



KWONG WAI SHIU HOSPITAL

廣惠肇留醫院

Since 1910

Always Professional, Always Caring  
专业护疗，时刻关怀

2019  
ANNUAL  
REPORT 年報



Kwong Wai Shiu Care @ McNair

MCNAIR ROAD



Kwong Wai Shiu Hospital @ Potong Pasir

POTONG PASIR



Kwong Wai Shiu Care @ St George

ST GEORGE'S LANE



Kwong Wai Shiu Hospital  
(Main)

SERANGOON ROAD



Kwong Wai Shiu Care @ Jalan Besar

JELlicoe ROAD



Kwong Wai Shiu Care @ MacPherson

CIRCUIT ROAD



## ABOUT KWSH

Kwong Wai Shiu Hospital (KWSH), one of Singapore's oldest healthcare institutions, was founded in 1910 by a group of Cantonese merchants to provide free medical services to poor immigrants from China. Initially, KWSH's inpatient services were only available to the Cantonese, although outpatient services were accessible to all. In 1974, the Constitution of KWSH was amended to include the admission of people of all races into its inpatient facilities. Since then, KWSH has been committed to providing affordable and quality healthcare services to the sick and needy, regardless of race, language or religion.

In the last century, KWSH has evolved from a basic inpatient and outpatient establishment to a modern healthcare institution, recognised in Singapore for its nursing and geriatric care. At present, KWSH offers services in nursing home care, rehabilitation, Traditional Chinese Medicine (TCM) and community care services. In the face of a rapidly ageing population in Singapore, KWSH embarked on a redevelopment plan, transforming it into the largest single-site nursing home operator with the completion of its 12-storey nursing home building in 2017.

Despite the increasing operating expenses, KWSH has upheld its legacy of compassion and continues to charge nominal fees. At the same time, it strives continuously to keep up with the changing healthcare demands.

Many of KWSH's patients come from lower-income families. Their hospital charges are subsidised by KWSH's charity funds. As a charitable healthcare institution, KWSH depends on the public's support and donations to support the increasing healthcare expenses for the beneficiaries.

广惠肇留医院成立于1910年，当时由一群广东商人创办，其创办目的是为了给广东籍移民提供免费的住院和门诊医疗服务。到了1974年，广惠肇留医院开放给所有种族。广惠肇留医院在满足现代卫生保健需求的同时，保持着治病救人、行医为善的传统。

历经百年风雨路，广惠肇留医院从早年提供的基本住院和门诊服务，现今已是一所在新加坡广受肯定的疗养与老年护理医疗机构。我们目前提供的服务为疗养院护理、康复中心、中医门诊和社区护理服务。

新加坡人口老龄化增加了对疗养设施和护理的需求。广惠肇留医院已准备好面对下一个世纪的新挑战。医院志在为乐龄人士打造一个充满生气、活力并拥有更多服务的疗养院，而随着一栋全新12层疗养院大楼在2017年的竣工，广惠肇留医院已成为新加坡最大的单址疗养院。

医院的费用日益增加，医院常年的庞大开支来自各阶层热心人士的慷慨捐款，而医院病人大部分来自低收入家庭，这些善款也帮助我们津贴病人的服务费用。



KWONG WAI SHIU HOSPITAL





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## FROM OUR PATRON

### 名誉赞助人献词



Wong Kan Seng  
黄根成



KWSH was founded in 1910 by a group of Cantonese forefathers. With Cantonese from all walks of life stepping forth with their donations and support, a hospital by the community was born. A long way since our humble beginnings more than a century ago, the community spirit behind KWSH's founding has not changed today.

In fact, in recent years, we have taken our community care approach one step further by setting foot in the community itself with various community care centres known as KWS Care, bringing our care services closer to the people more than ever. In 2017, we achieved a historical milestone when we set up KWS Care @ McNair, our first ever facility beyond the premises of our main site. By 2021, we are going to have a total of six service sites including two nursing homes and four community care centres.

Launching five new service locations in quick succession over a five-year period is certainly no mean feat. The Kwong Wai Shiu team deserves great praise for its big strides toward becoming an integral community care provider in Singapore. At the same time, the Hospital has continued to add value to its main KWSH campus, with the additional 128-bed chronic sick wards beginning operations next year as we move beyond general nursing home care.

With new facilities come new challenges. The Board has done well to recruit new members into the team. Five new members have come on board to contribute ideas to the Hospital's leadership. Besides being successful professionals in their respective fields, the new members have also been involved with various professional and social bodies. The expertise and experience of these members bode well for KWSH as the Hospital continues to constantly reinvent ourselves to cater to the needs of the evolving healthcare landscape, as we have done for the past 109 years.

The foresight and planning of the Board and management have been especially instrumental in this development journey. We thank our staff who have been working tirelessly to ensure KWSH sees through its plans. We are also grateful to our generous donors and ardent supporters. Let me take this opportunity to thank everyone for contributing to the cause and becoming a part of our Kwong Wai Shiu family. To 2021 and beyond!

Meanwhile, in this trying time of the COVID-19 pandemic, please keep safe and stay healthy.

广惠肇留医院是由一群来自广东的先辈在1910年所创办。来自各个生活阶层的广东人士踊跃捐款和付出，造就了此社区医院。医院创办已有超过一百年，但医院创办背后的社区精神仍未改变。

实际上，本院近几年更是进一步拓展了我们的社区服务理念，直接入驻社区，在社区内建设了几家名为广惠肇社区关怀中心的社区照护设施，使关怀服务比以往更加贴近社区民众。本院在2017年达成了新历史里程碑，在麦奈雅路成功开设了广惠肇社区关怀中心，即本院主址以外的首个设施。到了2021年，本院将一共拥有六个服务设施，包括两家疗养院和四家社区关怀中心。

在五年的时间内接二连三地建设五个新服务据点绝非易事。将广惠肇留医院发展为新加坡的关键社区护理业者的旅程中，广惠肇团队又迈进一大步，值得赞扬。与此同时，本院也继续为主院区增添新服务。院内增设的128床位慢性疾病病房将于明年开始运作，使我们的住院疗养服务扩展至普通住院疗养以外的范围。

新的设施必然会带来新挑战，而董事会也适时招揽新成员加入董事会团队。五名新成员加入了董事会的大家庭，将为本院的领导层贡献新点子。他们不仅是各自领域中的成功专业人士，同时也参与各个专业人士团体与社会团体的事务。就如过往的109年一样，本院将继续持续改革创新以应付因医护大环境不断改变而呈现的新需求。在这样的情况下，这些新成员所具备的专业知识与经验对本院来说肯定是件好事。

董事会与本院管理层的高瞻远瞩和周详策划在我们的发展中扮演着举足轻重的角色。广惠肇感谢所有员工不辞辛劳地确保本院的计划能够成功落实。本院也要感谢所有慷慨的捐赠者和热心的支持者。谨此谢谢你们成为广惠肇大家庭的一员与我们同心，为我们的共同目标做出贡献。让我们一同向2021年及未来迈进！

与此同时，在2019冠病疫情的困难时期，请大家切记保持安全与健康。

## FROM OUR CHAIRMAN

### 主席献词



Lee Kwok Kie, Patrick  
李国基 PJG



The first highlight of 2019 came as early as 2 January when our second community care centre, KWS Care @ Jalan Besar, opened its doors. This was followed by the commencement of another centre at the St George's estate in September. These new centres follow our first ever community facility at McNair, which has been bringing community care to the doorsteps of the elderly living in its vicinity since 2017.

We now have a total of three operational service sites beyond our main KWSH campus, but our expansion is not about to stop just yet. A fourth KWS Care centre at MacPherson and a second nursing home at Potong Pasir are already undergoing works and are expected to be up and running come 2020 and 2021 respectively.

