

**THE TURNING POINT**  
(UEN NO. S91SS0058G)

**FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED**  
**31 DECEMBER 2023**

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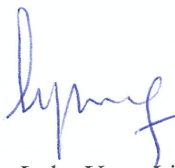
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## THE TURNING POINT

### STATEMENT BY THE EXECUTIVE COMMITTEE

On behalf of the Executive Committee of The Turning Point (the “Society”), we do hereby state that in our opinion, the financial statements set out on pages 5 to 21, are properly drawn up in accordance with the Societies Act 1966, Charities Act 1994 and other relevant regulations and Financial Reporting Standards in Singapore so as to present fairly, in all material respects, the financial position of the Society as at 31 December 2023 and of the financial performance, changes in funds and cash flows of the Society for the financial year ended on that date.

On behalf of the Executive Committee



Wang Loke Yang Lilian  
Honorary Chairman



Jeann Low Ngiap Jong  
Honorary Treasurer

8 May 2024

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
THE TURNING POINT****Report on the Audit of the Financial Statements*****Opinion***

We have audited the accompanying financial statements of The Turning Point (the "Society"), as set out on pages 5 to 21, which comprise the statement of financial position as at 31 December 2023, and the statement of financial activities, statement of changes in funds and statement of cash flows for the financial year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Societies Act 1966 (the "Societies Act"), the Charities Act 1994 and other relevant regulations (the "Charities Act and Regulations") and Financial Reporting Standards in Singapore ("FRSs") so as to present fairly, in all material respects, the financial position of the Society as at 31 December 2023, and of the financial performance, changes in funds and cash flows of the Society for the financial year ended on that date.

***Basis for Opinion***

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

***Other Information***

The Executive Committee is responsible for the other information. The other information comprises the Statement by the Executive Committee as set out on page 1.

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 on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE TURNING POINT (cont'd)**

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

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

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

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

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

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

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

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

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
THE TURNING POINT (cont'd)**

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

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

- Conclude on the appropriateness of Executive Committee'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 Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Society to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

**Report on Other Legal and Regulatory Requirements**

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

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

- a) the Society 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 Society has not complied with the requirements of Regulation 15 (Fund-raising expenses) of the Charities (Institutions of a Public Character) Regulations.



Baker Tilly TFW LLP  
Public Accountants and  
Chartered Accountants  
Singapore

8 May 2024

## THE TURNING POINT

### STATEMENT OF FINANCIAL ACTIVITIES

For the financial year ended 31 December 2023

	Note	General fund \$	Restricted funds \$	Total funds 2023 \$	General fund \$	Restricted funds \$	Total funds 2022 \$
<b>Income</b>							
Donations	3	128,340	39,197	167,537	108,268	–	108,268
Government grants for Halfway House Service Model Programme		564,071	–	564,071	469,690	–	469,690
CDC Voucher Scheme		350	–	350	–	–	–
Other income	4	182,759	10,328	193,087	110,568	20,657	131,225
<b>Total income</b>		<b>875,520</b>	<b>49,525</b>	<b>925,045</b>	<b>688,526</b>	<b>20,657</b>	<b>709,183</b>
<b>Less expenditure</b>							
Depreciation of plant and equipment	7	60,935	–	60,935	57,180	–	57,180
Depreciation of right-of-use assets	8	86,932	–	86,932	86,984	–	86,984
Staff costs	5	488,876	–	488,876	425,485	–	425,485
Other operating expenses	6	132,890	422	133,312	132,937	2,897	135,834
Interest expense	8	1,609	–	1,609	5,536	–	5,536
<b>Total expenditure</b>		<b>771,242</b>	<b>422</b>	<b>771,664</b>	<b>708,122</b>	<b>2,897</b>	<b>711,019</b>
<b>Surplus/(deficit) for the financial year</b>		<b>104,278</b>	<b>49,103</b>	<b>153,381</b>	<b>(19,596)</b>	<b>17,760</b>	<b>(1,836)</b>

