

EMPOWER AGEING LIMITED

(Company Registration No.: 201619560Z)

(A Company limited by guarantee and not having a share capital)

(Incorporated in the Republic of Singapore)

Annual Report for the Year Ended
30 June 2024

CREDO ASSURANCE LLP

**Public Accountants and
Chartered Accountants of Singapore**

Registration no. T15LL0120C

545 Orchard Road #10-06 Far East Shopping Centre Singapore 238882

Tel: +(65) 9837 2633

TABLE OF CONTENTS

| | |
|-----------------------------------|---------|
| Directors' Statement | 1 |
| Independent Auditor's Report | 2 - 4 |
| Statement of Financial activities | 5 - 6 |
| Statement of Financial Position | 7 |
| Statement of Changes in Funds | 8 |
| Statement of Cash Flows | 9 |
| Notes to the Financial Statements | 10 - 31 |

EMPOWER AGEING LIMITED

DIRECTORS' STATEMENT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

The directors present their statement to the members together with the audited financial statements of Empower Ageing Limited (the "Company") for the financial year ended 30 June 2024.

1. Opinion of the directors

In the opinion of the directors,

- (a) the financial statements of the Company are drawn up so as to give a true and fair view of the financial position of the Company as at 30 June 2024 and the financial performance, changes in equity and cash flows of the Company for the year then ended; 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.

2. Directors

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

Lim Song Khiang
Chng Pi Leong
Liew Seh Siong (Appointed on 1 November 2023)

3. Arrangements to enable directors to acquire shares or debentures

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.

4. Other matters

As the Company is limited by guarantee, matters relating to interest in shares, debentures or share options are not applicable.


5. Independent auditor

The independent auditor, Credo Assurance LLP, Public Accountants and Chartered Accountants, has expressed its willingness to accept re-appointment.

On behalf of the Board of Directors,


Albert Lim Song Khiang (Dec 16, 2024 15:39 GMT+8)
Lim Song Khiang
Director

16 December 2024


Liew Seh Siong (Dec 16, 2024 13:45 GMT+8)
Liew Seh Siong
Director

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EMPOWER AGEING LIMITED
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024****Report on the Audit of the Financial Statements***Opinion*

We have audited the financial statements of Empower Ageing Limited (the "Company"), which comprise the statement of financial position as at 30 June 2024 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 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 30 June 2024, and of the financial performance, changes in funds and cash flows of the Company for the financial year ended on that date.

Basis for Opinion

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

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement 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, 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 EMPOWER AGEING LIMITED
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (Continued)**

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 Act and FRSSs, 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.

The directors' responsibilities include overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EMPOWER AGEING LIMITED
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (Continued)***Auditor's Responsibilities for the Audit of the Financial Statements (Continued)*

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

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

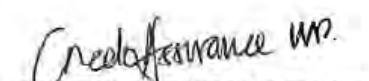
Report on Other Legal and Regulatory Requirements

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

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

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

(b) the Company has not complied with the requirements of Regulation 15 of the Charities (Institutions of a Public Character) Regulations.


CREDO ASSURANCE LLP
Public Accountants and
Chartered Accountants

Singapore,
16 December 2024

EMPOWER AGEING LIMITED**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 JUNE 2024**

| | | Unrestricted Fund | Restricted inter-generational programme fund | Total funds |
|--|----|------------------------------|---|------------------------|
| 2023 | | \$ | \$ | \$ |
| <u>INCOME</u> | | | | |
| Donations | 5 | 114,394 | 103,505 | 217,899 |
| Facilitation income | 4 | 59,490 | - | 59,490 |
| Government grants | 6 | 187,814 | - | 187,814 |
| Miscellaneous income | 4 | 1,983 | - | 1,983 |
| Total income | | 363,681 | 103,505 | 467,186 |
| LESS: EXPENDITURE | | | | |
| Cost of charitable activities | | | | |
| External trainer and vendor | | 35,040 | - | 35,040 |
| Project costs | | 134,105 | 103,505 | 237,610 |
| Staff bonus * | | 7,500 | - | 7,500 |
| CPF and SDL contributions * | | 16,733 | - | 16,733 |
| Wages and salaries * | | 89,600 | - | 89,600 |
| Rental - facilities | 12 | 6,750 | - | 6,750 |
| Total cost of charitable activities | | 289,728 | 103,505 | 393,233 |
| Cost of generating funds | | | | |
| Event cost – G.Y.M | | 20,100 | - | 20,100 |
| Administrative expenses | | | | |
| Audit fee | | 4,000 | - | 4,000 |
| CPF and SDL contributions * | | 7,866 | - | 7,866 |
| Depreciation | | 3,248 | - | 3,248 |
| Professional fee | | 13,700 | - | 13,700 |
| Rental - office | 12 | 19,370 | - | 19,370 |
| Staff bonus * | | 5,200 | - | 5,200 |
| Transportation | | 2,621 | - | 2,621 |
| Wages and salaries * | | 65,200 | - | 65,200 |
| Others | | 7,940 | - | 7,940 |
| Total administrative expenses | | 129,145 | - | 129,145 |
| Total expenditure | | 438,973 | 103,505 | 542,478 |
| NET DEFICIT FOR THE FINANCIAL YEAR | | (75,292) | - | (75,292) |

*These figures have been reclassified from the presentation in the audited financial statements for the year ended 30 June 2023. This is to better represent how the resources are utilized for charitable purposes and administrative support. These reclassification does not change the net deficit and the financial position for Empower Ageing Limited for the year ended 30 June 2023.