In order for the six sites to materialise, all of us at KWSH have worked extremely hard and I would like to thank my fellow Board members for their efforts. Now that the groundwork for the Hospital's expansion and extension into the community is very much on track, a few long-serving members had seen it an opportune time to step down and make way for fresh faces. These experienced Board members have spent many years serving KWSH, contributing to the Hospital with their invaluable leadership and guidance.

Over the years, I have had the honour of working alongside as well as learning from them and I am happy to share that these old hands will continue to support us in their new capacity as Honorary Directors. Let me express my deepest gratitude toward my colleagues, Mr Ho Nai Chuen, Professor Lee Cheuk Yin, Dr Lee Kuo Chuen David, Mr Lo Hock Ling, Mr Lum Kok Seng David and Mr Lum Kwan Sung Raymond.

I would also like to take this opportunity to welcome on board our five new members, Mr Lau Kam Yuen, Mr Lee Kean Phi Mark, Ms Leong Lai Onn Susan, Mr Lum Wen Hong Adrian and Mr Wong Chee Heng. Their appointments are a timely move as our community care network of the six service sites shapes up. At an average age of 48, I am certain the vigour of the newcomers will spur the Hospital to greater heights in the new decade and beyond. Not only am I looking forward to the drive of our younger peers, they also bring with them professional expertise in the financial, commerce and legal realms, with skills and networks that will come in handy for their work at KWSH.

A fruitful year it has been with the additions of two facilities and five members! On behalf of the KWSH Board, I would like to thank our staff for working closely with us. A big thank you also goes to our generous donors and kind volunteers for making our work possible.

早在1月2日，本院便迎来了在2019年的首个亮点。惹兰勿剎广惠肇社区关怀中心正式投入运作，成为我们开设的第二家社区关怀中心。广惠肇继而又于9月份在圣乔治区开设了又一家社区关怀中心。这些新设的中心如同本院于2017年在麦奈雅路开设的首家社区关怀设施，专为居住在该区的年长人士提供社区照护服务。

除了广惠肇留医院主院区以外，本院现已另有三个运行中的服务设施，但广惠肇的扩展并未停下步伐。位于麦波申的第四家广惠肇社区关怀中心和位于波东巴西的第二家疗养院的建设工已开始，并预计分别在2020年和2021年开始运作。

为了实现这六个服务地点，广惠肇留医院的全体人员都非常努力，而我想要感谢诸位董事会成员的付出。如今本院的扩展和延申社区服务的工作都已上了轨道，几名服务多年的董事会成员认为这是退出董事会，让医院引进新成员的恰当时机。这些富有经验的董事会成员已服务本院多载，这些年来以其宝贵的领导能力和指导为广惠肇做出贡献。

多年来我有幸能够与他们并肩作战并从他们身上学习。令人非常高兴的是，这些资深成员将以名誉董事的新身份继续支持我们。我在此由衷感谢这几位同仁：何乃全先生、李焯然教授、李国权博士、卢鹤龄先生、林国城先生以及林均城先生。

我也要借此机会欢迎五名新成员加入董事会。他们是刘锦源先生、李坚辉先生、梁利安女士、林泳糠先生以及黄志恒先生。由本院六个服务据点组成的社区关怀网络逐渐成型，而此时添加新董事会成员正是个适时的决定。五位新成员平均年龄为48岁，相信他们所带来的活力将让本院能够在未来十年甚至是更远的将来取得更多成就，而令我有所期待的还不仅仅是新成员的冲劲。他们在金融、商业和法律界方面的专业知识、技能与网络也将能够很好地帮助他们胜任广惠肇的工作。

本院在2019年增设了两个设施并招募了五名新成员，这可说是丰收的一年！我谨代表董事会感谢所有与广惠肇紧密配合的员工。也非常感谢慷慨的捐赠者和我们的善心志工，协助本院取得今日的成就。

## FROM OUR CEO

### 总裁献词

Our ongoing development and expansion voyage in recent years could have been described as a “growth spurt”. From a single nursing home at the beginning of 2017, KWSH’s nursing home capacity will increase almost four-fold by 2021 to nearly 1,200 beds and our number of service locations will have grown from the solitary one to six in total, with two nursing homes and four community care centres.



Dr Ow Chee Chung  
区志忠医生

As the infrastructure works for the new facilities take place, we have been on the front foot of the physical developments in terms of building the capabilities of our staff to ensure they are able to cope with our service expansion. Especially important is the training and development for staff in healthcare capacities such as frontline staff like nursing and rehab personnel, as well as the allied health professionals.

In particular, we have set up a Medical Services department with the appointment of a Director of Clinical Services (DCS) at the helm of this department. Taking on the new DCS role is a western doctor who is also trained in TCM acupuncture and he will work toward the integration of western and Chinese medicine practices for both our inpatient and outpatient services.

While KWSH’s services have constantly evolved over the years to cater to the changing societal needs and demands, TCM has remained an important pillar of our services throughout the century. A core component at KWSH, our TCM department has had two important developments in 2019. In July, we penned an MOU with NTU’s School of Biological Sciences. Besides driving TCM research and allowing our physicians and their NTU counterparts to partake in staff exchange programmes, the collaboration will also see NTU’s TCM physician students receiving training at KWSH through attachments.

Thanks to the generous sponsorship from Yangzheng Foundation, we also launched the YZF-KWSH Physician Residency Programme in November. This programme officially commences in January 2020, offering fresh graduate TCM physicians from NTU employment through a two-year residency programme which includes on-the-job training in a full spectrum of TCM settings, i.e. inpatient, outpatient and community. We are excited to be contributing to the TCM industry by providing a conducive learning environment for budding new physicians.

On the community partnership front, KWSH will continue to forge new partnerships as well as deepen existing ones with various health and community organisations in the Central Singapore region. Apart from enhancing our healthcare services, these partnerships will also support our community outreach efforts and in this regard, we are very happy to welcome the Silver Generation Office (SGO) to our KWSH campus. SGO had relocated its satellite office and the SGO @ Kallang is the latest addition to our community hub. We look forward to drawing upon SGO’s expertise and network in eldercare, and together benefit even more seniors.

With our extensive network of community partnerships, coupled with the setting up of the new KWS Care centres, Kwong Wai Shiu is well on our way in this journey of delivering a Regional Community Healthcare System in the Central Singapore region.

本院在近几年的持续发展和扩展好比孩童、少年的“快速生长期”。从2017年初的单一疗养院，广惠肇留医院的总疗养院床位将在2021年达到近1200个，即几乎四倍之多。届时，本院的服务据点也将从一个增加至六个，其中包括两家疗养院和四家社区关怀中心。

在为新设施进行基础建设的当儿，本院也紧锣密鼓地配合硬件设施的建设做好人员方面的准备。广惠肇专注于员工的技能培训，让他们有能力应付本院的服务扩充。尤其重要的是医护人员的培训与发展，例如负责护士工作与康复治疗的前线员工，还有我们的综合医疗保健人员。

本院特地设立了一个医护服务部门并任命一名临床医疗服务总监领导该部门。被委任为新临床医疗服务总监的是一名通晓中医针灸的西医，而他将力图在本院的住院和门诊服务中，中西合璧将中西医融会贯通。

广惠肇留医院所提供的医疗服务过去时而演变以便迎合不断改变的社会需求，但有始至终却一直保有中医治疗服务。作为广惠肇的核心服务，本院的中医部门在2019年取得了两项重大发展。我们在7月份与南洋理工大学的生物科学学院签订了合作备忘录。除了推动中医研究及安排本院的医师和南大的医师进行职员交流计划之外，此合作也将让南大的中医学生有机会在本院接受实习培训。