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

## THE TURNING POINT

### STATEMENT OF FINANCIAL POSITION

At 31 December 2023

	Note	2023 \$	2022 \$
<b>Non-current assets</b>			
Plant and equipment	7	84,500	133,507
Right-of-use assets	8	37,941	116,749
		<u>122,441</u>	<u>250,256</u>
<b>Current assets</b>			
Other receivables	9	72,691	41,277
Cash and cash equivalents	10	2,174,549	1,960,722
		<u>2,247,240</u>	<u>2,001,999</u>
<b>Total assets</b>		<u>2,369,681</u>	<u>2,252,255</u>
<b>Non-current liabilities</b>			
Lease liabilities	8	8,130	35,347
Deferred grant income	4	10,328	20,656
		<u>18,458</u>	<u>56,003</u>
<b>Current liabilities</b>			
Lease liabilities	8	34,068	90,573
Accrued operating expenses		78,155	20,060
Deferred grant income	4	10,328	10,328
		<u>122,551</u>	<u>120,961</u>
<b>Total liabilities</b>		<u>141,009</u>	<u>176,964</u>
<b>Net assets</b>		<u>2,228,672</u>	<u>2,075,291</u>
<b>Funds</b>			
General fund		2,170,373	2,031,408
Restricted funds	11	58,299	43,883
<b>Total funds</b>		<u>2,228,672</u>	<u>2,075,291</u>

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

## THE TURNING POINT

### STATEMENT OF CHANGES IN FUNDS For the financial year ended 31 December 2023

	<b>General fund \$</b>	<b>Restricted funds \$</b>	<b>Total funds \$</b>
Balance at 1 January 2022	2,001,594	75,533	2,077,127
(Deficit)/surplus for the financial year	(19,596)	17,760	(1,836)
Transfer between funds	49,410	(49,410)	–
Balance at 31 December 2022	2,031,408	43,883	2,075,291
Surplus for the financial year	104,278	49,103	153,381
Transfer between funds	34,687	(34,687)	–
<b>Balance at 31 December 2023</b>	<b>2,170,373</b>	<b>58,299</b>	<b>2,228,672</b>

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

## THE TURNING POINT

### STATEMENT OF CASH FLOWS For the financial year ended 31 December 2023

	2023 \$	2022 \$
<b>Cash flows from operating activities</b>		
Surplus/(deficit) for the financial year	153,381	(1,836)
Adjustments for:		
Interest income (Note 4)	(61,169)	(7,859)
Interest expense (Note 8)	1,609	5,536
Depreciation of plant and equipment (Note 7)	60,935	57,180
Depreciation of right-of-use assets (Note 8)	86,932	86,984
Gain on early termination of lease (Note 8)	(1,497)	–
Operating cash flows before movements in working capital	240,191	140,005
Receivables	(16,379)	954
Payables	47,767	34,926
Restricted cash	–	(10,000)
<b>Net cash generated from operating activities</b>	271,579	165,885
<b>Cash flows from investing activities</b>		
Interest received	46,134	7,017
Purchase of plant and equipment	(11,928)	(29,203)
<b>Net cash generated from/(used in) investing activities</b>	34,206	(22,186)
<b>Cash flows from financing activities</b>		
Repayments of lease liabilities (Note 8)	(90,349)	(86,630)
Interest paid	(1,609)	(5,536)
<b>Net cash used in financing activities</b>	(91,958)	(92,166)
<b>Net increase in cash and cash equivalents</b>	213,827	51,533
Cash and cash equivalents at beginning of financial year	1,950,722	1,899,189
<b>Cash and cash equivalents at end of financial year (Note 10)</b>	2,164,549	1,950,722

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

## THE TURNING POINT

### NOTES TO THE FINANCIAL STATEMENTS For the financial year ended 31 December 2023

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

#### 1. Corporate information

The Turning Point (the “Society”) is a registered society and an Institution of a Public Character with its registered office at 341 Jamaica Road, Singapore 757615.

The principal activities of the Society is a Christian non-profit making organisation helping women drug abusers and women offenders to recover from their drug problem and crime-related problem, provide professional counselling to prepare them to reintegrate back to society and conduct work therapy in a residential setting as part of rehabilitation programme. There have been no significant changes in the nature of these activities during the financial year.

#### 2. Material accounting policies

##### a) Basis of preparation

The financial statements are presented in Singapore dollar (“\$”), which is the Society’s functional currency. The financial statements have been prepared in accordance with the Societies Act 1966, the Charities Act 1994 and other relevant regulations and Financial Reporting Standards in Singapore (“FRSs”). The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRSs requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on the Executive Committee’s best knowledge of current events and actions and historical experiences and various other factors that are believed to be reasonable under the circumstances, actual results may ultimately differ from those estimates.

