Members Guarantee			
4 (2023: 4) members of $100 each		400	400

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

Statement of financial activities
Year ended 31 March 2024

	Note	2024 Accumulated Fund (unrestricted) $	Fair Value Reserve (unrestricted) $	Patient Welfare Fund (restricted) $	Sinking Fund (restricted) $	Total Funds $
Incoming resources:						
Incoming resources from generated funds:						
- Donation income	18	341,536	–	23,300	–	364,836
- Investment income	19	4,667,935	–	–	–	4,667,935
Incoming resources from charitable activities	20	81,200,355	–	–	–	81,200,355
Total incoming resources		86,209,826	–	23,300	–	86,233,126
Resources expended:						
Costs of generating funds:						
- Donation expenses	21	(103,040)	–	–	–	(103,040)
Charitable activities:						
- Other costs		(66,680,348)	–	(158,077)	–	(66,838,425)
- Finance costs from lease liabilities		(300,561)	–	–	–	(300,561)
	22	(66,980,909)	–	(158,077)	–	(67,138,986)
Total resources expended		(67,083,949)	–	(158,077)	–	(67,242,026)
Net incoming resources/(resources expended) for the year		19,125,877	–	(134,777)	–	18,991,100
Other comprehensive income:						
Items that will not be reclassified to income or expenditure:						
Equity investments at FVOCI – net change in fair value		–	(2,898)	–	–	(2,898)
Total items that will not be reclassified to income or expenditure		–	(2,898)	–	–	(2,898)

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

Statement of financial activities (cont'd)
Year ended 31 March 2024

	2024				
	Accumulated Fund (unrestricted) $	**Fair Value Reserve (unrestricted) $**	**Patient Welfare Fund (restricted) $**	**Sinking Fund (restricted) $**	**Total Funds $**
Items that are or may be reclassified subsequently to income or expenditure:					
Debt investments at FVOCI – net change in fair value	–	376,380	–	–	376,380
Debt investments at FVOCI – reclassified to income or expenditure	–	27,725	–	–	27,725
Total items that are or may be reclassified subsequently to income or expenditure	–	404,105	–	–	404,105
Total comprehensive income for the year	19,125,877	401,207	(134,777)	–	19,392,307
Total funds brought forward	138,144,376	278,966	413,300	3,638,000	142,474,642
Total funds carried forward	157,270,253	680,173	278,523	3,638,000	161,866,949

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

Statement of financial activities (cont'd)
Year ended 31 March 2024

	Note	Accumulated Fund (unrestricted) $	Fair Value Reserve (unrestricted) $	Patient Welfare Fund (restricted) $	Sinking Fund (restricted) $	Total Funds $
		2023				
Incoming resources:						
Incoming resources from generated funds:						
- Donation income	18	667,632	–	2,488	–	670,120
- Investment income	19	1,316,157	–	–	–	1,316,157
Incoming resources from charitable activities	20	75,348,824	–	–	–	75,348,824
Total incoming resources		77,332,613	–	2,488	–	77,335,101
Resources expended:						
Costs of generating funds:						
- Donation expenses	21	(174,678)	–	–	–	(174,678)
Charitable activities:						
- Other costs		(59,996,271)	–	(91,282)	–	(60,087,553)
- Finance costs from lease liabilities		(90,754)	–	–	–	(90,754)
	22	(60,087,025)	–	(91,282)	–	(60,178,307)
Total resources expended		(60,261,703)	–	(91,282)	–	(60,352,985)
Net incoming resources/(resources expended) for the year		17,070,910	–	(88,794)	–	16,982,116
Other comprehensive income:						
Items that will not be reclassified to income or expenditure:						
Equity investments at FVOCI – net change in fair value		–	(712,259)	–	–	(712,259)
Total items that will not be reclassified to income or expenditure		–	(712,259)	–	–	(712,259)

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

Statement of financial activities (cont'd)
Year ended 31 March 2024

	2023				
	Accumulated Fund (unrestricted) $	**Fair Value Reserve (unrestricted) $**	**Patient Welfare Fund (restricted) $**	**Sinking Fund (restricted) $**	**Total Funds $**
Items that are or may be reclassified subsequently to income or expenditure:					
Debt investments at FVOCI – net change in fair value	–	(563,469)	–	–	(563,469)
Debt investments at FVOCI – reclassified to income or expenditure	–	200,527	–	–	200,527
Total items that are or may be reclassified subsequently to income or expenditure	–	(362,942)	–	–	(362,942)
Total comprehensive income for the year	17,070,910	(1,075,201)	(88,794)	–	15,906,915
Total funds brought forward	121,073,466	1,354,167	502,094	3,638,000	126,567,727
Total funds carried forward	138,144,376	278,966	413,300	3,638,000	142,474,642

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

Statement of cash flows
Year ended 31 March 2024

	Note	2024 $	2023 $
Cash flows from operating activities			
Net incoming resources for the year		18,991,100	16,982,116
Adjustments for:			
Depreciation of property, plant and equipment	4	693,678	594,484
Depreciation of right-of-use assets	5	3,769,190	3,969,581
Amortisation of intangible assets	6	5,166	5,319
Interest income	19	(3,513,415)	(1,898,741)
Net change in fair value of financial assets designated at FVTPL	19	(595,124)	848,141
Loss on derecognition of debt investments at FVOCI – reclassified to income or expenditure	19	27,725	200,527
Dividend income	19	(587,121)	(466,084)
Impairment loss on receivables	22	105,774	224,347
Loss/(gain) on disposal of property, plant and equipment	22	5,618	(8,864)
Property, plant and equipment written off	22	33,117	59,491
Interest expenses on lease liabilities	24	300,561	90,754
		19,236,269	20,601,071
Changes in working capital:			
Inventories		53,370	7,362
Trade and other receivables		(2,621,886)	(5,083,932)
Trade and other payables		180,306	1,113,073
Deferred government grants		1,083,386	(1,106,457)
Net cash generated from operating activities		17,931,445	15,531,117
Cash flows for investing activities			
Acquisition of investments, net		(1,013,209)	(3,837,318)
Proceeds from disposal of investments		23,595,204	–
Interest received		3,006,166	1,584,274
Proceeds from disposal of property, plant and equipment		–	8,864
Purchase of property, plant and equipment	4	(1,162,078)	(1,126,899)
Purchase of intangible assets	6	–	(5,602)
Purchase of investment property	7	(12,782,163)	–
Placement of other financial assets	12	(22,459,000)	(13,995,549)
Dividend received		587,121	466,084
Net cash used in investing activities		(10,227,959)	(16,906,146)
Cash flows for financing activities			
Rental subvention from government	16	3,714,580	3,443,685
Repayment of lease liabilities	16	(3,718,750)	(3,953,259)
Interest paid	16	(300,561)	(90,754)
Net cash used in financing activities		(304,731)	(600,328)
Net increase/(decrease) in cash and cash equivalents		7,398,755	(1,975,357)
Cash and cash equivalents at 1 April		19,402,776	21,378,133
Cash and cash equivalents at 31 March	11	26,801,531	19,402,776

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

Notes to the financial statements

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Board of Directors on 12 September 2024.