荣幸获得养正基金的慷慨赞助，本院也在11月份推出了养正基金－广惠肇留医院中医师驻院培训计划。该计划在2020年1月正式开始，将为刚从南大毕业的中医医师提供就业机会。参加计划的中医医师将接受为期两年的驻院实习计划，其中包括在各种中医治疗环境的在职培训，即住院服务、门诊和社区诊治。本院非常高兴能够为刚毕业的中医医师提供有益的学习环境，为中医业做出贡献。

在社区伙伴方面，本院继续与位于新加坡中部的各家医护机构和社区组织建立新合作伙伴关系，同时深化与现有伙伴的合作。除了提升我们的医护服务，这些社区伙伴还可支持本院的社区外展计划。我们也非常高兴欢迎关爱乐龄办事处（Silver Generation Office，简称SGO）落户本院主院区。SGO已将区域办事处迁至广惠肇，使“加冷SGO”成为广惠肇主院区这个社区医护中心里的最新成员。本院期待能够借助SGO在乐龄关怀方面的专业知识和网络，共同造福更多乐龄人士。

有了广大的社区伙伴网络，外加新设立的广惠肇社区关怀中心，广惠肇将可有效地在新加坡中部地区提供完善的区域社区医护体系。



Back, from left: Patricia Teh (Director of Finance), Dr Liauw Siew Lian (Chief Physician, TCM Centre), Phoebe Teo (Asst Director, Corporate & Community Relations), Dr Ow Chee Chung (CEO), Dr Richard Tan (Director of Clinical Services), William Chan (Director of Operations Support Services), Stephanie Wan (Senior Manager, Inpatient Operations)

Front, from left: Tan Kok Hwa (Dy Director, Information Management & Support Services), T T Pang (Dy CEO), Michelle Lew (Director of Ambulatory Services), Jessy Chang (Director of Nursing), Poh Seok Ching (Dy Director, Human Resources)

# EXECUTIVE COMMITTEE

## 执行委员会



Chairman 主席  
**Mr Lee Kwok Kie, Patrick** 李国基  
Chairman  
Sing Lun Holdings Pte Ltd



Vice Chairman 副主席  
**Dr Cheong Wai Kwong** 张伟光  
Director/Dermatologist  
Specialist Skin Clinic and Associates Pte Ltd



Vice Chairman 副主席  
**Mr Chia Weng Kaye** 谢永祺  
Managing Director  
Chuen Cheong Food Industries (Pte) Ltd



Vice Chairman 副主席  
**Mr Tang Kin Fei** 邓健辉  
Chairman  
SIA Engineering Company Ltd



Treasurer 财政  
**Mr Ng Siew Quan** 吴绍均  
Partner  
PricewaterhouseCoopers LLP



**Mr Hoong Kong Fatt** 洪广发  
FCA Singapore  
K. F. Hoong & Company



**Mr Wan Shung Ming** 尹崇明  
Executive Director  
Tin Sing Goldsmiths Pte Ltd



**Mr Lam Yew Choong** 林耀松  
Executive Director  
Seng Lee Tobacco Factory (Pte) Ltd



**Mr Vincent Chen W C** 陈伟清  
Director  
Chen Holdings Pte Ltd



**Mr William Leong** 梁善源  
Executive Director  
Leung Yun Chee & Sons Realty Pte Ltd  
Leong Heng Keng & Sons Group

# GOVERNANCE

## 監管

### Board of Directors (01 July 2017 – 30 June 2020) 广惠肇留医院董事会

#### Honorary Chairman & Board Advisor

名誉主席兼董事会顾问

Leong Heng Keng 梁庆经 (Deceased)

#### Honorary Chairman

名誉主席

Lun Yue Sheong 伦与常 (Deceased)

#### Honorary Directors

名誉董事

Chang Weng Fei 曾荣辉

Chong Kit Cheong 钟杰章

Chou Yik Lin 周奕年

Chui Fook Wah 崔福华

Chui Pui Cheng 徐沛清

Foong Khai Leong 冯启良

Ho Nai Chuen 何乃全

Lai Ha Chai 黎富荣

Lee Cheuk Yin 李焯然

Lee Kuo Chuen, David 李国权

Leong Heng Leun 梁庆纶

Leong Siew Kwai 梁少逵

Lo Hock Ling 卢鹤龄

Loh Soo Har 罗素夏

Lum Kok Seng, David 林国城

Lum Kwan Sung, Raymond 林均城

Poon Tien Sheu 潘天仕

Seng Lup Chew 成立超 (Deceased)

Sin Leong 冼良

Sum Lai Yan 岑礼恩 (Deceased)

Tang Sheung Ching 邓尚正

Wong Hoo Tung 黄河东

#### Chairman

主席

Lee Kwok Kie, Patrick 李国基

#### Vice Chairmen

副主席

Cheong Wai Kwong 张伟光

Chia Weng Kaye 谢永祺

Tang Kin Fei 邓健辉

#### Treasurer

财政

Ng Siew Quan 吴绍均

#### Executive Committee

执行委员会

Lee Kwok Kie, Patrick 李国基

Chia Weng Kaye 谢永祺

Tang Kin Fei 邓健辉

Cheong Wai Kwong 张伟光

Ng Siew Quan 吴绍均

Hoong Kong Fatt 洪广发

Wan Shung Ming 尹崇明

Lam Yew Choong 林耀松

William Leong 梁善源

Vincent Chen 陈伟清

#### Board Members

董事

Chan Chiu Kok 陈沼阁

Chan Kim Ying 陈剑英

Cheong Sooi Peng 张瑞平

Robert Chew 周永明

Chia Weng Soon 谢永信

Ching Kwok Choy 程国材

Chong Kar Shin 张家胜

Fong Yue Kwong 方遇光

Ho Kwok Choi 何国才

Hooi Kok Wai 许国威

Kok Pak Weng, Willie 郭伯荣

Kwong Kin Mun 邝健文

Lee Pui Luin, Anne 李佩莹

Leong Mun Sum 梁文琛

Leong Sin Kuen 梁善权

Lo Wei Min 卢慧敏

Loh Weng Whye 罗永威

Moh Swee Cheong, Doris 毛瑞庄

Ng Yok Kuan 吴毓均

Pan Tien Chor 潘天佐

Seow Choke Meng 萧作鸣

Seow Lee Kian, Terene 萧丽娟

Sew Weng Cheong, Lawrence 萧永祥

Tang Tat Kwong 邓达光

Winston Loh 鲁劲辉

Lau Kam Yuen 刘锦源 (Appointed 1 July 2019)

Lee Kean Phi, Mark 李坚辉 (Appointed 1 July 2019)

Lum Wen Hong, Adrian 林泳糠 (Appointed 1 July 2019)

Leong Lai Onn, Susan 梁利安 (Appointed 1 July 2019)

Wong Chee Herng 黄志恒 (Appointed 1 July 2019)







## Committees 委员会

### Audit Committee

#### 审计委员会

**Chairman 主任**

Chen Wei Ching, Vincent 陈伟清

**Vice Chairman 副主任**

Lo Wei Min, Pearlyn 卢慧敏

### Estate Committee

#### 产业委员会

**Chairman 主任**

Wan Shung Ming 尹崇明

**Vice Chairman 副主任**

Loh Weng Whye 罗永威

### Finance Committee

#### 财务委员会

**Chairman 主任**

Ng Siew Quan 吴绍均

### Fundraising Committee

#### 募捐委员会

**Chairman 主任**

Leong Sin Yuen, William 梁善源

**Vice Chairman 副主任**

Ho Kwok Choi 何国才

Seow Lee Kian, Terene 萧丽娟

### HR Committee

#### 人事委员会

**Co Chairman 联合主任**

Hoong Kong Fatt 洪广发

\* Christophane Foo 符传心

(\* non-Board member)

### Investment Committee

#### 投资委员会

**Chairman 主任**

Lam Yew Choong 林耀松

**Vice Chairman 副主任**

Kwong Kin Mun 邝健文

### Medical Advisory Committee

#### 医药咨询委员会

**Chairman 主任**

Cheong Wai Kwong 张伟光

### Medifund Committee

#### 保健基金委员会

**Chairman 主任**

Cheong Sooi Peng 张瑞平

### Nomination Committee

#### 推选委员会

**Chairman 主任**

Chia Weng Kaye 谢永祺

## Kwong Wai Shiu Hospital Information

Kwong Wai Shiu Hospital ("Hospital") (UEN: 201615448C) is incorporated in Singapore as a Company Limited by Guarantee ("CLG") without a share capital. An Institution of a Public Character ("IPC") registered under the Charities Act, Chapter 37.