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

There were no significant judgements made in applying accounting policies and no estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period.

The carrying amounts of cash and cash equivalents, other current receivables and accrued operating expenses (other than lease liabilities) approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

##### *New and revised standards that are adopted*

In the current financial year, the Society has adopted all the new and revised FRSs and Interpretations of FRSs (“INT FRSs”) that are relevant to its operations and effective for the current financial period. Changes to the Society’s accounting policies have been made as required, in accordance with the transitional provisions in the respective FRSs and INT FRSs.

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

### a) Basis of preparation (cont'd)

#### *New and revised standards that are adopted (cont'd)*

The adoption of these new/revised FRSs and INT FRSs did not have any material effect on the financial performance or position of the Society.

### b) Income recognition

Income is recognised to the extent that it is probable that the economic benefits associated with the transaction will flow to the Society and the amount of income and related costs can be reliably measured.

Income from various sources are recognised on the following basis:

#### *Donations*

Income from donations are recognised when received.

#### *Government grants*

Government grants are recognised when there is reasonable assurance that the conditions attaching to them will be complied with and the grants will be received. Grants for specific expenses are taken to profit or loss in the same financial year as the related expenses.

#### *Sales of goods*

Revenue from sale of goods is recognised at a point in time when the Society has delivered the products to the customers and significant risk and rewards of ownership of the goods have been passed to the customer.

#### *Interest income on fixed deposits*

Interest income on fixed deposits is recognised based on effective interest method.

### c) Leases - Where the Society is the lessee

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

#### *Lease liabilities*

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Society uses its incremental borrowing rate.

The lease liability is presented as a separate line in the statement of financial position. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability using the effective interest method, and reducing the carrying amount to reflect the lease payments made.

#### *Right-of-use assets*

The Society recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement date.

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

### c) Leases - Where the Society is the lessee (cont'd)

#### *Right-of-use assets (cont'd)*

Right-of-use assets are subsequently measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. Right-of-use assets are depreciated on a straight-line basis over the shorter period of the lease term and useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of use assets are presented as a separate line in the statement of financial position.

The Society applies FRS 36 *Impairment of Assets* to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in Note 2(f).

### d) Income taxes

As a charity, the Society is exempt from tax on income and gains falling within Section 13(1)(zm) of the Income Tax Act to the extent that these are applied to its charitable objects. No tax charges have arisen for the Society during the financial year.

### e) Plant and equipment

Plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and any impairment in value. Depreciation is calculated on a straight-line basis to write off the plant and equipment over their estimated useful lives as follows:

	Years
Motor vehicles	5
Office equipment	5
Computers	3 - 5
Renovation, furniture and fittings	5
Kitchen equipment	5

On disposal of a plant and equipment, the difference between the net disposal proceeds and its carrying amount is taken to the statement of financial activities.

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

Fully depreciated plant and equipment are retained in the financial statements until they are no longer in use.

### f) Impairment of non-financial assets

Non-financial assets are reviewed for impairment at each reporting date or whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognised in the statement of financial activities.

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

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

### g) Financial assets

#### *Recognition and derecognition*

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial assets are added to the fair value of the financial assets on initial recognition.

#### *Classification and measurement*

The Society classifies its financial assets at amortised cost. The classification is based on the Society's model for managing the financial asset and the contractual cash flow characteristics of the financial assets.

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

#### *Subsequent measurement*

Debt instruments include other receivables (excluding prepayments) and cash and cash equivalents. The Society measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in the statement of financial activities when the asset is derecognised, modified or impaired. Interest income from these financial assets is included in interest income using the EIR method.

#### *Impairment*

The Society recognises an allowance for expected credit losses ("ECLs") for financial assets carried at amortised cost. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Society expects to receive, discounted at an approximation of the original effective interest rate.

The impairment methodology applied depends on whether there has been a significant increase in credit risk. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

If the Society has measured the loss allowance for a financial asset at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Society measures the loss allowance at an amount equal to 12-month ECL at the current end of financial period.