1 Domicile and activities

Ang Mo Kio - Thye Hua Kwan Hospital Ltd (the "Company") is incorporated in the Republic of Singapore as a company limited by guarantee. The address of the Company's registered office is 1 North Bridge Road, #23-03, High Street Centre, Singapore 179094.

The Company was registered as a charity under the Singapore Charities Act 1994 on 27 March 2002. The Company is approved as an institution of a public character ("IPC") under the provisions of the Income Tax Act.

The principal activities of the Company are those relating to the carrying on of the business of the hospital offering rehabilitation and sub-acute care to patients. The Company is a not-for-profit entity whose mission is:

- To serve and to reach out to our patients, their families and the community, regardless of race, colour, creed, language, culture and religion.

- To rehabilitate and heal with commitment and professionalism in an environment of continuous learning and growth.

The Company was initially established as Ang Mo Kio Community Hospital under the auspices of the SingHealth group to serve increasing convalescent and rehabilitative needs in Singapore. In 2002, with the change in the role of community hospitals within the healthcare structure, the Company was divested from the SingHealth group.

The Company was assumed under the Thye Hua Kwan Moral Society and re-named as Ang Mo Kio – Thye Hua Kwan Hospital with the same shared vision of serving patients needing continual convalescent and rehabilitation care.

The Company provides a full spectrum of continuous rehabilitation and stepdown services for patients and their families in sync with its vision and mission.

2 Basis of preparation

2.1 Statement of compliance

The financial statements have been prepared in accordance with Financial Reporting Standards in Singapore ("FRS"). The changes to material accounting policy information are described in Note 2.5.

2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis, except as otherwise described in the notes 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 about the future, 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 and are consistent with the Company's risk management where appropriate. Revisions to accounting estimates are recognised prospectively.

Information about assumptions and estimation uncertainties at reporting date that have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the next financial year are included in Note 26 - Measurement of expected credit loss ("ECL") allowance on trade receivables.

Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in 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).

The Company recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following note:
- Note 26 – Financial instruments

2.5 Changes in material accounting policies

New accounting standards and amendments

The Company has applied the following FRSs, amendments to and interpretations of FRS for the first time for the annual period beginning on 1 April 2023:

- FRS 117: *Insurance Contracts*
- Amendments to FRS 12: *Deferred tax related to Assets and Liabilities arising from a Single Transaction*
- Amendments to FRS 12: *International Tax Reform – Pillar Two Model Rules*
- Amendments to FRS 1 and FRS Practice Statement 2: *Disclosure of Accounting Policies*
- Amendments to FRS 8: *Definition of Accounting Estimates*

Other than the below, the application of these amendments to accounting standards and interpretations does not have a material effect on the financial statements.

Material accounting policy information

The Company adopted Amendments to FRS 1 and FRS Practice Statement 2: *Disclosure of Accounting Policies* for the first time in 2023. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of 'material', rather than 'significant', accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

Management reviewed the accounting policies and made updates to the information disclosed in Note 3 Material accounting policies (2023: Significant accounting policies) in certain instances in line with the amendments.

3 Material accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, except as explained in Note 2.5, which addresses changes in material accounting policies.

3.1 Financial instruments

(i) Recognition and initial measurement

Non-derivative financial assets and financial liabilities

Trade receivables and debt investments are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, transaction costs that are directly attributable to its acquisition or issue, for an item not at fair value through profit or loss ("FVTPL"). A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent measurement

Non-derivative financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income ("FVOCI") – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt investments at FVOCI

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Equity investments at FVOCI

On initial recognition of an equity investment that is not held-for-trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income ("OCI"). This election is made on an investment-by-investment basis.

Financial assets at FVTPL

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Non-derivative financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Non-derivative financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in income or expenditure.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in income or expenditure. Any gain or loss on derecognition is recognised in income or expenditure.

Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in income or expenditure. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to income or expenditure.

Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in income or expenditure unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to income or expenditure.

Non-derivative financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in income or expenditure. Directly attributable transaction costs are recognised in income or expenditure as incurred.

Other 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. Interest expense and foreign exchange gains and losses are recognised in income or expenditure.

(iii) Derecognition

Financial assets

The Company derecognises a financial asset 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 either
  - substantially all of the risks and rewards of ownership of the financial asset are transferred; or
  - the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Transferred assets are not derecognised when the Company enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged, cancelled, or expired. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in income and expenditure.

(iv) 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 either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

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

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

(v) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and short-term deposits with maturities of three months or less from the date of acquisition that are subject to an insignificant risk of changes in their fair value, and are used by the Company in the management of its short-term commitments.

3.2 Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Cost is stated net of related government grants (Note 3.8).

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes:

- the cost of materials and direct labour;
- any other costs directly attributable to bringing the asset to a working condition for their intended use;
- when the Company has an obligation to remove the asset or restore the site, an estimate of the cost of dismantling and removing the items and restoring the site on which they are located; and
- capitalised borrowing costs.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Where an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The gain or loss on disposal of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and is recognised net within the statement of financial activities.

Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within that part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced component is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in the statement of financial activities as incurred.

Low value assets costing less than $1,000 individually are written off in the period of outlay.

Donated property, plant and equipment received costing less than $1,000 is written off in the period of receipt. The corresponding donation income is recognised in the statement of financial activities in the period of receipt. Donated property, plant and equipment received costing more than $1,000 are capitalised and depreciated over their useful lives so as to match the related amortisation of the deferred income (see Note 3.10(vi)).

Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Depreciation is recognised as an expense in the statement of financial activities on a straight-line basis over their estimated useful lives of each part of an item of property, plant and equipment unless it is included in the carrying amount of another asset.

Depreciation is recognised from the date that the property, plant and equipment are installed and are ready for use.

The estimated useful lives for the current and comparative years are as follows:

Medical and hospital equipment	5 to 10 years
Computer equipment	3 years
Office equipment	5 years
Furniture and fittings	8 years
Right-of-use asset - Leased building	Over the remaining lease term of 3 years

Depreciation methods, useful lives and residual values are reviewed, and adjusted as appropriate, at each reporting date.

Construction work-in-progress is stated at cost. Expenditure relating to construction work-in-progress are capitalised when incurred. The assets are not depreciated until the construction is completed and are ready for use.

3.3 Investment property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment property is measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of investment property. The cost includes cost directly attributable to bringing the investment property to a working condition for their intended use.

Investment property is depreciated in the month it is ready for use.