The accompanying notes form an integral part of these financial statements

EMPOWER AGEING LIMITED
**STATEMENT OF FINANCIAL ACTIVITIES (Continued)
FOR THE YEAR ENDED 30 JUNE 2024**

| | Note | Unrestricted Fund | Restricted fund Labour Cost | Restricted inter-generational programme fund | Total funds |
|--|------|----------------------|-----------------------------------|--|----------------|
| 2024 | | \$ | \$ | \$ | \$ |
| <u>INCOME</u> | | | | | |
| Donations | 5 | 152,609 | 7,500 | - | 160,109 |
| Facilitation income | 4 | 32,470 | - | - | 32,470 |
| Government grants | 6 | 150,141 | - | 93,080 | 243,221 |
| Miscellaneous income | 4 | 2,714 | - | - | 2,714 |
| Total income | | 337,934 | 7,500 | 93,080 | 438,514 |
| LESS: EXPENDITURE | | | | | |
| Cost of charitable activities | | | | | |
| External trainer and vendor | | 16,970 | - | - | 16,970 |
| CPF and SDL contributions | | 9,600 | - | - | 9,600 |
| Wages and salaries | | 55,656 | - | - | 55,656 |
| Project costs | | 78,150 | - | 93,080 | 171,230 |
| Total cost of charitable activities | | 160,376 | - | 93,080 | 253,456 |
| Cost of generating funds | | | | | |
| Event Cost - G.Y.M. | | 28,021 | - | - | 28,021 |
| Administrative expenses | | | | | |
| Audit fee | | 4,000 | - | - | 4,000 |
| CPF and SDL contributions | | 6,290 | - | - | 6,290 |
| Depreciation | | 49,719 | - | - | 49,719 |
| Rental - office | | 23,932 | - | - | 23,932 |
| Transportation | | 3,121 | - | - | 3,121 |
| Wages and salaries | | 55,132 | 7,500 | - | 62,632 |
| Others | | 5,466 | - | - | 5,466 |
| Total administrative expenses | | 147,660 | 7,500 | - | 155,160 |
| Total expenditure | | 336,057 | 7,500 | 93,080 | 436,637 |
| NET SURPLUS FOR THE FINANCIAL YEAR | | 1,877 | - | - | 1,877 |

The accompanying notes form an integral part of these financial statements

EMPOWER AGEING LIMITED**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024**

| | Note | 2024 \$ | 2023 \$ |
|-----------------------------------|-------------|-----------------------|-----------------------|
| ASSETS | | | |
| Current assets | | | |
| Cash and cash equivalents | 8 | 118,973 | 178,563 |
| Trade and other receivables | 9 | <u>1,165</u> | <u>13,111</u> |
| | | <u>120,138</u> | <u>191,674</u> |
| Non-current assets | | | |
| Property, plant and equipment | 10 | <u>3,000</u> | <u>49,719</u> |
| Total assets | | <u><u>123,138</u></u> | <u><u>241,393</u></u> |
| LIABILITY | | | |
| Current liability | | | |
| Trade and other payables | 11 | <u>28,530</u> | <u>148,662</u> |
| Total current liability | | <u><u>28,530</u></u> | <u><u>148,662</u></u> |
| NET ASSETS | | <u><u>94,608</u></u> | <u><u>92,731</u></u> |
| FUNDS | | | |
| Unrestricted funds | | | |
| General fund | 13 | <u>90,268</u> | <u>88,391</u> |
| Restricted funds | | | |
| Inter-generational Programme Fund | | <u>4,340</u> | <u>4,340</u> |
| Total restricted funds | | <u><u>4,340</u></u> | <u><u>4,340</u></u> |
| TOTAL FUNDS | | <u><u>94,608</u></u> | <u><u>92,731</u></u> |

The accompanying notes form an integral part of these financial statements

EMPOWER AGEING LIMITED**STATEMENT OF CHANGES IN FUND
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024**

| | Note | 2024 \$ | 2023 \$ |
|--|------|---------------|---------------|
| UNRESTRICTED FUNDS | | | |
| General fund | | | |
| Balance at the beginning of the year | | 88,391 | 163,683 |
| Net surplus for the financial year | | 1,877 | (75,292) |
| Balance at end of financial year | | <u>90,268</u> | <u>88,391</u> |
| RESTRICTED FUNDS | | | |
| Inter-generational Programme fund | | | |
| Balance at the beginning of the year | | 4,340 | 4,340 |
| Balance at end of financial year | | <u>4,340</u> | <u>4,340</u> |
| TOTAL FUNDS | | <u>94,608</u> | <u>92,731</u> |

The accompanying notes form an integral part of these financial statements

EMPOWER AGEING LIMITED

**STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024**

| | Note | 2024 \$ | 2023 \$ |
|---|-------------|-------------------|-------------------|
| Cash flows from operating activities: | | | |
| Net surplus for the financial year | | 1,877 | (75,292) |
| <u>Adjustments for:</u> | | | |
| Depreciation of property, plant and equipment | | 49,719 | 3,248 |
| | | 51,596 | (72,044) |
| <u>Changes in working capital:</u> | | | |
| Trade and other receivables | | 11,946 | 10,456 |
| Trade and other payables | | (120,132) | 141,095 |
| Net cash (used in) / generated from operating activities | | (56,590) | 79,507 |
| Cash flows from investing activity: | | | |
| Purchase of plant and equipment | | (3,000) | (51,464) |
| Net cash used in investing activities | | (3,000) | (51,464) |
| Net (decrease) / increase in cash and cash equivalents | | (59,590) | 28,043 |
| Cash and cash equivalents at 1 July | | 178,563 | 150,520 |
| Cash and cash equivalents at 30 June | 8 | 118,973 | 178,563 |