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

### h) Financial liabilities

Financial liabilities comprise lease liabilities and accrued operating expenses. Financial liabilities are recognised on statement of financial position when, and only when, the Society becomes a party to the contractual provisions of the financial instruments. Financial liabilities are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

A financial liability is derecognised when the obligation under the liability is extinguished. Gains and losses are recognised in the statement of financial activities when the liabilities are derecognised and through the amortisation process.

### i) Funds

Unless specially indicated, fund balances are not represented by any specific accounts, but are represented by all assets of the Society.

## 3. Donations

The Society enjoys a concessionary tax treatment whereby qualifying donors are granted 2.5 times tax deductions for the donations made to the Society. The Institution of a Public Character ("IPC") status granted to the Society is for the period from 1 October 2020 to 31 March 2022. The IPC status is further renewed from 1 April 2022 to 30 June 2024.

Included in donations received during the financial year for the Society are donations with tax deductible and non-tax deductible receipts issued during the financial year totaling \$120,142 (2022: \$62,650) and \$47,395 (2022: \$45,618) respectively.

## 4. Other income

	2023 \$	2022 \$
<u>Included in general fund:</u>		
Interest income on fixed deposits	61,169	7,859
Income from cookies	4,660	4,957
Rental subvention	89,880	89,880
Government grant income	18,720	5,152
CPF transition offset	1,301	-
Gain on early termination of lease	1,497	-
Community capability income	4,275	-
Others	1,257	2,720
	<hr/> 182,759	<hr/> 110,568
 <u>Included in other funds:</u>		
Income from Care and Share grant	<hr/> 10,328	<hr/> 20,657

**4. Other income (cont'd)**

In 2022, Care and Share grant of \$51,641 was received pertaining to certain capital expenditure in 2021 with cost of \$71,604. \$20,656 (2022: \$30,984) of the grant received was recognised income over the useful life of the related asset.

**5. Staff costs**

	2023	2022
	\$	\$
Salaries and bonuses	338,926	352,976
CPF contributions and other pension costs	45,458	41,866
NCSS staff secondment fee	91,082	–
Wages	13,410	30,643
	<b>488,876</b>	<b>425,485</b>

Included in staff costs were key management personnel compensation as follows:

	2023	2022
	\$	\$
Salaries and bonuses	10,320	71,630
CPF contributions	1,136	7,167
NCSS staff secondment fee	91,082	–
	<b>102,538</b>	<b>78,797</b>

None of the members of the Executive Committee of the Society and their close family members have received any remunerations, benefits, allowances or other manner of compensation from the Society.

**6. Other operating expenses**

Other operating expenses include the following major items:

	2023	2022
	\$	\$
<u>Included in general fund:</u>		
Food and refreshment	20,098	21,089
Repair and maintenance	17,901	18,545
Utilities	24,981	17,434

**7. Plant and equipment**

	<b>Motor vehicles \$</b>	<b>Office equipment \$</b>	<b>Computers \$</b>	<b>Renovation, furniture and fittings \$</b>	<b>Kitchen equipment \$</b>	<b>Total \$</b>
<b>2023</b>						
<b>Cost</b>						
At 1 January 2023	189,909	78,253	33,925	247,876	10,457	560,420
Additions	–	3,336	8,100	–	492	11,928
<b>At 31 December 2023</b>	<b>189,909</b>	<b>81,589</b>	<b>42,025</b>	<b>247,876</b>	<b>10,949</b>	<b>572,348</b>
<b>Accumulated depreciation</b>						
At 1 January 2023	173,127	60,463	33,538	152,336	7,449	426,913
Charge for 2023	16,782	9,194	1,132	32,650	1,177	60,935
<b>At 31 December 2023</b>	<b>189,909</b>	<b>69,657</b>	<b>34,670</b>	<b>184,986</b>	<b>8,626</b>	<b>487,848</b>
<b>Net carrying amount</b>						
<b>At 31 December 2023</b>	<b>–</b>	<b>11,932</b>	<b>7,355</b>	<b>62,890</b>	<b>2,323</b>	<b>84,500</b>
<b>2022</b>						
<b>Cost</b>						
At 1 January 2022	189,909	74,531	41,824	214,496	10,457	531,217
Additions	–	2,622	–	34,480	–	37,102
Adjustments	–	1,100	(7,899)	(1,100)	–	(7,899)
<b>At 31 December 2022</b>	<b>189,909</b>	<b>78,253</b>	<b>33,925</b>	<b>247,876</b>	<b>10,457</b>	<b>560,420</b>
<b>Accumulated depreciation</b>						
At 1 January 2022	156,345	51,303	32,135	123,890	6,060	369,733
Charge for 2022	16,782	9,160	1,403	28,446	1,389	57,180
<b>At 31 December 2022</b>	<b>173,127</b>	<b>60,463</b>	<b>33,538</b>	<b>152,336</b>	<b>7,449</b>	<b>426,913</b>
<b>Net carrying amount</b>						
<b>At 31 December 2022</b>	<b>16,782</b>	<b>17,790</b>	<b>387</b>	<b>95,540</b>	<b>3,008</b>	<b>133,507</b>