3.4 Impairment

(i) Non-derivative financial assets

The Company recognises loss allowances for ECLs on:

- financial assets measured at amortised cost; and
- debt investments measured at FVOCI.

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 or contract asset.

Simplified approach

The Company applies the simplified approach to provide for ECLs for all trade receivables. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

General approach

The Company applies the general approach to provide for ECLs on all other 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 including 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 2 years past due.

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

Measurement of ECLs

ECLs are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity 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 investments 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 debtor;
- a breach of contract such as a default or remains outstanding for more than 730 days, taking into consideration historical payment track records;
- 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 are deducted from the gross carrying amount of these assets.

For debt investments at FVOCI, loss allowances are charged to income or expenditure and recognised in OCI.

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.

(ii) Non-financial assets

The carrying amounts of the Company's non-financial assets, other than inventories, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit ("CGU") exceeds its estimated recoverable amount. A CGU is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups.

Impairment losses are recognised in the statement of financial activities. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGU.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. In assessing 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 or CGU.

The Company's corporate assets do not generate separate cash inflows and are utilised by more than one CGU. Corporate assets are allocated to CGUs on a reasonable and consistent basis and tested for impairment as part of the testing of the CGU to which the corporate asset is allocated.

Impairment losses are recognised in income or expenditure.

Impairment losses recognised in prior years are assessed at each reporting date for any indications that the loss has decreased or no longer exists for all assets. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. 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 determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.5 Employee benefits

(i) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in statement of financial activities in the periods during which related services are rendered by employees.

(ii) Short-term employee benefits

All short-term employee benefits, including accumulated compensated absences, are recognised in the statement of financial activities in the period in which the employees render their services.

3.6 Government grants

Government grants for the purchase of property, plant and equipment and intangible assets are initially recognised as deferred income at fair value when there is reasonable assurance that they will be received and the Company will comply with conditions associated with the grant. These grants are then recognised in the statement of financial activities as "other income" on a systematic basis over the useful life of the asset to match the corresponding depreciation expense and amortisation expense respectively.

Government grants that compensate the Company for expenses incurred are recognised in the statement of financial activities as "other income" on a systematic basis in the periods in which the expenses are recognised, unless the conditions for receiving the grant are met after the related expenses have been recognised. In this case, the grant is recognised when it becomes receivable.

3.7 Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax that reflects current market assessments of the time value of money and the risks specific to the liability.

3.8 Incoming resources

(i) Provision of medical services

Revenue from patient and related services is recognised when the Company satisfies a performance obligation ("PO") by transferring control of a promised medical service to the customer. The amount of revenue recognised is the amount of the transaction price allocated to the satisfied PO.

The transaction price is allocated to each PO in the contract on the basis of the relative stand-alone selling prices of the promised medical services. The individual standalone selling price of a medical service that has not previously been sold on a stand-alone basis, or has a highly variable selling price, is determined based on the residual portion of the transaction price after allocating the transaction price to medical services with observable stand-alone selling prices.

Transaction price is the amount of consideration in the contract to which the Company expects to be entitled in exchange for transferring the promised medical services. The transaction price may be fixed or variable and is adjusted for time value of money if the contract includes a significant financing component. Consideration payable to a customer is deducted from the transaction price if the Company does not receive a separate identifiable benefit from the customer.

When consideration is variable, the estimated amount is included in the transaction price to the extent that it is highly probable that a significant reversal of the cumulative revenue will not occur when the uncertainty associated with the variable consideration is resolved.

Revenue is net of government subsidies and excludes goods and services taxes or other sales taxes.

Revenue may be recognised at a point in time or over time following the timing of satisfaction of the PO.

(ii) Government subvention income

Government subvention income is accounted for on an accrual basis in the statement of financial activities when there is reasonable assurance that the Company has complied with all the terms and conditions attached to the subvention and that there is reasonable certainty that the subvention will be received.

(iii) Rental income

Rental income receivable under operating leases is recognised on a straight-line basis over the term of the lease.

(iv) Service charge income

Service charge income is recognised when services are rendered.

(v) Retail pharmacy income and sales to other hospitals

Retail pharmacy income and sales to other hospitals are recognised when goods have been transferred to the buyer.

(vi) Donation income

Donations, other than those specified below, are recognised in the period of receipt.

Donations of property, plant and equipment and cash donation received, which is designated for property, plant and equipment purchases with individual value of more than $1,000 is taken to deferred income in the period of receipt. The deferred income is amortised over the useful life of the property, plant and equipment by crediting to the statement of financial activities an amount so as to match the related depreciation expense.

Cash donation which is designated for specific use other than for property, plant and equipment purchases is taken to donation fund account in the period of receipt. The donation income is recognised in the statement of financial activities when the relevant expenditure is incurred.

(vii) Other income

Other income comprises grant income designated for training purposes, wage credit scheme and employee credits received or receivable from the Government. Other income is recognised in income and expenditure when the relevant qualifying costs are incurred.

3.9 Investment income

Investment income comprises net change in fair value of financial assets through income or expenditure, dividend and interest income on funds invested.

Dividend income is recognised in income or expenditure on the date which the Company's right to receive payment is received.

Interest income from funds invested is recognised as it accrues, using the effective interest method.

3.10 Interest income and interest expenses

Interest income comprises interest income on funds invested in FVOCI – debt investments and fixed deposits. Interest income is recognised as it accrues in income or expenditure, using the effective interest method.

Interest expenses comprise of interest expense from lease liabilities.

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.

3.11 Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

(i) As a lessee

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property, the Company has elected not to separate non-lease components and account for lease and non-lease component as a single lease component.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in income or expenditure if the carrying amount of the right-of-use asset has been reduced to zero.

The Company presents right-of-use assets that do not meet the definition of investment property in ‘right-of-use assets’ and lease liabilities in ‘lease liabilities’ in the statement of financial position.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(ii) As a lessor

At inception or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

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

If an arrangement contains lease and non-lease components, then the Company applies FRS 115 to allocate the consideration in the contract.

The Company applies the derecognition and impairment requirements in FRS 109 to the net investment in the lease (see note 3.6(i)). The Company further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.

Rental income from sub-leased property is recognised as ‘rental income’.

3.12 Resources expended

Resources expended comprise the following:

(i) Costs of generating funds

Costs of generating funds include the costs of activities carried out to generate incoming resources, which will be used to undertake charitable activities.

(ii) Charitable activities

Charitable activities include both direct and related support costs relating to general running of the Company in generating funds and service delivery.

3.13 Funds structure

Unrestricted funds are available for use at the discretion of the management in furtherance of the general objectives of the Company.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

3.14 Reserves policy

The reserves of the Company provide financial stability and the means for the development of the Company’s activities. The Company maintains the reserves at a level sufficient for its operating needs.

3.15 Tax

As a registered charity under the Singapore Charities Act 1994, the Company is exempted from income tax under the Income Tax Act 1947.