The accompanying notes form an integral part of these financial statements

EMPOWER AGEING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

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

1. General

Empower Ageing Limited (the “Company”) is incorporated and domiciled in Singapore. It is a charity registered under the Charities Act 1994 since 28 December 2016. The Company’s registered office and principal place of operation is at 625 Aljunied Road #04-09A Aljunied Industrial Complex Singapore 389836.

The Company is a company limited by guarantee whereby each member of the Company undertakes to contribute to the assets of the Company in the event of it being wound up while he or she is a member, or within one year after he or she ceases to be a member, for payment of the debts and liabilities of the Company contracted before he or she ceases to be a member, and the costs, charges, and expenses of winding up and for the adjustment of the rights of the contributors among themselves, such amount as may be required not exceeding S\$10 only.

As at 30 June 2024, the Company has 3 members (2023: 4 members).

It has been conferred an Institution of Public Character (“IPC”) status for the period from 20 April 2021 to 19 April 2023. The Company has renewed its IPC status from 20 April 2023 to 19 April 2026.

The objectives of the Company are to help and benefit the community in terms of the promotion of health and to provide relief to those in need by reason of age, ill-health, disability, financial hardship or other disadvantages by:

- (a) creating accessibility to ensure that every older adult above 60 has the opportunity to age well;
- (b) ensuring that what is needed to age well be made affordable to those who are vulnerable;
- (c) promoting the ageing experience as exhibiting independence and quality of life;
- (d) providing customised health solutions delivered to seniors in the form of community-based interventions and centre-based interventions and centre-based programming;
- (e) building awareness among and imparting skills to seniors and equipping volunteers, caregivers and care professionals locally & overseas; and
- (f) advocating for how ageing can be made empowering and positive to the public and industry stakeholders through community outreach.

2. Material accounting policy information

2.1 Basis of preparation

The financial statements have been drawn up accordance with Financial Reporting Standards in Singapore (“FRSs”) and the disclosure requirements of the Charities Act 1994 and other relevant regulations. The financial statements have been prepared on the historical cost convention, except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollar (“S\$”), which is the Company’s functional currency. Functional currency is the currency of the primary economic environment in which the Company operates. All financial information presented are denominated in S\$ unless otherwise stated.

The preparation of these financial statements in conformity with FRSs requires management to exercise its judgement in the process of applying the Company’s accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

2. Material accounting policy information (Continued)

2.1 Basis of preparation (Continued)

Interpretations and amendments to published standards effective in 2023

In the current financial year, the Company has adopted the new or revised FRSs and Interpretations of FRSs ("INT FRSs") that are mandatory for application effective on 1 July 2023. Changes to the Company's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRSs and INT FRSs.

The adoption of these new or amended FRSs and INT FRSs did not result in substantial changes to the accounting policies of the Company and had no material effect on the amounts reported for the current or prior financial years.

2.2 Standards issued but not yet effective

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

| Description | Effective date (annual periods beginning on or after) |
|--|--|
| Amendments to FRS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current | 1 January 2024 |
| Amendments to FRS 116 Leases: Lease Liability in a Sale and Leaseback | 1 January 2024 |
| Amendments to FRS 1 Presentation of Financial Statements: Non-current Liabilities with Covenants | 1 January 2024 |
| Amendments to FRS 7 and FRS 107: Supplier Finance Arrangements | 1 January 2024 |
| Amendments to FRS 110 Consolidated Financial Statements and FRS 28 Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture | Date to be determined |
| Amendments to FRS 110 and FRS 28 Lack of Exchangeability | 1 January 2025 |

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

2.3 Revenue

Income is measured based on the consideration to which the Company expects to be entitled in exchange for transferring promised services to a customer, excluding amounts collected on behalf of third parties.

Income is recognised when the Company satisfies a performance obligation by transferring a promised service to the customer, which is when the customer obtains control of the service. A performance obligation may be satisfied at a point in time or over time. The amount of income recognised is the amount allocated to the satisfied performance obligation.

2. Material accounting policy information (Continued)

2.3 Revenue (Continued)

Income is recognised as follows:

(a) Rendering of services

Income from project is recognised over the duration in which the services are rendered.

(b) Donations

Donations are taken up and accrued as and when they are committed. Those uncommitted donations are recognised on receipt basis. Donations-in-kind are recognised when the fair value of the assets received can be reasonably ascertained.

(c) Other income

Other income is recognised when received.

2.4 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions. Where the grants relates to an asset, the fair value is recognised as deferred capital grant on the statement of financial position and is amortised to the statement of financial activities over the expected useful lives of the relevant asset by equal annual instalments.

Government grants, relating to costs are deferred and recognised in the statement of financial activities on systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate.

2.5 Expenditure recognition

All expenditure are accounted for on accrual basis, aggregated under the respective areas. Direct costs are attributed to the activity where possible. Where costs are not wholly attributable to an activity, they are apportioned on a basis consistent with the use of resources.