As of 1 July 2017, the Hospital has taken over the operations, together with all the assets and liabilities of Kwong Wai Shiu Hospital ("KWSH") (UEN: T08CC3024J) incorporated under the Kwong-Wai-Shiu Hospital Ordinance (Chapter 366).

Registered Address : 705, Serangoon Road, Singapore 328127

Auditor : RSM Chio Lim LLP

Legal Advisor : Yeo-Leong & Peh LLC

Corporate Secretary : Mr Adrian Peh



## Corporate Governance Statement

### Board of Directors

The Board is committed to achieving high standards of corporate governance to promote best practice and corporate transparency. It firmly believes that good corporate governance is essential to the sustainability of KWSH's performance and its commitment to preserving public confidence. KWSH is pleased to report that it has adhered to the principles and guidelines of the Code of Governance for Charities and Institutions of a Public Character.

The Board steers the Hospital towards achieving its social mission and enhancing the well-being of its clients. The Hospital is going through a transition to rationalize the optimal size of the Board and term limit of the Board members. The Board currently comprises 40 members, five of them are appointed during this financial year as Board renewal exercise to ensure the sustainability of the organization. Although some of the Board members have served more than 10 years, they are mainly a holdover from the Ordinance days and their services are required to ensure continuity for the Hospital.

The only term limit imposed now is for Chairman of Finance Committee (Treasurer) which is not exceeding four consecutive years.

The Board met four times in financial year 2019 with the average attendance rate of 72%.

The Board has delegated the overseeing of the Hospital to a 10-member Executive Committee (EXCO) which consists of Board Chairman, Vice Chairmen, and Chairmen of Committees. EXCO met 11 times in financial year 2019 with the average attendance rate of 83%.

No.	EXCO Member	Attendance
1	Lee Kwok Kie, Patrick 李国基	11/11
2	Chia Weng Kaye 谢永祺	11/11
3	Tang Kin Fei 邓健辉	9/11
4	Cheong Wai Kwong 张伟光	8/11
5	Ng Siew Quan 吴绍均	7/11
6	Hoong Kong Fatt 洪广发	9/11
7	Wan Shung Ming 尹崇明	10/11
8	Lam Yew Choong 林耀松	10/11
9	William Leong 梁善源	8/11
10	Vincent Chen 陈伟清	8/11

### Operations, Controls and Compliance

KWSH has Standard Operation Procedures (SOPs) in place and conducts internal audits to test the effectiveness of internal controls. KWSH has engaged Deloitte & Touche Enterprise Risk Services Pte Ltd to assist in the internal audits and where appropriate, advise on how to enhance the effectiveness and adequacy of our internal controls framework and SOPs.

The Board has also ensured that KWSH is in compliance with the Code of Governance Evaluation Checklist.

### Conflicts of Interest

KWSH has policies and standard operating procedures in place for Board members, staff and volunteers regarding the Conflicts of Interest, to ensure that all parties will act in the best interests of KWSH. They are required to declare any conflict / potential conflict of interest periodically and are apprised of the procedures when they first join the organisation.

There is no paid staff who is a close member of the family of the Executive Head or Board members.

At the Board meetings, the Board will also review and ensure that for transactions with parties with whom a conflicting interest exists, the conflicting interest is fully disclosed, and the parties are excluded from discussion and approval of such transactions.

### Whistle Blowing

KWSH is committed to the highest possible standards of transparency, probity and accountability. The Whistle Blowing Policy helps promote the highest possible standards of ethical and responsible conduct by providing an avenue for stakeholders to raise genuine concerns relating to any aspect of KWSH's operation, including serious breaches of the code of conduct by staff.

Stakeholders could raise such concerns in writing and email to [whistleblowing@kwsh.org.sg](mailto:whistleblowing@kwsh.org.sg)

### Reserves Policy

The reserves provide financial stability and the means for the development of the Hospital's activities. The Hospital intends to maintain the reserves at three to four years, a level sufficient for its future operating needs bearing in mind its major expansion that will be ongoing over the next few years.

Upon the full operation of the new nursing home, it is anticipated that there will be an increase in operating expenses in the coming years. Management monitors and reports to the Board of Directors regularly on the Hospital's activities and financial status. The Board of Directors reviews the level of reserves regularly for the Hospital to meet its continuing obligations.

# YEAR AT A GLANCE

## 全年概况



Clay Therapy for Residents with Dementia



Reminiscence Therapy



Carnival Games



Electronic Bingo

### TCM Centre

59,443 outpatient sessions  
(7% increase)



Broke record for Singapore's largest lantern wall

### Outpatient Rehab Services

46,698 sessions



ESM Goh Chok Tong planted a tree to commemorate Community Care Day

New Types of Social Activities: 4

**11,394**  
clients and wellness members served in 2019

### Community Care Services

2,579 home care visits conducted for 215 households



# HIGHLIGHTS OF 2019

## 2019年亮点



### ESM Goh Graces Community Care Day 吴资政莅临社区关怀日

KWSH was honoured to have Emeritus Senior Minister Goh Chok Tong and Mrs Goh grace our annual Community Care Day on 30 March 2019 as guests of honour. To mark the special occasion, ESM Goh planted a tree in our historic Pavilion Garden. Mrs Goh also serenaded the audience with her melodies. Our residents were pleased to chat with our distinguished guests as they mingled with the crowd.

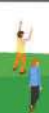
广惠肇留医院有幸能够邀请到荣誉国务资政吴作栋和吴夫人以主宾身份出席2019年3月30日举行的一年一度社区关怀日。为了纪念这个特别的日子，吴资政在本院历史性的广惠肇庭院内种下一棵树。吴夫人也亲自上阵，以几首优美歌曲让大伙儿听得如痴如醉。本院的院友喜见两位贵宾莅临，纷纷高兴地与主宾相互问候，聊天。



## Record-Breaking Lantern Wall for Mid-Autumn 中秋彩灯墙破记录

KWSH became the record holder of the Largest Lantern Wall in Singapore during our Mid-Autumn Festival celebration on 7 September. The lantern wall spanned across the entire corridor of one of our conserved blocks and was made up of more than a thousand colourful lanterns lovingly painted by our residents, volunteers and community hub partners. The record would not have been possible without the collective effort put in by all our supporters.

广惠肇留医院在9月7日举行的中秋晚会上所展示的巨型彩灯墙成功以“最大彩灯墙”列入《新加坡纪录大全》。彩灯墙沿着本院其中一栋受保留建筑的整条走廊立起，由超过一千个七彩缤纷的灯笼组成。这些灯笼均由本院的院友、志工和院区内的社区伙伴彩绘。本院能够打破纪录，这些支持者功不可没。

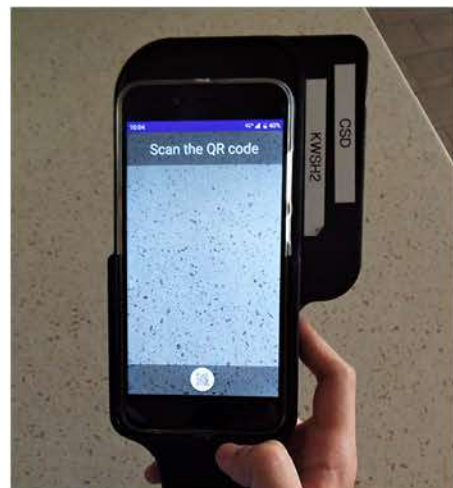


## KEY INITIATIVES 服务提升与主要项目

### Automated Wound Care 自动化伤口护理

In March 2019, KWSH embarked on a journey with KroniKare for automated wound assessments and management. The KroniKare Wound Scanner is able to provide automated assessments of our clients' chronic wounds. With promising interim results from a small pilot run, a memorandum of understanding was signed in August to implement a new wound care system for KWSH to capture wound information for our digital management of the clients' wound progress.