3.16 New standards and interpretations not adopted

A number of new standards, interpretations and amendments to standards are effective for annual periods beginning after 1 April 2023 and earlier application is permitted; however, the Company has not early adopted the new or amended standards and interpretations in preparing these financial statements.

- Amendments to FRS 1: *Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants*
- Amendments to FRS 7 and FRS 107: *Supplier Finance Arrangements*
- Amendments to FRS 116: *Lease Liability in a Sale and Leaseback*
- Amendments to FRS 21: *Lack of Exchangeability*

The Company is in the process of assessing the impact of the new accounting standards and amendments to standards on its financial statements.

4 Property, plant and equipment

	Medical and hospital equipment $	Computer equipment $	Office equipment $	Furniture and fittings $	Total $
Cost					
At 1 April 2022	651,254	737,138	735,897	875,354	2,999,643
Additions	310,972	465,909	75,910	274,108	1,126,899
Disposals	–	(144,224)	–	–	(144,224)
Written off	(129,632)	(128,198)	(79,895)	(28,887)	(366,612)
At 31 March 2023	832,594	930,625	731,912	1,120,575	3,615,706
Additions	432,433	118,179	408,479	202,987	1,162,078
Disposals	(106,707)	(46,177)	(13,261)	(1,720)	(167,865)
Written off	(33,117)	–	–	–	(33,117)
At 31 March 2024	1,125,203	1,002,627	1,127,130	1,321,842	4,576,802
Accumulated depreciation					
At 1 April 2022	278,213	404,578	526,345	579,563	1,788,699
Depreciation charge for the year	155,403	280,344	71,558	87,179	594,484
Disposals	–	(144,224)	–	–	(144,224)
Written off	(85,050)	(128,198)	(69,813)	(24,060)	(307,121)
At 31 March 2023	348,566	412,500	528,090	642,682	1,931,838
Depreciation charge for the year	220,132	274,273	97,343	101,930	693,678
Disposals	(101,398)	(46,176)	(13,044)	(1,628)	(162,246)
At 31 March 2024	467,300	640,597	612,389	742,984	2,463,270
Carrying amounts					
At 1 April 2022	373,041	332,560	209,552	295,791	1,210,944
At 31 March 2023	484,028	518,125	203,822	477,893	1,683,868
At 31 March 2024	657,903	362,030	514,741	578,858	2,113,532

5 Right-of-use assets

	Leased building $	Office equipment $	Total $
Cost			
At 1 April 2022	28,170,136	20,681	28,190,817
Addition	–	6,884	6,884
At 31 March 2023	28,170,136	27,565	28,197,701
Addition	–	58,901	58,901
Derecognition	–	(13,064)	(13,064)
Lease modifications	(624,067)	–	(624,067)
At 31 March 2024	27,546,069	73,402	27,619,471
Accumulated depreciation			
At 1 April 2022	11,786,924	10,167	11,797,091
Depreciation for the year	3,963,593	5,988	3,969,581
At 31 March 2023	15,750,517	16,155	15,766,672
Depreciation for the year	3,753,641	15,549	3,769,190
Derecognition	–	(13,064)	(13,064)
At 31 March 2024	19,504,158	18,640	19,522,798
Carrying amounts			
At 1 April 2022	16,383,212	10,514	16,393,726
At 31 March 2023	12,419,619	11,410	12,431,029
At 31 March 2024	8,041,911	54,762	8,096,673

6 Intangible assets

	Computer software $	Work-in-progress $	Total $
Cost			
At 1 April 2022	572,926	3,000	575,926
Addition	5,602	–	5,602
Disposals	(225,183)	–	(225,183)
Reclassification	3,000	(3,000)	–
At 31 March 2023	356,345	–	356,345
Disposals	(11,550)	–	(11,550)
At 31 March 2024	344,795	–	344,795
Accumulated amortisation			
At 1 April 2022	560,324	–	560,324
Amortisation charge for the year	5,319	–	5,319
Disposals	(225,183)	–	(225,183)
At 31 March 2023	340,460	–	340,460
Amortisation charge for the year	5,166	–	5,166
Disposals	(11,550)	–	(11,550)
At 31 March 2024	334,076	–	334,076

	Computer software $	Work-in-progress $	Total $
Carrying amounts			
At 1 April 2022	12,602	3,000	15,602
At 31 March 2023	15,885	–	15,885
At 31 March 2024	10,719	–	10,719

7 Investment property

	$
At 1 April 2023	–
Acquisition	12,782,163
At 31 March 2024	12,782,163

During the financial year, the Company purchased eight units of freehold office space at Solitaire on Cecil to diversify the risk of investment and preserve capital through generating rental income and capital appreciation. The property is estimated to obtain Temporary Occupation Permit (“TOP”) in April 2028.

As the investment property is still under construction as at the year-end, there were no amounts recognised in profit or loss for rental income and direct operating expenses.

Measurement of fair value

The fair value of investment properties is determined by the management.

Fair value hierarchy

The fair value measurement for the investment property of $13,063,262 has categorised as a Level 2 fair value based on recent transaction of the same property development.

Valuation technique

The Company’s valuation technique in measuring the fair value of the investment property is the direct comparison method and inputs used are based on recent sales of similar properties within the development and in the vicinity. Adjustments are made for any differences in location, size, age and date of transactions.

8 Investments

	2024 $	2023 $
Non-current investments		
Debt investments – at FVOCI	13,603,337	13,292,754
Fixed income funds – at FVTPL	24,901,288	46,747,814
	38,504,625	60,040,568
Current investments		
Debt investments – at FVOCI	3,219,781	4,307,538
Equity investments – at FVOCI	11,256,065	10,245,754
	14,475,846	14,553,292
Total investments	52,980,471	74,593,860

Debt investments bear interest rates of 2.10% to 5.25% (2023: 1.88% to 6.00%) per annum with maturity dates from 2024 to 2033 (2023: 2024 to 2032).

The Company's exposure to market risk and fair value information related to investments are disclosed in Note 26.

9 Inventories

	2024 $	2023 $
Pharmaceutical supplies	83,963	100,590
Medical and surgical supplies	84,894	121,637
	168,857	222,227

In 2024, inventories of $2,431,172 (2023: $2,487,465) were recognised as an expense during the year and included in 'supplies and consumables' (see Note 22).

In addition, inventories have been reduced by $2,874 (2023: $5,940) as a result of the write-down to net realisable value. The write-downs are included in 'supplies and consumables' (see Note 22).

10 Trade and other receivables

	2024 $	2023 $
Trade receivables	1,327,248	2,199,341
Unbilled receivables	5,193,862	5,462,872
Allowance for doubtful receivables	(367,953)	(269,941)
	6,153,157	7,392,272
Amounts due from other hospitals	278,162	486,883
Government grant receivables	6,718,375	7,113,269
Other receivables	519,113	140,765
Deposits	1,011,055	1,011,055
Interest receivable	1,047,736	540,487
	15,727,598	16,684,731
Prepayments	545,580	279,666
	16,273,178	16,964,397

The Company's exposure to credit and interest rate risks related to trade and other receivables are disclosed in Note 26.