(a) Cost of generating funds

Costs that are directly attributable to the fund-raising activities are separated from those costs incurred in undertaking charitable activities.

(b) Cost of charitable activities

Cost of charitable activities comprises all costs incurred in the pursuit of the charitable objectives of the Company. The total costs of charitable expenditure are apportionment of overheads and shared costs.

(c) Administrative expenses

Administrative expenses include the costs of governance arrangement, which relate to the general running of the Company, providing governance infrastructure and ensuring public accountability. These costs include costs related to constitutional and statutory requirements and an apportionment of overhead and shared costs.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024**

2. Material accounting policy information (Continued)**2.6 Plant and equipment**

All items of plant and equipment are initially recorded at cost. Subsequent to recognition, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of plant and equipment includes its purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Dismantlement, removal or restoration costs are included as part of the cost of plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the plant and equipment.

Depreciation is calculated using the straight-line method to allocate depreciable amounts over their estimated useful lives. The estimated useful lives are as follows:

| | <u>Useful lives</u> |
|------------------------|---------------------|
| Computer | 1 year |
| Furniture and fittings | 2 years |
| Office equipment | 2 years |
| Renovation | 3 years |
| Website development | 2 years |

The residual value, useful lives and depreciation method are reviewed at the end of each reporting period, and adjusted prospectively, if appropriate.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in profit or loss in the year the asset is derecognised.

2.7 Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, (or, where applicable, when an annual impairment testing for an asset is required), the Company makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in profit or loss.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

2. Material accounting policy information (Continued)

2.8 Financial instruments

(a) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when the entity becomes party to the contractual provisions of the instruments.

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

Trade receivables are measured at the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

Subsequent measurement

Investments in debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are amortised cost, fair value through other comprehensive income (FVOCI) and FVPL. The Company only has debt instruments at amortised cost.

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

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

(b) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at FVPL, directly attributable transaction costs.

2. Material accounting policy information (Continued)

2.8 Financial instruments (Continued)

(b) Financial liabilities (Continued)

Subsequent measurement

After initial recognition, financial liabilities that are not carried at FVPL are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

2.9 Impairment of financial assets

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at FVPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. 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 recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment which could affect debtors' ability to pay.

The Company considers a financial asset in default when contractual payments are more than 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2. Material accounting policy information (Continued)

2.10 Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and on hand which are subject to an insignificant risk of changes in value.

2.11 Employee benefits

(a) Defined contribution plans

The Company makes contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

(b) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

2.12 Leases

The Company 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.

As lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities representing the obligations to make lease payments and right of use assets representing the right to use the underlying leased assets.

Right of use assets

The Company recognises right of use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right of use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right of use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in Note 2.8.

The Company's right of use assets is presented within plant and equipment (Note 10).

2. Material accounting policy information (Continued)**2.12 Leases (Continued)****As lessee (Continued)****Lease liabilities**

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

2.13 Taxes**(a) Current income tax**

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authority. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the end of the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2. Material accounting policy information (Continued)

2.14 Taxes (Continued)

(c) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except:

- where the GST incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables that are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

2.15 Fund

Fund represents accumulated surplus and is for the purpose of meeting operating expenses incurred by the Company. The directors retain full control over the use of unrestricted funds for any of the Company's purposes.

Fund balances restricted by outside sources are indicated and are distinguished from unrestricted funds allocated to specific purposes, if any, by action of the management, externally restricted funds may only be utilised in accordance with the purpose established by the source of such funds or through the terms of an appeal and are in contrast with unrestricted funds over which management retains full control to use in achieving any of its Company's purposes.

3. Significant accounting judgements and estimates

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3.1 Judgements made in applying accounting policies

Management is of the opinion that there are no significant judgements made in applying accounting estimate and policies that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3.2 Key sources of estimation uncertainty

There is no key assumption concerning the future and other key sources of estimation uncertainty at the end of the reporting period. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

EMPOWER AGEING LIMITED**NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024****4. Revenue**

| | At a point in time \$ | Over time \$ | Total \$ |
|----------------------|--------------------------------------|-------------------------|---------------------|
| 2024 | | | |
| Facilitation income | - | 32,470 | 32,470 |
| Miscellaneous income | 2,714 | - | 2,714 |
| | <u>2,714</u> | <u>32,470</u> | <u>35,184</u> |
| 2023 | | | |
| Facilitation income | - | 59,490 | 59,490 |
| Miscellaneous income | 1,983 | - | 1,983 |
| | <u>1,983</u> | <u>59,490</u> | <u>61,473</u> |

5. Donations

| | 2024 \$ | 2023 \$ |
|----------------|--------------------|--------------------|
| Tax-exempt | 135,099 | 133,989 |
| Non-tax exempt | 25,010 | 83,910 |
| | <u>160,109</u> | <u>217,899</u> |

6. Government grants

| | 2024 \$ | 2023 \$ |
|---|--------------------|--------------------|
| Grants from government of Singapore : | | |
| Infocomm Media Development Authority | - | 116,678 |
| National Youth Fund | 2,800 | - |
| | <u>2,800</u> | <u>116,678</u> |
| <u>Grants from National Council of Singapore</u> | | |
| Community Chest Charity Support Fund | - | 50,000 |
| Return of usage of funds | (11,132) | - |
| | <u>(11,132)</u> | <u>50,000</u> |
| <u>Grants from Singapore Totalisator Board (TOTE Board)</u> | | |
| Enhanced fundraising fund | 246,024 | 20,650 |
| Special employment credit | - | 137 |
| Wage credit scheme | 4,436 | - |
| Others | 1,093 | 349 |
| | <u>5,529</u> | <u>486</u> |
| Total government grants | <u>243,221</u> | <u>187,814</u> |

EMPOWER AGEING LIMITED**NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024****7. Income tax**

The Company is registered as a charity under Charities Act since 28 December 2016. Consequently, the income of the Company is exempted from tax under the provisions of Section 13 (1) (zm) of the Income Tax Act 1947.