## 8. Right-of-use assets and lease liabilities

The Society's leasing activities comprise the following:

- Leasing of halfway house from non-related parties for a tenure of 3 years with no extension nor escalation clause; and
- Leasing of photocopier machine from non-related party for a tenure of 5 years.

The maturity analysis of the lease liabilities is disclosed in Note 13(b).

Information about leases for which the Society is a lessee is presented below:

### *Amounts recognised in statement of financial position*

	2023 \$	2022 \$
<u>Carrying amount of right-of-use assets</u>		
Halfway house	28,225	112,894
Photocopy machine	9,716	3,855
	<hr/> 37,941	<hr/> 116,749
 <u>Carrying amount of lease liabilities</u>		
Non-current	8,130	35,347
Current	34,068	90,573
	<hr/> 42,198	<hr/> 125,920
 Additions to right-of-use assets	<hr/> 10,051	<hr/> –

### *Amounts recognised in statement of financial activities*

	2023 \$	2022 \$
<u>Depreciation charge for the year</u>		
Halfway house	84,669	84,671
Photocopy machine	2,263	2,313
	<hr/> 86,932	<hr/> 86,984
 Gain on early termination of lease	1,497	–
Interest expense on lease liabilities	1,609	5,536
	<hr/> 1,609	<hr/> 5,536

Total cash flow for leases amounted to \$91,958 (2022: \$92,166).

**8. Right-of-use assets and lease liabilities (cont'd)***Reconciliation of movements of liabilities to cash flows arising from financing activities*

	2023 \$	2022 \$
Balance at beginning of the year	125,920	212,550
Changes from financing cash flows:		
- Repayments	(90,349)	(86,630)
- Interest paid	(1,609)	(5,536)
Non-cash changes:		
- Early termination of lease liabilities	(3,424)	-
- Interest expense	1,609	5,536
- New lease	10,051	-
Balance at end of the year	<u>42,198</u>	<u>125,920</u>

**9. Other receivables**

	2023 \$	2022 \$
Deposits	8,350	8,350
Interest receivables from fixed deposits	29,017	13,982
Prepayments	10,237	8,945
Donation held by giving.sg	25,087	10,000
	<u>72,691</u>	<u>41,277</u>

**10. Cash and cash equivalents**

	2023 \$	2022 \$
Cash and bank balances	181,724	214,031
Fixed deposits	1,992,825	1,746,691
	<u>2,174,549</u>	<u>1,960,722</u>
Fixed deposit pledged	(10,020)	(10,010)
Cash and cash equivalents per statement of cash flows	<u>2,164,529</u>	<u>1,950,712</u>

Fixed deposits placed with financial institutions bear interest at effective interest rates ranging from 0.10% to 4.00% (2022: 0.10% to 4.00%) per annum and matures within 4 to 12 months (2022: 4 to 12 months) from reporting date. Fixed deposit of \$10,020 (2022: \$10,010) is pledged to a bank as security for corporate credit card facility.