11 Cash and cash equivalents

	2024 $	2023 $
Cash at bank and in hand	19,887,718	20,663,434
Fixed deposits with financial institutions	8,000,000	–
Cash and cash equivalents in statement of financial position	27,887,718	20,663,434
Less: Cash at bank in Medifund/FAS Account	(1,086,187)	(1,260,658)
Cash and cash equivalents in statement of cash flows	26,801,531	19,402,776

The effective interest rate of cash and cash equivalents is 0.2% to 4.31% (2023: 3.58% to 4.03%) per annum.

Included in cash at bank and in hand is $1,086,187 (2023: $1,260,658) held on behalf of the Medifund and Financial Assistance Scheme (FAS) account.

12 Other financial assets

	2024 $	2023 $
Fixed deposits with financial institutions	64,545,981	42,086,981

The effective interest rate of the fixed deposits is 3.94% to 4.20% (2023: 0.2% to 4.30%) per annum. Interest rate reprices between six months to one year.

13 Restricted funds

		2024 $	2023 $
Patient welfare fund	(a)	278,523	413,300
Sinking fund	(b)	3,638,000	3,638,000
		3,916,523	4,051,300

(a) Patient welfare fund

Patient welfare fund was set up by the Company to provide further financial assistance to the needy patients. This fund further assists the needy patients with the settlement of their outstanding hospital bills. This fund also allows the hospital's patients an alternative avenue for further financial aid to the retrofitting of their homes and purchasing of furniture to enable the patients to have a safe home environment upon discharge of the patients, as well as assisting the needy patients to purchase wheelchairs, walking aids and other necessities relating to the welfare of the patients.

(b) Sinking fund

Sinking fund was set up by the Company for the purpose of major replacements or acquisition of property, plant and equipment.

14 Fair value reserve

Fair value reserve comprises the cumulative net change in the fair values of financial assets designated at FVOCI until the investments are derecognised or impaired.

15 Trade and other payables

	2024 $	2023 $
Trade payables	2,574,456	2,083,497
Accrued operating expenses	6,612,943	6,492,103
Liability for short-term accumulating compensated absences	744,706	708,994
Other payables	246,130	391,440
	10,178,235	9,676,034
Others – Medifund grant	1,086,228	1,260,658
Net GST payable	590,101	737,566
	11,854,564	11,674,258

Others – Medifund grant

Medifund and Medifund Silver are meant to act as a safety net for needy patients to ensure that no Singaporean is denied basic healthcare because of inability to pay. Medifund and Medifund Silver would help a needy patient who faces difficulty affording the remaining portion of his subsidised medical bill, after drawing on all other means of payment – Medisave, MediShield, personal medical insurance, employer-provided medical benefits and cash.

Both Medifund and Medifund Silver cover Singaporeans receiving subsidised inpatient or outpatient treatments in Medifund-approved institutions.

16 Lease liabilities

	2024 $	2023 $
Non-current	4,595,652	8,696,096
Current	3,792,052	3,975,524
	8,387,704	12,671,620

Market and liquidity risks

Information about the Company’s exposure to interest rate and liquidity risks is included in Note 26.

Terms and debt repayment schedule

Terms and conditions of outstanding loans and borrowings are as follows:

	Nominal interest rate %	Year of maturity	Face value $	Carrying amount $
2024				
Leased building	3.43	2026	8,658,000	8,332,332
Office equipment	0.94	2027	57,682	55,372
			8,715,682	8,387,704
2023				
Leased building	0.61	2026	12,786,430	12,660,129
Office equipment	0.94 – 2.94	2027	11,580	11,491
			12,798,010	12,671,620

Reconciliation of movements to cash flows arising from financing activities

	Lease liabilities $
Balance as at 1 April 2022	16,617,995
Changes from financing cash flows	
Interest paid	(90,754)
Payment of lease liabilities	(3,953,259)
Rental subvention from government	3,443,685
Total changes from financing cash flows	(600,328)
Other changes	
Rental subvention from government	(3,702,727)
New lease	6,884
Subvention receivable	259,042
Interest expense	90,754
Total other changes	(3,346,047)
Balance as at 31 March 2023	12,671,620
Balance as at 1 April 2023	12,671,620
Changes from financing cash flows	
Interest paid	(300,561)
Payment of lease liabilities	(3,718,750)
Rental subvention from government	3,714,580
Total changes from financing cash flows	(304,731)
Other changes	
Rental subvention from government	(3,856,028)
New lease	58,901
Subvention receivable	141,448
Interest expense	300,561
Lease modifications	(624,067)
Total other changes	(3,979,185)
Balance as at 31 March 2024	8,387,704

As at 31 March 2024, the Company has received $3,714,580 (2023: $3,443,685) and recognised $2,051,655 (2023: $1,910,207) of receivable from Ministry of Health as government grant for leases.

17 Deferred government grants

	2024 $	2023 $
Grants received from Community Silver Trust Fund	2,750,075	1,841,161
At 1 April	1,841,161	2,947,618
Grant received	2,293,800	–
Grant utilised for qualifying expenses	(742,565)	(308,701)
Grant utilised for Enhancement Projects	(642,321)	(797,440)
Refund of prior year unutilised grant to AIC	–	(316)
At 31 March	2,750,075	1,841,161

The Agency for Integrated Care ("AIC") will provide a matching grant of one dollar for every donation dollar raised for Intermediate and Long-term Care ("ILTC") programmes by the Company.

The purpose of the CST matching grant is to enhance the Company's capabilities and provide value-added services in relation to ILTC programmes to achieve higher quality care and affordable step-down care. The CST matching grant may be used to fund recurring operating expenses and Enhancement Projects as described below.

Enhancement Projects are programmes or initiatives introduced by certain Operating Units to:

(i) enhance the range of and innovate existing ILTC services;
(ii) improve their organisational capabilities; and
(iii) increase their capacity.

Upon utilising the grant to purchase property, plant and equipment for Enhancement Projects, the grant is recognised as deferred income and is recognised in the statement of financial activities as 'other income' on a systematic basis over the useful life of the asset to match the corresponding depreciation expense.

The CST matching grant has to be utilised before 31 March 2026 for different projects and AIC has the right to clawback the balance amounts in the event the grants are not used by the stipulated deadline.

18 Donation income

Tax-exempt receipts of $364,836 (2023: $670,120) were issued during the year.