8. Cash and cash equivalents

| | 2024 | 2023 |
|--------------|----------------|----------------|
| | \$ | \$ |
| Cash at bank | <u>118,973</u> | <u>178,563</u> |

At the reporting date, the carrying amount of cash and cash equivalents approximates its fair value.

9. Trade and other receivables

| | 2024 | 2023 |
|-----------------------------------|--------------|---------------|
| | \$ | \$ |
| Trade receivables: | | |
| - Related party | - | 2,400 |
| - Third parties | - | 4,100 |
| | <u>-</u> | <u>6,500</u> |
| Other receivables: | | |
| - Deposit | - | 5,600 |
| - Prepayments | 625 | 1,011 |
| - Unbilled revenue | 540 | - |
| | <u>1,165</u> | <u>6,611</u> |
| Total trade and other receivables | <u>1,165</u> | <u>13,111</u> |

Trade receivables are non-interest bearing and are generally on 14 days' (2023: 14 days') term.

At the reporting date, the carrying amounts of trade and other receivables approximate their fair values.

There is no other class of financial assets that is past due and/or impaired except for trade receivables.

EMPOWER AGEING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

10. Plant and equipment

| 2024 | Computer | Furniture and fittings | Office equipment | Renovation | Website Development | Total |
|----------------------------------|-----------------|-------------------------------|-------------------------|-------------------|----------------------------|---------------|
| | \$ | \$ | \$ | \$ | \$ | \$ |
| <u>At cost:</u> | | | | | | |
| At 01.07.2023 | 12,144 | 1,246 | 2,086 | 50,000 | - | 65,476 |
| Additional | - | - | - | - | 3,000 | 3,000 |
| Disposal | (1,464) | (1,246) | - | (50,000) | - | (52,710) |
| At 30.06.2024 | <u>10,680</u> | <u>-</u> | <u>2,086</u> | <u>-</u> | <u>3,000</u> | <u>15,766</u> |
| <u>Accumulated depreciation:</u> | | | | | | |
| At 01.07.2023 | 11,168 | 1,144 | 2,056 | 1,389 | - | 15,757 |
| Depreciation for the year | 976 | 102 | 30 | 48,611 | - | 49,719 |
| Disposal | (1,464) | (1,246) | - | (50,000) | - | (52,710) |
| At 30.06.2024 | <u>10,680</u> | <u>-</u> | <u>2,086</u> | <u>-</u> | <u>-</u> | <u>12,766</u> |
| <u>Net carrying amount:</u> | | | | | | |
| At 30.06.2024 | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>3,000</u> | <u>3,000</u> |
| 2023 | Computer | Furniture and fittings | Office equipment | Renovation | Total | |
| | \$ | \$ | \$ | \$ | \$ | \$ |
| <u>At cost:</u> | | | | | | |
| At 01.07.2022 | 10,680 | 1,246 | 2,086 | - | 14,012 | |
| Additional | 1,464 | - | - | 50,000 | 51,464 | |
| At 30.06.2023 | <u>12,144</u> | <u>1,246</u> | <u>2,086</u> | <u>50,000</u> | <u>65,476</u> | |
| <u>Accumulated depreciation:</u> | | | | | | |
| At 01.07.2022 | 9,897 | 735 | 1,877 | - | 12,509 | |
| Depreciation for the year | 1,271 | 409 | 179 | 1,389 | 3,248 | |
| At 30.06.2023 | <u>11,168</u> | <u>1,144</u> | <u>2,056</u> | <u>1,389</u> | <u>15,757</u> | |
| <u>Net carrying amount:</u> | | | | | | |
| At 30.06.2023 | <u>976</u> | <u>102</u> | <u>30</u> | <u>48,611</u> | <u>49,719</u> | |

EMPOWER AGEING LIMITED**NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024****11. Trade and other payables**

| | 2024 | 2023 |
|--------------------------------|---------------|----------------|
| | \$ | \$ |
| Trade payables | | |
| Related party | - | 103,505 |
| Third parties | 1,880 | 30,512 |
| | <u>1,880</u> | <u>134,017</u> |
| Other payables: | | |
| Accrued operating expenses | 21,900 | 10,533 |
| Deposit | 4,750 | - |
| Payroll payable | - | 4,112 |
| | <u>26,650</u> | <u>14,645</u> |
| Total trade and other payables | <u>28,530</u> | <u>148,662</u> |

Trade payables are non-interest bearing and are generally on 30 days term.

Non-trade payables are unsecured, interest-free and are repayable on demand.

At the reporting date, the carrying amounts of other payables approximate their fair values.

12. LeasesCompany as a lessee

The Company leases office space and facilities for the purpose of its business operations.