广惠肇留医院在2019年3月连同KroniKare公司一起开启对病患伤口情况的自动化评估和管理。“KroniKare伤口扫描器”将能够自动评估病患的慢性伤口情况。本院从小规模的初步测试中看到了具有潜力的成效，因此于8月签订了合作备忘录，利用新的伤口护理系统记录伤情，实施广惠肇对病友伤口复原情况的数码化管理。



KroniKare Wound Scanner  
KroniKare 伤口扫描器

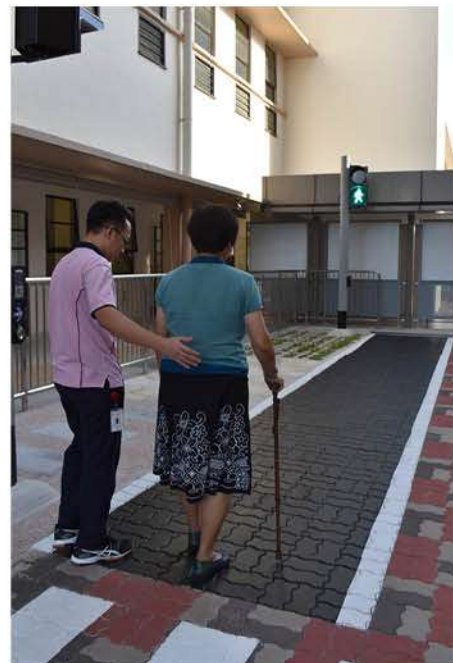
### Mobility Training Circuit 助行训练场

KWSH has established the Mobility Training Circuit (MTC), a comprehensive rehabilitative venue that mimics the actual pedestrian environment, to provide guided training for patients to move safely and freely in the community. To assist the clients to live more independently, they are trained at the MTC on skills such as reading road signs, car transfers, road safety and traffic light crossing.

As one of the Agency for Integrated Care's appointed motorised device assessment and training centres, KWSH is a one-stop venue that offers integrated services. Beyond simply training, the Hospital further provides assessments on the safe use of motorised devices. The MTC is equipped with features and facilities to conduct both the trainings and assessments.

广惠肇留医院建立了助行训练场，以一个模拟实际路面情况和行人交通环境的康复场地为使用者提供指导训练，教导他们如何在社区内安全和自如行走。在助行训练场，使用者将学习各种生活技能，如阅读路标、安全上下车、道路安全知识和如何使用交通灯安全过马路，以便能更独立地生活。

作为护联中心指定的电动行动辅助工具评估与训练中心之一，广惠肇是个能够提供综合服务的一站式场所。除了提供训练外，我们还为电动行动辅助工具的安全使用进行评估。本院的助行训练场备有进行训练和评估的设备与设施。



## Collaborations With HCA Hospice Care 与HCA慈怀护理合作

HCA Hospice Care (HCA) is one of KWSH's partners whose headquarters is located within the Hospital's premises. In 2019, our working ties with HCA were further strengthened with the Hospital offering rehabilitation services for HCA's clients. These sessions were held twice a week at KWSH for an hour each. Ninety-seven sessions were conducted in total, which amounted to our partner's clients benefitting from 319 hours of rehabilitation. Similarly, the Hospital tapped on our partner's palliative care services as well by referring residents who required more specialised treatment and care to them.

Together with HCA, we also jointly hosted a group of students from Hong Kong's Tung Wah Group of Hospitals who were keen to learn about Singapore's eldercare services. The visit was held on 30 August and the students were brought on a tour around the Hospital, where they learned more about our services. They also had the opportunity to interact with clients from both organisations over lunch and games.

HCA慈怀护理（简称HCA）是广惠肇留医院的合作伙伴之一，而其总部也坐落于本院主院区。广惠肇在2019年开始为HCA病友提供康复治疗服务，进一步加强了双方的合作关系。本院每星期为HCA病友举行两次康复治疗活动，每次为时一小时。我们前后一共提供了97次治疗，让该伙伴的病友得益于319个小时的康复治疗。与此同时，广惠肇也借助合作伙伴的慈怀护理服务，将那些需要特别治疗和护理的院友转介给HCA。

此外，本院与HCA携手欢迎了一群来自香港东华三院的学生。这群深感兴趣了解新加坡乐龄护理服务的学生，于8月30日到访本院参观，进一步了解我们提供的各种服务。他们也透过午餐聚会和游戏与来自广惠肇和HCA的病友进行了互动交流。



KWSH and HCA jointly hosted students (in blue) from Hong Kong's Tung Wah Group of Hospitals  
广惠肇与HCA一同接待来自香港东华三院的学生（身着蓝衣者）



## Memorandum of Understanding with NTU 南大合作备忘录

KWSH has always been committed to combine the best of western and Chinese medicine in our delivery of care for the elderly. On 30 July, we signed a memorandum of understanding with the Nanyang Technological University's (NTU) School of Biological Sciences to contribute to the development of Chinese medicine in Singapore through collaborative training and research.

Through the collaboration, undergraduates from NTU's TCM physician programme will go through a holistic attachment at the Hospital which provides exposure to the inpatient and outpatient settings. At the same time, the physicians from both organisations will undergo exchange programmes at their counterpart's TCM clinic.

广惠肇向来致力于中西合璧，中西医并施，以便为年长者提供最佳的照顾。7月30日，本院同南洋理工大学生物科学学院签署了合作备忘录，协力通过培训与科研为本地中医的发展做出贡献。

在合作计划下，南大中医课程的学生将到医院参加全方位的实习计划，可同时接触到住院院友和门诊病友的病例。南大和广惠肇的医师也会到彼此的诊所进行交换计划。



## Launch of YZF-KWSH Physician Residency Programme

### 推出养正基金-广惠肇留医院中医师驻院培训计划

Following the MOU signed with NTU, KWSH also launched the YZF-KWSH Physician Residency Programme on 23 November. Sponsored by Yangzheng Foundation (YZF), the programme offers fresh graduate TCM physicians from NTU a two-year residency training period in KWSH. The Hospital will provide a conducive environment to hone and develop their skills in various settings, including outpatient, inpatient and the community.

除了与南大签署合作备忘录，广惠肇也于11月23日推出了一项“养正基金-广惠肇留医院中医师驻院培训计划”。由养正基金赞助的培训计划，让南大的应届毕业中医师在广惠肇进行两年的驻院培训。医院将提供良好的环境，让他们在门诊、住院服务以及社区服务的不同情况下好好磨练医术。





## Accreditations as Training Centre 培训中心认证

On 15 May, the Institute of Technical Education (ITE) has appointed KWSH as the Industry Approved Training Centre for the ITE Skills Certificate in Health Care (Home Care) for the community care sector. A one-year course, participants will undergo 120 hours of theory lessons on basic healthcare and home care, and 1,600 hours of clinical on-the-job training. A total of seven community care organisations involving 14 healthcare staff participated in the programme in 2019.