**11. Restricted funds**

	President's Challenge Fund \$	Care and Share Fund \$	Educational Fund \$	Bless Our City Grant Fund \$	Fresh Start Home Initiative Fund \$	Fresh Food For A Home Fund \$	Eco Grant Fund \$	Total \$
Balance at 1 January 2022	11,803	51,377	9,456	2,897	-	-	-	75,533
Income	-	20,657	-	-	-	-	-	20,657
Expenditure	-	-	-	(2,897)	-	-	-	(2,897)
Surplus/(deficit)	-	20,657	-	(2,897)	-	-	-	17,760
Transfer to General Fund	(3,358)	(46,052)	-	-	-	-	-	(49,410)
Balance at 31 December 2022	8,445	25,982	9,456	-	-	-	-	43,883
Income	-	10,328	-	-	30,637	8,560	-	49,525
Expenditure	-	-	-	-	-	-	(422)	(422)
Surplus/(deficit)	-	10,328	-	-	30,637	8,560	(422)	49,103
Transfer to General Fund	(3,358)	(31,329)	-	-	-	-	-	(34,687)
<b>Balance at 31 December 2023</b>	<b>5,087</b>	<b>4,981</b>	<b>9,456</b>	<b>-</b>	<b>30,637</b>	<b>8,560</b>	<b>(422)</b>	<b>58,299</b>

## 11. Restricted funds (cont'd)

### *President's Challenge Fund*

This is a donation received from the President's Challenge movement for the purpose of converting facilities into an air-conditioned area, purchase of equipment and machineries, replacement of fridges and installation of mosquito magnetic screen. The fund has been fully utilised before 31 May 2022 on the purchase of plant and equipment and the unamortised balance of \$5,087 (2022: \$8,445) will be amortised over the remaining useful life of the assets.

### *Care and Share Fund*

This is a government dollar-for-dollar matching grant for eligible donations received by the Society. The matching grant shall be used to develop social service-related voluntary welfare organisations and their programmes to better serve beneficiaries. The fund has been fully utilised in 2023 on the purchase of plant and equipment and the unamortised balance of \$4,981 (2022: \$25,982) will be amortised over the remaining useful life of the assets.

### *Educational Fund*

The fund has been designated to support the educational needs for the Society's beneficiaries, namely residents and ex-residents.

### *Bless Our City Fund*

This fund is established to support the items such as understanding women's health, learning inside-out beauty, baking therapy and annual alumni get-together expenditures for the period from 1 April 2021 to 31 March 2022, extended to 30 June 2022.

### *Fresh Start Home Initiative Fund*

This fund has been designated to secure a stable and nurturing living environment for the Society's residents, a crucial component of their reintegration process upon completion of the programme at the Society.

### *Fresh Food For A Home Fund*

This fund has been designated to furnish the homes of the Society's residents with refrigerators and/or food items as part of their reintegration process upon completion of the programme at the Society.

### *SG Eco Fund*

This fund has been designated to set up an edible farm and chicken coop at the Society to instil awareness of environmental sustainability, as well as build a sense of responsibility and skills in the residents.

## 12. Financial instruments

### a) Categories of financial instruments

Financial instruments at their carrying amounts at the end of the financial year are as follows:

	2023 \$	2022 \$
<i>Financial assets</i>		
At amortised cost	2,237,003	1,993,054
<i>Financial liabilities</i>		
At amortised cost	120,353	145,980

### b) Financial risk management

The main risks arising from the Society's financial risk management are interest rate risk, credit risk and liquidity risk. The Society's transactions, assets and liabilities are substantially denominated in Singapore dollar. The Executive Committee reviews and agrees policies for managing each of these risks informally and they are summarised below:

#### *Interest rate risk*

The Society is exposed to minimal interest rate risk since the impact of interest rate fluctuations on its interest-bearing fixed deposits is insignificant. The Society has no floating interest-bearing liabilities. Sensitivity analysis for changes in interest rate is not disclosed as the effect on profit or loss is considered not significant.

#### *Credit risk*

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Society. For other financial assets, the Society adopts the policy of dealing only with high credit quality counterparties. As the Society does not hold any collateral, the maximum exposure to credit risk is the carrying amount of each class of financial instruments presented on the statement of financial position.

The credit loss for cash and cash equivalents and other receivables are not considered significant as at 31 December 2023 and 31 December 2022. Accordingly, no credit loss allowance is recognised as at reporting date.

#### *Liquidity risk*

Liquidity risk is the risk that the Society will encounter difficulty in meeting financial obligations due to shortage of funds. The Society's exposure to liquidity risk arises primarily from mismatched maturities of financial assets and liabilities. The Society maintains sufficient cash and cash equivalents, and internally generated cash flows to finance their activities.