(a) Leases not capitalised in lease liabilities

| | 2024 | 2023 |
|----------------------------------|---------------|---------------|
| | \$ | \$ |
| Lease expense – short-term lease | <u>23,932</u> | <u>26,120</u> |

(b) Leases commitments for short-term lease

| | 2024 | 2023 |
|-----------------------|-------------|---------------|
| | \$ | \$ |
| Not later than 1 year | <u>-</u> | <u>19,600</u> |

13. FundsUnrestricted fund*General fund*

Unrestricted fund represents accumulated surplus and is established for the purpose of meeting the operating expenses incurred by the Company. Transfers are allowed with authorisation and approval of the Board of Directors and/or approval in General Meeting in accordance with the Company's Constitution.

EMPOWER AGEING LIMITED**NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024****13. Funds (Continued)**Restricted fund*Inter-generational Programme fund*

The Inter-generational programme fund comprises the fund-raising proceeds in collaboration with Impart Limited, a company incorporated and domiciled in Singapore, in fostering intergenerational relationships in communities across Singapore. All proceeds are placed in a restricted fund and shall be paid to Impart Limited when it is due.

| | 2024 | 2023 |
|---|--------------|--------------|
| | \$ | \$ |
| Movement in the fund as follows: | | |
| Balance at beginning of the year | 4,340 | 4,340 |
| Income | 93,080 | 103,505 |
| Disbursements | (93,080) | (103,505) |
| | <u>4,340</u> | <u>4,340</u> |

14. Related party transactions

In addition to the related party information disclosed elsewhere in the notes to the financial statements, the following transactions took place between the Company and related parties at terms agreed between the parties:

| | 2024 | 2023 |
|---------------------------------------|---------------|----------------|
| | \$ | \$ |
| Companies with common director | | |
| <u>Proage Pte. Ltd.</u> | | |
| -External trainer / vendor | - | 3,892 |
| -Facilitation income | - | 6,490 |
| -Insurance | - | 624 |
| -Office rent | - | 4,250 |
| | <u>-</u> | <u>15,256</u> |
| <u>Impart Limited</u> | | |
| -Facilitation income | - | 2,000 |
| -Payment for project cost | 93,080 | 103,505 |
| | <u>93,080</u> | <u>105,505</u> |

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

14. Related party transactions (Continued)

Key personnel comprised the directors and senior management of the Company. The remuneration of key management personnel is determined by the directors. The annual remuneration of key management personnel are classified as follows:

| | 2024 | 2023 |
|---|---------------|---------------|
| | \$ | \$ |
| Salaries and other short-term benefits | 51,529 | 65,000 |
| Contributions to Central Provident Fund | 5,004 | 6,800 |
| | <u>56,533</u> | <u>71,800</u> |

None of the key management personnel and staffs received more than S\$100,000 in annual remuneration.

None of the directors receive any monetary remuneration for their contributions.

15. Fair value of assets and liabilities

(a) Fair value hierarchy

The Company categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- Level 1 – Quoted prices (unadjusted) in active market for identical assets or liabilities that the Company can access at the measurement date,
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and
- Level 3 – Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are 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.

(b) Assets and liabilities not measured at fair value

Cash and cash equivalents, other receivables and other payables

The carrying amounts of these balances approximate their fair values due to the short-term nature of these balances.

Trade receivables and trade payables

The carrying amounts of these receivables and payables approximate their fair values as they are subject to normal trade credit terms.

16. Financial risk management

The Company's activities expose it to a variety of financial risks from its operation. The key financial risks include credit risk, liquidity risk and market risk (including foreign currency risk and interest rate risk).

The directors review and agree policies and procedures for the management of these risks, which are executed by the management team. It is, and has been throughout the current and previous financial year, the Company's policy that no trading in derivatives for speculative purposes shall be undertaken.

The following sections provide details regarding the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the Company's exposure to these financial risks or the manner in which it manages and measures the risks.

(a) Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Company. The Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets, the Company minimises credit risk by dealing exclusively with high credit rating counterparties.

The Company has adopted a policy of only dealing with creditworthy counterparties. The Company performs ongoing credit evaluation of its counterparties' financial condition and generally do not require a collateral.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The Company has determined the default event on a financial asset to be when internal and/or external information indicates that the financial asset is unlikely to be received, which could include default of contractual payments due for more than 60 days, default of interest due for more than 30 days or there is significant difficulty of the counterparty.

To minimise credit risk, the Company has developed and maintained the Company's credit risk gradings to categorise exposures according to their degree of risk of default. The credit rating information is supplied by publicly available financial information and the Company's own trading records to rate its major customers and other debtors. The Company considers available reasonable and supportive forward-looking information which includes the following indicators:

- Internal credit rating
- External credit rating
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations
- Actual or expected significant changes in the operating results of the debtor
- Significant increases in credit risk on other financial instruments of the same debtor
- Significant changes in the expected performance and behaviour of the debtor, including changes in the payment status of debtors in the group and changes in the operating results of the debtor.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

16. Financial risk management (Continued)

(a) Credit risk (Continued)

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making contractual payment.

The Company determined that its financial assets are credit-impaired when:

- There is significant difficulty of the debtor
- A breach of contract, such as a default or past due event
- It is becoming probable that the debtor will enter bankruptcy or other financial reorganisation
- There is a disappearance of an active market for that financial asset because of financial difficulty

The Company categorises a receivable for potential write-off when a debtor fails to make contractual payments more than 120 days past due. Financial assets are written off when there is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery.