KWSH was also appointed by ITE as a Certified On-the-Job Training Centre (COJTC) on 1 October. This appointment will last for three years and enable KWSH to institutionalise a structured OJT system, improving the quality of practices to develop the Hospital's workforce. Staff who complete training in KWSH are eligible to receive certificates awarded and recognised by ITE.

5月15日，工艺教育局委任广惠肇为一家“业界核准培训中心”，授权本院为社区护理领域开办“工教局保健（居家护理）技能证书”课程。为期一年的课程包括120小时的理论堂课，教授参与者基本的医护及居家护理，另外还有1600个小时的临床在职培训。共有来自七家社区护理机构的14名护理人员在2019年参加了这个课程。

广惠肇也继而在10月1日被工教局委任为“受认证在职培训中心”。三年的任期有助广惠肇落实一套更系统化的在职培训机制，为医院在发展本院劳动力这方面的工作提升素质。在广惠肇完成相关课程的职员可获得由工教局颁发的证书。



Trainers and participants of ITE Skills Certificate in Health Care (Home Care) course “工教局保健（居家护理）技能证书”课程导师与学员



Certificate for our COJTC appointment 被核定为“受认证在职培训中心”的委任证书

## Mask Fitter Workshops 口罩尺寸测试工作坊

The Agency for Integrated Care (AIC) has appointed KWSH as the sole training provider of the N95 Respirator Mask Fitter workshops to the community care sector as part of AIC's emergency preparedness programme and the Ministry of Health's Personal Protection Equipment Stockpile Programme. Our Community Training Institute is expected to offer 760 training places through 19 workshops over two years.

配合护联中心的紧急应对计划以及卫生部的个人防护器具库存计划，护联中心已委任广惠肇为N95口罩尺寸测试工作坊的独有培训方，由本院为社区护理领域提供培训。本院属下社区培训学院预计将在两年间开办19个工作坊，共提供760个训练名额。



## Lean Symposia 精简程序座谈会

KWSH jointly organised two symposia on lean and innovation with the Singapore Institute of Technology Lean Transformation Innovation Centre and Institute for Adult Learning in 2019. A total of 330 representatives from various community care organisations attended the two events held on 22 April and 8 November. The highlights of the events were lectures and panel discussions led by leaders from various fields as well as displays of healthcare innovations in the mock-up of the smart wards. The symposia aimed to create an environment where lean practitioners and leaders can exchange ideas on raising productivity amid today's challenges.

2019年，广惠肇同新加坡理工大学的精益转型创新中心和成人学习学院联办了两次座谈会，探讨关于精简程序与创新的课题。4月22日和11月8日的两次活动吸引了各个社区护理机构的共330名代表前来参加。除了有由各界佼佼者带头的专题讨论和讲座，在本院模拟智能病房内展示的各种医疗创新也是一大活动看点。通过这些座谈会，我们希望为精简程序的拥护者和领导者打造一个交换意见的大环境，让他们探讨如何在现今的种种挑战当中提高生产力。



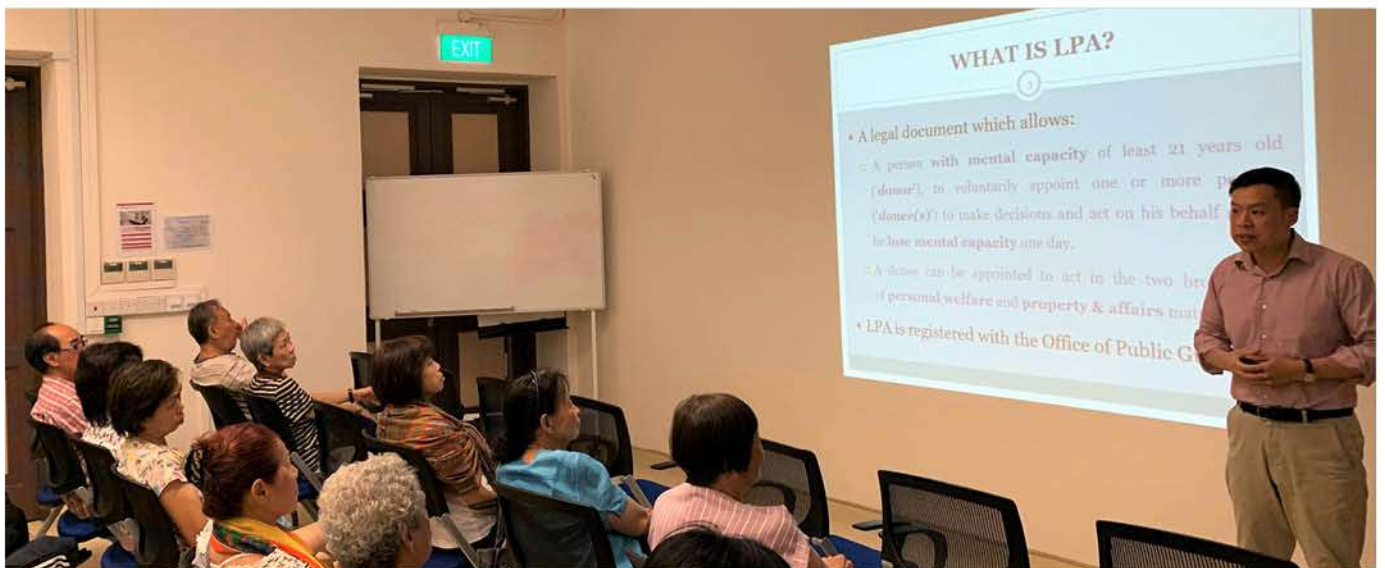
Displays of healthcare innovations in the mock-up smart ward

模拟智能病房内的医疗创新展示

## Legal Aid for Residents and Their Families 为院友提供法律援助

In 2019, our Medical Social Work (MSW) team organised four "MSW Clinic" sessions to network with our residents' families. The team shared the latest updates, such as new initiatives on funding a resident's stay in the nursing home. During the sessions, we also engaged a lawyer who addressed the families' legal concerns and clarified queries regarding the Mental Capacity Act and the Lasting Power of Attorney. In addition, the MSW team had worked closely with two law firms which provided pro bono advice, which benefitted 77 families.

本院医务社工团队在2019年一共为院友的家人进行了四次的医务社工咨询，与他们交流联系。咨询会上，社工分享了适用于院友疗养院住院费用的最新资助辅助方案以及其他一些相关的最新情况。此外，我们还请律师到现场为参与家庭解答一些法律问题以及他们对于心智能力法令和持久授权书的种种疑虑。医务社工团队还与两家无偿提供法律意见的律师楼密切接洽，一共让77个家庭从中受益。



Residents' families learning about Lasting Power of Attorney  
向院友家人讲解持久授权书



## By Residents, For Residents 为其他院友服务

With the goal of bettering our residents' experience in the Hospital, KWSH put together two committees in 2019 that comprised solely our residents who act as representatives of their fellow peers.

The Residents' Food Committee (RFC), made up of six residents from different wards, was formed in June. The RFC gathers feedback from other residents for the Hospital to provide nutritious meals that also suit their palates. To plan the Hospital's six-monthly menu, they will conduct a taste test and cast votes. The first menu was introduced on 1 July with a second menu in January 2020.

In August, the Residents Wellness Club Committee (RWCC), involving seven residents from various wards, was formed to organise activities for our residents. Together with staff volunteers from KWSH's Admin Caring Team, the RWCC brainstorms on programme highlights, food and games, and eventually executes the activities for small groups of up to 25 residents every time. In 2019, RWCC organised a Deepavali and Christmas celebration in October and December respectively.