19 Investment income/(expenditure)

	2024 $	2023 $
Net change in fair value of financial assets designated at FVTPL	595,124	(848,141)
Loss on derecognition of debt investments at FVOCI – reclassified to income or expenditure	(27,725)	(200,527)
Dividend income	587,121	466,084
Interest income from:		
- Fixed deposits	2,440,913	956,237
- Debt investments	1,072,502	942,504
	4,667,935	1,316,157

20 Incoming resources from charitable activities

	2024 $	2023 $
Government subvention income	42,504,976	34,792,325
Patient and related revenue from provision of medical services	23,763,870	27,675,380
Retail pharmacy income	882,840	1,075,439
Sales to other hospitals	49,911	49,849
Rental income	1,221,214	1,538,481
Service charge income	918,854	1,188,232
Grant income		
- Community Hospital Common System Operating Expenditure	–	778,136
- Community Care Salary Enhancement	8,233,582	4,701,718
- Covid-19 Healthcare Award	–	41,610
- CST matching grant	1,228,592	308,701
- Others	779,014	2,062,677
Others	1,617,502	1,136,276
	81,200,355	75,348,824

'Others' in grant income mainly comprise the senior management associate scheme grant, job growth incentives and enhanced nurse special payments.

'Others' mainly comprise training income earned.

Ministry of Health (MOH) grant

The purpose of MOH grants is to fund patient requiring rehabilitation and subacute care in Community Hospitals that provide intermediate care facilities to patients. The funding also covers dialysis, outpatient and home care services for the elderly.

The MOH grant includes rental subvention to fund the Hospital on its Temporary Occupation License fees that are payable to the Singapore Land Authority.

The following table provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies:

Patient and related revenue

Nature of goods or services	The Company generates revenue from the provision of inpatient and outpatient services, and supply of drugs.
When income is recognised	For inpatient services, income is recognised over time when the medical services are provided to the patients. For revenue relating to other patient and related income, revenue is recognised at a point in time upon completion of medical services and supply of drugs.
Significant payment terms	Payment is due when invoice is issued and payables within 30 days.

Retail pharmacy income

Nature of goods or services	The Company generates revenue from provision of medical and related items to customers.
When income is recognised	Income is recognised at a point in time when the Company satisfies a performance obligation when the goods are transferred to a customer.
Significant payment terms	Payment is due upon delivery to customers.

Sales to other hospitals

Nature of goods or services	The Company generates revenue from provision of drugs and pharmaceutical supplies to other hospitals.
When income is recognised	Income is recognised at a point in time when the Company satisfies a performance obligation when the goods are transferred to other hospitals.
Significant payment terms	Payment is due when invoice is issued monthly and payables within 30 days.

Rental income and service charge income

Nature of goods or services	The Company generates rental and service charge revenue under operating leases to hospitals and service providers.
When income is recognised	The Company recognises revenue over time on a straight-line basis over the lease term.
Significant payment terms	Payment is due when invoice is issued monthly and payables within 30 days.

21 Cost of generating funds – donation expenses

	2024 $	2023 $
Fund-raising cost in current financial year	98,503	167,530
Others	4,537	7,148
	103,040	174,678

The Company incurred fund raising costs of $98,503 (2023: $167,530), out of which, $98,503 (2023: $86,956) is payable to an affiliated company, Thye Hua Kwan Moral Society, to procure donations for the Company.

22 Charitable activities

	Note	2024 $	2023 $
Amortisation of intangible assets	6	5,166	5,319
Advertising and promotion		15,728	12,000
Audit fees paid/payable to:			
- auditors of the Company		99,122	71,068
- other auditors		17,350	–
Non-audit fees paid/payable to:			
- auditors of the Company		19,203	14,900
Contract services		8,433,042	6,947,102
Depreciation of property, plant and equipment	4	693,678	594,484
Depreciation of right-of-use assets	5	3,769,190	3,969,581
Disallowed input goods and services tax		1,653,634	996,815
Loss/(gain) on disposal of property, plant and equipment		5,618	(8,864)
Impairment loss on receivables		105,774	224,347
Insurance		107,669	96,876
Interest expenses on lease liabilities	24	300,561	90,754
Inventories written off		2,874	5,940
Legal and professional fees		22,993	32,182
Low value assets written off		244,933	289,174
Medical professional fees		1,137,095	1,062,557
Operating lease expenses		23,440	24,766
Property, plant and equipment written off		33,117	59,491
Repairs and maintenance		503,696	678,355
Staff costs (see below)		45,024,762	40,407,778
Supplies and consumables		2,765,378	2,804,141
Utilities		1,374,065	1,126,066
Other expenses		780,898	673,475
		67,138,986	60,178,307

Staff costs:		
- Wages and salaries	38,477,037	34,919,993
- Contribution to defined contribution plans	2,549,311	2,383,518
- Foreign worker levies	2,067,991	1,508,745
- Other short-term benefits	1,930,423	1,595,522
	45,024,762	40,407,778

23 Income taxes

The Company is an approved charity organisation under the Singapore Charities Act 1994 and an Institution of a Public Character under the Income Tax Act 1947. No provision for taxation has been made in the financial statements as the Company is a registered charity with income tax exemption.

24 Leases

Leases as lessee

The Company leases the hospital building with Singapore Land Authority ("SLA"). The lease runs for a period of 3 years, with an option to renew the lease after that date.

The Company leases office equipment with contract terms of 3 to 5 years. Some of these leases are short-term and/or leases of low value items. The Company has elected not to recognise right-of-use assets and liabilities for these leases.

Information about leases for which the Company is a lessee is presented below.

Amounts recognised in income or expenditure

	2024 $	2023 $
Leases under FRS 116		
Interest on lease liabilities	(300,561)	(90,754)
Income from sub-leasing right-of-use assets presented in 'rental income'	1,221,214	1,538,481
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	(23,440)	(24,766)

Amounts recognised in statement of cash flows

	2024 $	2023 $
Cash outflow related to payments of lease liabilities and interest expenses arising from leases	(4,019,311)	(4,044,013)

Leases as lessor

The Company leases out its leased building (see Note 5). All leases are classified as operating leases from a lessor perspective.

Operating lease as lessor

The Company sub-leases out parts of its building. The Company has classified these leases as operating leases because they do not transfer substantially all the risks and rewards incidental to the ownership of the assets.

Rental income from building sub-lease recognised by the Company during 2024 was $1,057,481 (2023: $1,330,241) and the service charge income from the building sub-lease recognised by the Company was $918,854 (2023: $1,188,232).

The following table sets out a maturity analysis of payments, showing the undiscounted lease and service charge payments to be received after the reporting date.

	2024	**2023**
	$	**$**
Operating leases		
Within 1 year	184,335	1,844,254
After 1 year but within 5 years	105,210	82,415
Total	289,545	1,926,669

25 Related parties

Key management personnel compensation

Key management personnel of the Company are those persons having authority and responsibility for planning, directing and controlling the activities of the Company. The Board of Directors, Chief Executive Officer and Heads of Departments are considered key management personnel of the Company.