The Company's current credit risk grading framework comprises the following categories:

| Category | Definition of category | Basis for recognising expected credit loss (ECL) |
|----------|--|--|
| I | Counterparty has a low risk of default and does not have any past-due amounts. | 12-month ECL |
| II | Amount is >30 days past due or there has been a significant increase in credit risk since initial recognition. | Lifetime ECL – not credit-impaired |
| III | Amount is >60 days past due or there is evidence indicating the asset is credit-impaired (in default). | Lifetime ECL – credit-impaired |
| IV | There is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery. | Amount is written off |

The table below details the credit quality of the Company's financial assets, as well as maximum exposure to credit risk by credit risk rating categories:

| | Note | Category | 12-month or lifetime ECL | Gross carrying amount \$ | Loss allowance \$ | Net carrying amount \$ |
|---------------------|------|----------|---------------------------|-----------------------------|----------------------|---------------------------|
| 30 June 2024 | | | | | | |
| Trade receivable | 9 | Note 1 | Lifetime ECL (simplified) | - | - | - |
| Other receivables | 9 | I | 12-month ECL | - | - | - |
| 30 June 2023 | | | | | | |
| Trade receivable | 9 | Note 1 | Lifetime ECL (simplified) | 6,500 | - | 6,500 |
| Other receivables | 9 | I | 12-month ECL | 5,600 | - | 5,600 |

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

16. Financial risk management (Continued)

(a) Credit risk (Continued)

Trade receivable (Note 1)

For trade receivable, the Company has applied the simplified approach in FRS 109 to measure the loss allowance at lifetime ECL. The Company determines the ECL by using a provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Accordingly, the credit risk profile of trade receivable is presented based on their past due status in terms of the provision matrix.

| | Trade receivable | | | | | |
|--|------------------|----------|------------|------------|----------|-------|
| | Days past due | | | | | |
| | Not past due | ≤30 days | 31-60 days | 61-90 days | >90 days | Total |
| | \$ | \$ | \$ | \$ | \$ | \$ |
| 30 June 2024 | | | | | | |
| ECL rate | 0% | 0% | 0% | 0% | 0% | |
| Estimated total gross carrying amount at default | - | - | - | - | - | - |
| ECL | - | - | - | - | - | - |
| | | | | | | |
| 30 June 2023 | | | | | | |
| ECL rate | 0% | 0% | 0% | 0% | 0% | |
| Estimated total gross carrying amount at default | - | 4,870 | 800 | - | 830 | 6,500 |
| ECL | - | - | - | - | - | - |

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

Exposure to credit risk

The Company has no significant concentration of credit risk. The Company has credit policies and procedures in place to minimise and mitigate its credit risk exposure.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

16. Financial risk management (Continued)

(a) Credit risk (Continued)

Other receivables

The Company assessed the latest performance and financial position of the counterparties, adjusted for the future outlook of the industry in which the counterparties operate in, and concluded that there has been no significant increase in the credit risk since the initial recognition of the financial assets. Accordingly, the Company measured the impairment loss allowance using 12-month ECL and determined that the ECL is insignificant.

(b) Liquidity risk

Liquidity risk refers to the risk that the Company will encounter difficulties in meeting its short-term obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. It is managed by matching the payment and receipt cycles. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities. The Company finances its working capital requirements through a combination of funds generated from operations and share capital. The directors are satisfied that funds are available to finance the operations of the Company.

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Company's financial assets and liabilities at the reporting date based on contractual undiscounted repayment obligations.

| | Carrying Amount | 2024 Contractual cash flows | One year or less |
|--|----------------------------|--|-----------------------------|
| | \$ | \$ | \$ |
| <u>Financial assets</u> | | | |
| Cash and cash equivalents | 118,973 | 118,973 | 118,973 |
| Total undiscounted financial assets | <u>118,973</u> | <u>118,973</u> | <u>118,973</u> |
| <u>Financial liability</u> | | | |
| Trade and other payables | 28,530 | 28,530 | 28,530 |
| Total undiscounted financial liabilities | <u>28,530</u> | <u>28,530</u> | <u>28,530</u> |
| Total net undiscounted financial assets | <u>90,443</u> | <u>90,443</u> | <u>90,443</u> |

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

16. Financial risk management (Continued)

(b) Liquidity risk (Continued)

Analysis of financial instruments by remaining contractual maturities (Continued)

| | Carrying Amount | 2023 Contractual cash flows | One year or less |
|--|----------------------------|--|-----------------------------|
| | \$ | \$ | \$ |
| <u>Financial assets</u> | | | |
| Trade and other receivables | 12,100 | 12,100 | 12,100 |
| Cash and cash equivalents | 178,563 | 178,563 | 178,563 |
| Total undiscounted financial assets | 190,663 | 190,663 | 190,663 |
| <u>Financial liability</u> | | | |
| Trade and other payables | 148,662 | 148,662 | 148,662 |
| Total undiscounted financial liabilities | 148,662 | 148,662 | 148,662 |
| Total net undiscounted financial assets | 42,001 | 42,001 | 42,001 |

(c) Market risk

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

(i) 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 is not exposed to interest rate risk.

(ii) Foreign currency risk

The Company's operational activities are carried out in Singapore dollars, which is the functional currency. All transactions are paid mainly in local currency. The company is not exposed to foreign currencies rates risk.