## 12. Financial instruments (cont'd)

### b) Financial risk management (cont'd)

#### *Liquidity risk (cont'd)*

The table below summarises the maturity profile of the Society's non derivative financial liabilities at the reporting date based on contractual undiscounted repayment obligations.

	1 year or less \$	2 to 5 years \$	Total \$
<b>2023</b>			
Other payables	78,155	–	78,155
Lease liabilities	34,311	8,622	42,933
<hr/>			
<b>2022</b>			
Other payables	20,060	–	20,060
Lease liabilities	92,166	35,408	127,574
<hr/>			

### c) Fair values of financial instruments

The carrying amounts of financial assets and financial liabilities (excluding lease liabilities) approximate their fair values due to the relatively short-term maturity of these financial instruments.

## 13. Fund management

The Society's objectives when managing its funds are to safeguard and maintain adequate working capital to continue as a going concern. There are no changes to these objectives since the previous financial year.

## 14. Authorisation of financial statements

The financial statements of the Society for the financial year ended 31 December 2023 were authorised for issue in accordance with a resolution of the Executive Committee dated 8 May 2024.

## THE TURNING POINT

### DETAILED INCOME AND EXPENDITURE STATEMENT (GENERAL FUND)

For the financial year ended 31 December 2023

	2023	2022
	\$	\$
<b>Income</b>		
Donations	128,340	108,268
Government grants for Halfway House Service Model Programme ("HSM")	564,071	469,690
CDC voucher scheme	350	–
	<hr/>	<hr/>
	692,761	577,958
	<hr/>	<hr/>
<b>Other income</b>		
Gain on early termination of lease	1,497	–
Community capability income	4,275	–
Fixed deposits interest income	61,169	7,859
Income from arts and crafts	1,257	2,704
Income from cookies	4,660	4,957
Income from curry powder	–	16
Rental subvention	89,880	89,880
Special employment credit	4,888	4,077
Wage credit scheme	–	1,075
Jobs growth incentive	4,547	–
Skills future enterprise credit	540	–
CPF transition offset	1,301	–
Progressive wage credit scheme	8,745	–
	<hr/>	<hr/>
	182,759	110,568
	<hr/>	<hr/>
<b>Total income</b>	875,520	688,526
	<hr/>	<hr/>

The detailed income statement does not form part of the audited financial statements.

## THE TURNING POINT

### DETAILED INCOME AND EXPENDITURE STATEMENT (GENERAL FUND) (cont'd) For the financial year ended 31 December 2023

	2023	2022
	\$	\$
<b>Less expenditure</b>		
Accounting fees	6,110	5,640
Auditor's remuneration	3,918	4,009
After-care	286	974
Baking ingredients	1,600	394
Bank charges	452	489
Online platform fee	402	–
Computer software	3,573	2,929
Compliance & Corp. Sec	1,134	2,410
Training	4,778	990
Depreciation expense	147,867	144,164
Enrichment & Engagement Programs	2,458	2,313
Food and refreshment	20,098	21,089
General expenses	1,696	1,107
Hiring of vehicle	122	370
Love gifts for speakers	1,200	1,550
Household expense	4,050	5,008
Interest expense on lease liabilities	1,609	5,536
Insurance	10,132	10,163
Medical expenses	3,678	3,827
Membership and subscription fee	327	325
NCSS staff secondment fee	91,082	–
Postage	–	90
Printing and stationery	1,535	2,125
Repair and maintenance	17,901	18,545
Staff salaries and related costs	384,384	394,842
Staff welfare	1,500	993
Staff recruitment fee	72	–
Telecommunication	4,483	5,555
Test kits	1,813	1,477
Transportation	1,264	1,399
Upkeep of vehicles	7,397	14,593
Utilities	24,981	17,434
Vehicle compensation expense	909	–
Wages	13,410	30,643
Web design fee	3,500	–
Welfare - others	1,211	4,275
Work therapy	310	2,864
	<hr/>	<hr/>
	771,242	708,122
	<hr/>	<hr/>
<b>Surplus/ (Deficit) for the financial year</b>	<b>104,278</b>	<b>(19,596)</b>

The detailed income statement does not form part of the audited financial statements.