为了使院友在院内得到更佳的经验，广惠肇于2019年成立了两个完全由院友组成的委员会，让这些成员成为其他院友的“代议士”。

由不同病房的六位院友组成的院友美食委员会于6月成立。美食委员会负责向其他院友收取反馈，让医院能够为他们准备既有营养又合他们胃口的餐食。随后，经过试吃和投票决定，委员会会替院方制定每六个月更换的餐单。第一份餐单已在7月1日落实，半年后在2020年1月推出第二份。

8月份，本院也组成了一个院友康乐俱乐部委员会。代表各个病房的七名院友加入委员会，为他们的同僚主办活动。康乐委员会与医院职员义务组成的行政爱心小组一起策划活动内容，安排饮食和游戏，活动当天更亲力亲为，确保一切顺利进行。委员会便分别在10月和12月份主办了屠妖节和圣诞节庆祝会。康乐委员会每一次的小型活动可让多达25名院友参加。



RFC members planning the new menu  
美食委员会讨论新餐单



Food tasting by RFC  
美食委员会进行试吃



RWCC preparing for Deepavali and Christmas festivities 康乐委员会准备迎接屠妖节和圣诞佳节



# THEMATIC DAY ACTIVITY SPACES

## 主题日间活动空间

### New Thematic Day Activity Spaces 新主题日间活动空间

KWSH introduced three new day activity spaces in the wards. Each space is designed with a striking and different theme to offer our residents a varied experience.

广惠肇在本院病房推出了又三个新的日间活动空间。每个活动区各自有着鲜明独特的主题，赋予院友多姿多彩的体验。

The **Carnival** activity space, decorated with bright colours and elements of a fun fair, is a cheerful place where our residents can indulge in games and activities with volunteers and staff.

色彩鲜亮夺目的“欢乐嘉年华”以fun fair游园市集元素为设计，是院友和义工及职员一起沉浸在游戏与活动之中的开心角落。



The **World Heritage** activity space features numerous iconic landmarks from all over the globe, allowing our residents to “travel” around the world.

这里布置着遍及世界各地的多个标志性地标，欢迎院友到这个活动空间“世界走透透”。



Tucked in one of our wards is the **Hawker Fare** activity space, a little corner where snacks are prepared and served to our residents during teatime.

在另一层病房则有个“饮食天地”。茶点时间，我们可在这里为院友准备并端上点心、饮料。



# FORGING BONDS AND SERVING THE COMMUNITY

## 搭建桥梁 走入社区

### Community Care Day 社区关怀日

More than 800 elderly participated in our annual Community Care Day on 30 March. The seniors basked in the festivities and took part in a range of activities including complimentary health screenings and interactive booths by various healthcare partners. They were also treated to fun-filled games, delicious food and performances by community groups. Emeritus Senior Minister Goh Chok Tong and Mrs Goh greeted the huge crowd as guests of honour.

超过800名年长者在3月30日参加了我们一年一度的社区关怀日。乐龄朋友在嘉年华的欢愉之中参与了各项活动，其中包括由本院各个医疗伙伴机构提供的免费健康检查和互动展示。他们也在活动上享受了有趣的游戏、丰富的美食以及由社区团体呈献的表演。荣誉国务资政吴作栋与吴夫人担任此次活动贵宾，与民众一同参加社区关怀日。



ESM Goh (left) and Mrs Goh (3rd from left) visiting our Heritage Gallery, accompanied by KWSH Chairman, Mr Patrick Lee (2nd from left) 医院主席李国基先生 (左二) 陪同吴资政 (左) 和吴夫人 (左三) 参观本院历史展馆“任重道远馆”



Games booth by students from Yangzheng Primary School 由养正小学学生负责的游戏摊



Innovative drumming performance by KWSH residents and staff 广惠肇院友和职员以自创的“鼓”呈献打击乐



## Whampoa Health Carnival 黄埔健康保健嘉年华

KWSH participated in the Whampoa Health Carnival organised by the Whampoa Community Club on 28 July. To raise awareness on fall prevention, the team conducted risk assessments for the participants and shared the risk factors as well as some preventive measures. Our TCM physicians also demonstrated useful acupressure tips to a 300-strong enthusiastic crowd at the event.

广惠肇于7月28日参与了由黄埔民众俱乐部举办的黄埔健康保健嘉年华。为了让更多民众了解关于预防跌倒的讯息，广惠肇团队为参与者进行了跌倒风险评估并教导民众造成跌倒风险的导因以及一些避免跌倒的防护措施。本院中医师也现场为300名踊跃参加的民众示范了穴位按摩的小贴士。



*Fall risk assessment*  
为参与者评估跌倒风险



*Consultation for resident*  
为居民提供相关咨询



## Kwong Wai Shiu Care: Reaching Out to the Community 广惠肇关怀社区

With two new care centres commencing operations in 2019, KWSH's network of care is steadily expanding to serve more elderly in the region. KWS Care @ Jalan Besar, a senior care centre nestled conveniently in the neighbourhood, opened its doors on 2 January. Located within the Jalan Besar Community Club, the centre spans across two levels and can serve up to 75 elderly daily. On 23 September, KWS Care @ St George also began operations. This centre additionally offers active ageing activities as well and we were also honoured to have hosted Professor Yaacob Ibrahim, MP for Jalan Besar GRC (Kolam Ayer division), together with several community leaders, at the St George's Lane centre on 15 October.

Through our care centres, we reached out to the seniors in the region by offering them a wide range of active ageing activities that encouraged them to remain both physically and mentally engaged. In 2019, we launched fresh courses such as singing, calligraphy and Qi Gong, allowing our active ageing wellness members to pick up new hobbies. We also organised excursions to places of interest all over Singapore as well as celebrations and various festivities. For instance, close to 200 members took part in the mass activities during our Fitness Fiesta in July and 70 members even completed a mob workout at our 109th anniversary event with our guest of honour, Health Minister Gan Kim Yong.

本院两间新的关怀中心于2019年开始投入运作，进一步扩展了广惠肇的关怀网络，助我们服务更多区内的年长者。位于惹兰勿刹的广惠肇社区关怀中心设在惹兰勿刹民众俱乐部内，是一间地理位置非常便利的乐龄护理中心。中心设有两个楼层，每天可为多达75位年长者服务。此外，位于圣乔治巷的广惠肇社区关怀中心已在9月23日启用。该中心也为居民提供活跃乐龄节目，而我們很荣幸地在10月15日欢迎惹兰勿刹集选区（哥南亚逸分区）议员雅国教授和社区领袖前来圣乔治中心参观。

通过广惠肇的这些关怀中心，我们向区内乐龄人士伸出触角，通过多元的活跃乐龄项目鼓励年长朋友保持身体和心智活跃。2019年推出的新课程就包括歌唱、书法和气功，让我们的活跃乐龄康乐会员能够从事新的嗜好。我们也安排出游到新加坡的各个景点并组办各种欢庆和集体活动。近200名成员便在7月份的一项健康保健节上参加了集体活动，而70个成员更是在广惠肇的109周年庆典上即兴与主宾，卫生部长颜金勇跳起健康操。



Active ageing wellness members completed a mob workout with Minister Gan Kim Yong (front, 3rd from left)

活跃乐龄康乐会员与颜金勇部长（前排，左三）即兴跳起健康操



An excursion for active ageing wellness members to Singapore's Civic District

活跃乐龄康乐会员出游到新加坡的市政区



Therapy exercises in a KWS Care centre  
在广惠肇社区关怀中心内进行理疗运动



Our latest KWS Care centre situated at St George's Lane  
坐落在圣乔治巷的这个设施是本院最新的广惠肇社区关怀中心



## FUNDRAISING

### 慈善筹款

As a charitable healthcare institution, KWSH depends greatly on donations made by our generous donors to help alleviate the financial burden of our needy residents and to also keep the operations at KWSH running smoothly. At the same time, it is also crucial that we build up sufficient reserves for the Hospital's operations to be sustainable. KWSH's fundraising events are thus vital to our success.

Here's a look at our key fundraising events.