Key management personnel compensation comprised:

	2024	**2023**
	$	**$**
Short-term employee benefits	1,722,745	1,814,122
Contribution to defined contribution plan	116,716	112,602
	1,839,461	1,926,724

One key management personnel is a close family member of a board member.

The annual remuneration of the Company's three highest paid staff who each received remuneration exceeding $100,000, in the following bands in the year were as follows:

	2024	**2023**
Number of employees in bands:		
$300,001 to $400,000	1	2
$200,001 to $300,000	2	1

None of the directors earned any directors' fees or other remuneration in respect of their services to the Company during the current year and prior year.

Other related parties transactions

For the purposes of these financial statements, parties are considered to be related to the Company if the Company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

An affiliated company is defined as one in which a director of the Company is in a position to exercise significant influence.

Other than disclosed elsewhere in the financial statements, the transactions with related parties are as follows:

	2024 $	2023 $
Service fee paid to affiliated companies	86,706	623,599
Service fee received from affiliated companies	(1,006,728)	(590,883)

26 Financial instruments

Financial risk management

Overview

The Company has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the company's risk management framework. 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. The management continually monitors the Company's risk management process to ensure that an appropriate balance between risk and control is achieved. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or a counterparty to settle its financial and contractual obligations to the Company, as and when they fall due.

As at year end, significant concentration of credit risk relates to cash at bank and fixed deposits placed with financial institutions in Singapore and financial assets held on behalf by a custodian. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position. The Company does not hold any collateral in respect of its financial assets.

On investment activities, the Investment Committee limits investments to bonds with at least an investment grade of BBB-/Baa1 credit rating or above by Standard & Poor's or Moody's or equivalent, such as those rated by independent rating units of the fund managers. The fixed income securities comprise mainly corporate bonds with the above mentioned ratings.

Trade and other receivables

Management has a credit policy in place which establishes credit limits for corporate customers and monitors their balances on an ongoing basis. Credit evaluations are performed on corporate customers for which credit terms are granted. To minimise the risk of bad debts, non-corporate customers are generally requested to place an initial deposit at the time of admission to the hospital. Additional deposit is requested from the customers when the hospital charges exceed a certain level.

Whilst management believes that its credit policy is effective in reducing its credit risk exposure to an acceptable level, it has to adhere to its overruling principle of not turning away patients who need medical care regardless of their ability to pay. The Company does not require collateral in respect of trade and other receivables.

The Company's primary exposure to credit risk arises through its trade receivables. Concentration of credit risk relating to trade receivables is limited due to the Company's many varied patients and corporate customers. The Company evaluates whether there is any objective evidence that receivables are impaired, and determines the amount of impairment loss as a result of the inability of the debtors to make required payments. The Company determines the estimates based on the financial health of the debtors, aging of the receivables balance, credit-worthiness, and historical write-off experience. If the financial conditions of the debtors were to deteriorate, actual write-offs would be higher than estimated.

The Company's historical experience in the collection of accounts receivable falls within the recorded allowances. Due to these factors, management believes that no additional credit risk beyond the amounts provided for collection losses is inherent in the Company's trade receivables.

Exposure to credit risk

The maximum exposure to credit risk for trade and other receivables (excluding prepayments) at the reporting date (by type of customer) was as follows:

	Carrying amount	
	2024	**2023**
	$	**$**
Individual patients	7,165,202	7,259,361
Corporate customers	1,670,544	1,422,321
Government agencies	6,891,852	8,003,049
	15,727,598	16,684,731

The Company's most significant customer, a corporate customer, accounts for $354,842 (2023: $408,297) of the carrying amount of trade and other receivables as at the reporting date.

Impairment losses

The ageing of trade and other receivables at the reporting date was:

	2024		2023	
	Not credit-impaired*	**Credit-impaired**	**Not credit-impaired***	**Credit-impaired**
	$	**$**	**$**	**$**
Not past due	13,707,603	–	15,255,972	–
Past due up to 90 days	339,102	–	307,365	–
Past due more than 90 days	1,680,893	367,953	1,121,394	269,941
Total gross carrying amount	15,727,598	367,953	16,684,731	269,941
Loss allowance	–	(367,953)	–	(269,941)
	15,727,598	–	16,684,731	–

* *Excluding prepayments*

The Company believes that the amounts not impaired and are past due are still collectible, based on historical payment behaviour and extensive analyses of customer credit risk.

Expected credit loss assessment

The Company uses an allowance matrix to measure the ECLs of trade receivables from individual customers.

Loss rate are calculated using a ‘roll rate’ method based on the probability of a receivable progressing through successive stages of delinquency to write-off.

The following table provides information about the exposure to credit risk and ECLs for trade receivables for individual customers as at 31 March 2024:

	Weighted average loss rate	**Gross**	**Impairment losses**
	%	**$**	**$**
2024			
Individual			
Not past due	–	5,799,937	–
Past due 1 - 90 days	–	151,469	–
Past due 91 - 180 days	–	121,842	–
Past due 181 - 365 days	–	413,040	–
Past due 365 - 729 days	–	456,066	–
Past due more than 730 days	62.3	590,801	(367,953)
		7,533,155	(367,953)

	Weighted average loss rate %	Gross $	Impairment losses $
2023			
Individual			
Not past due	–	5,856,406	–
Past due 1 - 90 days	–	216,786	–
Past due 91 - 180 days	–	133,650	–
Past due 181 - 365 days	–	480,574	–
Past due 365 - 729 days	–	440,944	–
Past due more than 730 days	67.3	400,942	(269,941)
		7,529,302	(269,941)

Loss rates are based on actual credit loss experience over the past three years. These rates reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Company's view of economic conditions over the expected lives of the receivables. These scalar factors are calculated using statistical models that determine numeric co-relation of loss rates with relevant economic variables.

The Company considers trade receivables from corporate customers and government agencies to have a low credit risk by taking into consideration the historical payment, in estimating the risk of default used in measuring ECL. The amount of the allowance on these balances is insignificant.

Movements in allowance for impairment in respect of trade receivables

The movement in allowance for impairment loss in respect of trade and other receivables during the year was as follows:

	$
At 1 April 2022	104,623
Impairment loss recognised	224,347
Amount utilised	(59,029)
At 1 April 2023	269,941
Impairment loss recognised	100,301
Amount utilised	(2,289)
At 31 March 2024	367,953

Debt investments

The Company limits its exposure to credit risk on investments held by investing only in liquid debt securities and investment funds and only with counterparties that have high credit ratings. Management actively monitors its counterparties' credit ratings and given that the Company only has investments in securities with high credit ratings, management does not expect any counterparty to fail to meet its obligations.