EMPOWER AGEING LIMITED**NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024****17. Financial instruments by category**

At the reporting date, the aggregate carrying amounts of financial assets at amortised cost and financial liabilities at amortised cost were as follows:

| | 2024 | 2023 |
|---|----------------|----------------|
| | \$ | \$ |
| Financial assets measured at amortised cost | | |
| Trade and other receivables | - | 12,100 |
| Cash and cash equivalents | 118,973 | 178,563 |
| Total financial assets measured at amortised cost | <u>118,973</u> | <u>190,663</u> |
| Financial liabilities measured at amortised cost | | |
| Trade and other payables | 28,530 | 148,662 |
| Total financial liabilities measured at amortised cost | <u>28,530</u> | <u>148,662</u> |

18. Fund management

The primary objective of the Company is to ensure it maintains sufficient cash in order to support its activities. Its approach to management of funds is to balance the allocation of cash and the incurrence of debt. Available cash is deployed primarily to cover operational requirements.

19. Reserve position and policy

The Company's reserve position for the financial year ended 30 June 2024 and 30 June 2023 is as follows:

| | | 2024 | 2023 | Increase / |
|---|--|-------------|-------------|-------------------|
| | | | | (Decrease) |
| | | S\$'000 | S\$'000 | % |
| A | Unrestricted funds | | | |
| | General funds | 90,268 | 88,391 | 2% |
| B | Restricted | | | |
| | Inter-generational programme | 4,340 | 4,340 | N/A |
| C | Endowment fund | N/A | N/A | N/A |
| D | Total funds | 94,608 | 92,731 | 2% |
| E | Total annual operating expenditure | 436,637 | 542,478 | (20%) |
| F | Ratio of funds to annual operating expenditure (A/D) | 0.22 | 0.17 | |

Reference:

C. Endowment fund consists of assets, funds or properties that are held in perpetuity which produce annual income flow for a foundation to spend as grants.

D. Total fund include Unrestricted, Restricted/Designated and Endowment Fund.

E. Total annual operating expenditure includes expenses related to Cost of Generating Funds, Cost of Charitable Activities and Administrative Expenses.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024**

19. Reserve position and policy (Continued)

The Company's reserve policy is as follows:

The reserve policy of the Company provides financial stability and the means for the development of the Company's activities.

The management intends to maintain the reserves at a level sufficient for its operating needs. The board reviews yearly the amount of reserves that are required to ensure that they are adequate to fulfill their continuing obligations.

20. Fund-raising

| | 2024 | 2023 |
|---|-------------|-------------|
| | \$ | \$ |
| Gross donations | 160,109 | 114,394 |
| Direct cost of fund-raising expenses | 28,021 | 20,100 |
| Percentage of direct fund-raising expenses over gross donations | <u>17.5</u> | <u>17.5</u> |

During the financial year ended 30 June 2024, the Company is in compliance with the Regulation 15 of the Charities (Institutions of a Public Character) Regulations.

Management is implementing controls to ensure all future fund-raising expenses are kept within 30% of gross receipts from fund-raising.

21. Management of conflict interest

The directors are required to disclose any interest that they may have, whether directly or indirectly, that the Company may enter into or in any organisations that the Company has dealings with or is considering dealing with; and any personal interest accruing to him as one of the Company's supplier, user of services or beneficiary. Should there be any potential conflict of interest, the affected member of the Board may not vote on the issue that was the subject matter of the disclosure. Detailed minutes will be taken on the disclosure as well as the basis for arriving at the final decision in relation to the issue at stake.

22. Authorisation of financial statements for issue

The financial statements for the financial year ended 30 June 2024 were authorised for issue in accordance with a resolution of the Board of Directors of the Company on the date stated on the Directors' Statement.









Empower Ageing FS - 30.06.2024 Audit Report

Final Audit Report

2024-12-16

| | |
|-----------------|--|
| Created: | 2024-12-16 |
| By: | Eve Yeo (eve.yeo@empower.org.sg) |
| Status: | Signed |
| Transaction ID: | CBJCHBCAABAAxFqNB_35_ZxjNgleOWF4tK8EO6yFuRlo |

"Empower Ageing FS - 30.06.2024 Audit Report" History

-  Document created by Eve Yeo (eve.yeo@empower.org.sg)
2024-12-16 - 5:24:39 AM GMT- IP address: 128.106.170.18
-  Document emailed to Albert Lim Song Khiang (albert.faithmc@gmail.com) for signature
2024-12-16 - 5:24:42 AM GMT
-  Document emailed to Liew Seh Siong (sehsiong@gmail.com) for signature
2024-12-16 - 5:24:43 AM GMT
-  Email viewed by Liew Seh Siong (sehsiong@gmail.com)
2024-12-16 - 5:44:12 AM GMT- IP address: 74.125.209.32
-  Document e-signed by Liew Seh Siong (sehsiong@gmail.com)
Signature Date: 2024-12-16 - 5:45:17 AM GMT - Time Source: server- IP address: 119.234.10.152
-  Email viewed by Albert Lim Song Khiang (albert.faithmc@gmail.com)
2024-12-16 - 7:37:02 AM GMT- IP address: 74.125.209.33
-  Document e-signed by Albert Lim Song Khiang (albert.faithmc@gmail.com)
Signature Date: 2024-12-16 - 7:39:14 AM GMT - Time Source: server- IP address: 124.155.207.178
-  Agreement completed.
2024-12-16 - 7:39:14 AM GMT