12-month and lifetime probabilities of default are based on historical data supplied by Bank of Singapore and BNP Paribas for each credit rating and are recalibrated based on current bond yields and CDS prices. Loss given default ("LGD") parameters generally reflect an assumed recovery rate of 40% except when a security is credit-impaired, in which case the estimate of loss is based on the instrument's current market price and original effective interest rate.

The exposure to credit risk for debt investments at FVOCI and fixed income funds at FVTPL at the reporting date by geographic region was as follows:

	Net carrying amount	
	2024	**2023**
	$	**$**
Australia	804,460	1,084,412
Canada	956,052	926,002
France	523,675	267,431
Germany	–	486,176
India	–	922,310
Singapore	38,443,483	60,661,775
UK	996,738	–
	41,724,408	64,348,106

The exposure to credit risk for debt investments and fixed income funds at the reporting date by industries was as follows:

	Net carrying amount	
	2024	**2023**
	$	**$**
Financial services	33,145,504	54,248,742
Diversified manufacturing	434,232	442,303
Real estate investment trust	3,873,803	4,674,885
Food and beverage	735,735	742,385
Aviation	1,331,390	1,813,181
Infrastructure	354,613	599,011
Communications	1,056,873	1,042,574
Consultancy	792,258	785,025
	41,724,408	64,348,106

The amount of the allowance for impairment loss on debt investment and fixed income funds was negligible. The Company has no collateral in respect of these investments.

Cash and cash equivalents and fixed deposits

The Company held cash and cash equivalents and fixed deposits with banks and financial institution counterparties, which are rated BBB+ to A+, based on Standard & Poor’s ratings.

Impairment on cash and cash equivalents and fixed deposits have been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Company considers that its cash and cash equivalents and fixed deposits have low credit risk based on the external credit ratings of the counterparties. The amount of the allowances for impairment loss on cash and cash equivalents and fixed deposits were negligible.

Concentration of credit risk relating to cash and cash equivalents and fixed deposits is limited to four financial institutions.

Other receivables

Impairment on these balances has been measured on the 12-month expected loss basis which reflects the low credit risk of the exposures. The amount of the allowance on these balances is insignificant.

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 both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Company's operations and to mitigate the effects of fluctuation in cash flows. The Company receives donations from the public and fund-raising activities organised by Thye Hua Kwan Moral Society and subvention income from the government.

The contractual maturities of financial liabilities, including estimated interest payments are as follows:

			Cash flows		
	Note	**Carrying amount $**	**Contractual cash flow $**	**Within 1 year $**	**1 to 5 years $**
2024					
Trade and other payables^	15	10,178,235	(10,178,235)	(10,178,235)	–
Lease liabilities	16	8,387,704	(8,715,682)	(4,020,696)	(4,694,986)
		18,565,939	(18,893,917)	(14,198,931)	(4,694,986)
2023					
Trade and other payables^	15	9,676,034	(9,676,034)	(9,676,034)	–
Lease liabilities	16	12,671,620	(12,798,010)	(4,042,065)	(8,755,945)
		22,347,654	(22,474,044)	(13,718,099)	(8,755,945)

^ *Excludes net GST payable and others – Medifund grant*

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.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to changes in interest rates relates primarily to interest-earning financial assets. Interest rate risk is managed by the Company on an on-going basis.

Exposure to interest rate risk

At the reporting date, the interest rate profile of the Company's interest-earning financial instruments, as reported to the management, was as follows:

	2024	2023
	$	$
Fixed rate instruments		
Debt investments	16,823,118	17,600,292
Fixed deposits with financial institutions		
- Cash and cash equivalents	8,000,000	–
- Other financial assets	64,545,981	42,086,981
	89,369,099	59,687,273

The Company is not exposed to any variable rate financial instruments and a change in interest rate at the reporting date would not affect income or expenditure.

Foreign currency risk

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

Equity price risk

The Company is exposed to equity price changes arising from quoted equity investments designed at fair value through other comprehensive income. An increase in the underlying equity prices of the investments at the reporting date by 10% for the Company would have increased income for the year and fair value reserve by $1,125,606 (2023: $1,024,575). Similarly, a decrease in the underlying equity prices by 10% for the Company would have an equal but opposite effect.

This analysis assumes that all other variables remain constant.

Accounting classifications and fair values

The carrying amounts of financial assets and financial liabilities which are not measured at fair value, as shown in the statement of financial position, are as follows. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximate of fair value.

	Note	Financial assets at amortised cost $	Mandatorily at FVTPL $	FVOCI $	Other financial liabilities $	Total carrying amounts $	Fair value (Level 1) $
2024							
Financial assets measured at fair value							
Investments	8	–	24,901,288	28,079,183	–	52,980,471	52,980,471
Financial assets not measured at fair value							
Trade and other receivables*	10	15,727,598	–	–	–	15,727,598	
Cash and cash equivalents	11	27,887,718	–	–	–	27,887,718	
Other financial assets	12	64,545,981	–	–	–	64,545,981	
		108,161,297	–	–	–	108,161,297	
Financial liabilities not measured at fair value							
Trade and other payables ^	15	–	–	–	(10,178,235)	(10,178,235)	
2023							
Financial assets measured at fair value							
Investments	8	–	46,747,814	27,846,046	–	74,593,860	74,593,860
Financial assets not measured at fair value							
Trade and other receivables*	10	16,684,731	–	–	–	16,684,731	
Cash and cash equivalents	11	20,663,434	–	–	–	20,663,434	
Other financial assets	12	42,086,981	–	–	–	42,086,981	
		79,435,146	–	–	–	79,435,146	
Financial liabilities not measured at fair value							
Trade and other payables ^	15	–	–	–	(9,676,034)	(9,676,034)	

* *Excludes prepayments*
^ *Excludes net GST payable and others – Medifund grant*

Determination of fair values

Investment in equity fund managed by fund manager

The fair values of equity fund managed by fund manager classified as FVOCI have been determined by reference to the quoted bid prices of the underlying equity securities at the reporting date.

Investment in debt investments and fixed income funds

The fair values of debt investments classified as financial assets carried at FVOCI and fixed income funds classified as financial assets carried at FVTPL have been determined by reference to the quoted bid prices at the reporting date.

Other financial assets and liabilities

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

27 Comparative information

Change in classification

During the year, to conform with the current year's presentation and to better reflect the substance of the transactions, the Company reclassified $42,086,981 in the statement of financial position for the year ended 31 March 2023 from cash and cash equivalents to other financial assets.

	As previously reported $	Reclassification $	As restated $
Statement of financial position			
Other financial assets	–	42,086,981	42,086,981
Cash and cash equivalents	62,750,415	(42,086,981)	20,663,434
Statement of cash flows			
Cash flows from investing activities			
Placement of other financial assets	–	(13,995,549)	(13,995,549)

These amounts are reclassifications and do not have any material effect on the statement of comprehensive income and statement of financial position for the year ended 31 March 2023.