作为一家慈善医疗机构，广惠肇留医院仰赖热心人士的捐款来协助减轻本院院友的医疗费用负担，以及维持本院的日常运作。医院也需进一步筹足储备金，维持可持续性的营运。因此，筹款活动是医院成功持续运作的关键因素之一。

以下为本院举办的主要筹款活动。

### Mid-Autumn Festival 2019

#### 中秋节 2019

**\$975,198 raised**



### KWSH "True Love" Chu MiMi Charity Concert 2019

#### 广惠肇《真的爱你》朱咪咪慈善演唱会 2019

**\$873,250 raised**



### Charity Golf 2019

#### 高尔夫慈善赛 2019

**\$461,905 raised**





# THEIR WARMTH OF VOLUNTEERISM • OUR LEGACY OF COMPASSION 义务送暖 美德传承

## National Day Celebration With Our Residents 与院友同庆国家生日

Following a memorable celebration in 2018, ACE Seniors returned to KWSH once again to bring festive National Day cheer to our residents on 8 August. The social enterprise had specially obtained the actual fun packs from the National Day Parade and these were distributed to our residents by the 90 volunteers, half of them from the Central Sikh Temple. Patriotism filled the air as our residents and volunteers collectively sang the national anthem and recited the pledge. Veteran local TV artiste, Cai Pingkai, better known as Er Gu, also showed her support through entertaining performances. After indulging in carnival games and snacks, the celebration ended with a dinner sponsored by Samsui Kitchen.

继2018年那一场令院友难忘的庆祝活动之后，社会企业ACE Seniors时隔一年又于8月8日再度来到广惠肇，将国庆的欢腾带给院友。该机构特地向国庆庆典主办方索取了庆典礼包，由90名义工分发给院友。义工当中，有近半数来自中央锡克庙。义工们与院友齐唱国歌、念信约，现场弥漫着爱国情操。资深本地电视艺人“二姑”蔡平开也来到医院以她精彩的表演支持这项活动。活动上，院友还在嘉年华式的各个摊位享受了各种游戏和小吃。傍晚时分，庆祝会以Samsui Kitchen所赞助的晚餐丰盛收场。



*Our National Day "parade contingent"!*  
广惠肇整齐的“国庆仪仗队”!



*Veteran local TV artiste "Er Gu" Cai Pingkai entertaining our residents*  
资深本地电视艺人“二姑”蔡平开与院友欢度国庆



*Volunteers distributing the official NDP 2019 fun packs to residents*  
义工向院友分发2019年国庆庆典使用的国庆礼包

## A Familiar Face Amongst Our Volunteers 你我熟悉的“艺”工

A familiar face in the music and arts scene has joined KWSH as a volunteer in 2019. Singapore's piano maestro, Mr Jimmy Chan, regularly visited the Hospital to play lilting tunes and songs that are familiar to our senior clients. Together with his team, Mr Chan also interacted with and befriended the elderly during his visits.

音乐艺术界的一张熟悉面孔在2019年加入了广惠肇的义工行列。新加坡钢琴大师陈占美先生会定期前来为年长者弹奏他们耳熟能详的歌曲。每次来院探访，陈先生和他的义工小组也会与乐龄朋友们互动，与他们亲切交谈。



## Nanyang Girls' High School 南洋女中

Nanyang Girls' High School advocated the spirit of volunteerism amongst its students through their Community Education Engagement Programme with KWSH. The students boosted their self-confidence through engaging our elderly in various activities and social interactions. The programme also empowered the students to do their part for the society and community at large.

凭借校方与广惠肇合作的一项社区教育参与计划，南洋女子中学校向学生们灌输了志愿服务的精神。与此同时，来到这里与年长者一同参加活动并进行交流，也使得学生们变得更有自信了。借由这项计划，我们希望学生往后能够自发地为社会和广大社区做出贡献。



Young and old having fun over a stacking game  
老少咸宜的叠叠乐游戏！



Engaging our residents with song and dance  
南中女生为院友带来歌舞

## Project CARE with Hong Wen School 宏文学校关怀计划

Joy and smiles filled KWSH on 3 October as over 1,200 students from Hong Wen School visited the Hospital as part of their Children's Day celebration. Titled Project CARE (Children Actively Relating well with the Elderly), the students, accompanied by teachers and parent volunteers, visited the wards and the Senior Care Centre and distributed goodie bags to the elderly. The students brought on more cheer for the seniors when they showcased their talents through songs and dance performances. We also put up a "Tree of Blessings", where the students hung handwritten notes of well wishes for our residents. The visit marked the 14th year of this annual event by Hong Wen School.

超过1200名宏文学校学生以拜访本院的方式庆祝儿童节，使10月3日的广惠肇充满着欢乐与笑颜。旨在让儿童学习如何与年长人士良好沟通及相处的“关怀计划”，由师长和家长义工陪伴学生探访本院病房和乐龄护理中心。除了向年长朋友分发爱心礼包，学生们还大展才艺，为他们载歌载舞。院方也为此次到访设计了“祝福之树”，让学生将亲手写下的祝福语挂上，为院友献上祝福。这也是宏文学校这项年度活动的第14年。



Tree of Blessings  
祝福之树



## List of Volunteer Groups

### CORPORATIONS and ASSOCIATIONS

- 1 ACE Seniors Pte Ltd
- 2 Advisors' Clique
- 3 Agricultural Bank of China Ltd
- 4 Altitude Alliance Pte Ltd
- 5 Artrend Design Pte Ltd
- 6 Ascension Partners
- 7 Bukit View Secondary School (Staff Team)
- 8 Central Sikh Temple
- 9 Central Singapore Community Development Council
- 10 Citibank, Singapore
- 11 Civil Service Club
- 12 Cognizant Technology Solutions Asia Pacific
- 13 Corrupt Practices Investigation Bureau
- 14 DBS Bank Ltd, Ang Mo Kio Branch
- 15 DBS Bank Ltd, Changi Business Park
- 16 DBS Bank Ltd, Institutional Banking Group 3 & 4
- 17 DBS Bank Ltd, Marina Bay Financial Centre
- 18 DHL Customer Solutions & Innovation Corporate Center
- 19 Doughnut Shack
- 20 Freepoint Commodities Singapore Pte Ltd
- 21 GKE Corporation Limited
- 22 Global Managed Service Assurance, APAC
- 23 Great Eastern Financial Advisers Pte Ltd
- 24 Hair Time Unisex Salon
- 25 Institute of Fengshui Bazi Pte Ltd
- 26 IPP Financial Advisers Pte Ltd
- 27 Johnson & Johnson
- 28 Joyful Charity
- 29 Kaneka Singapore Co (Pte) Ltd
- 30 Kienta Engineering Construction Pte Ltd
- 31 KPMG Singapore
- 32 Ku So Food and Beverage Association (Singapore)

- 33 Kwan Inn Vegetarian Food
- 34 Kwok Sing Musical Association
- 35 Lenovo (Singapore) Pte Ltd
- 36 Lion Re:Sources Singapore
- 37 Lions Club of Singapore Nassim
- 38 Microsoft Operations Pte Ltd
- 39 Microsoft Regional Sales Corporation
- 40 Ministry of Culture, Community & Youth
- 41 Morgan Stanley
- 42 NTUC Income Insurance Co-operation Limited
- 43 Paya Lebar Methodist Girls' School (Staff Team)
- 44 Prudential Insurance
- 45 QSS Safety Products (S) Pte Ltd
- 46 Queen Hair Salon
- 47 Ralph Lauren
- 48 RE&S Enterprises Pte Ltd
- 49 Reda Production Systems Pressure Pumping and Chemistry Singapore
- 50 SIA Community Service Club
- 51 Sigma Food Pte Ltd
- 52 Singapore Buddhist Lodge Welfare Foundation
- 53 Singapore General Hospital, Orthopaedic & Surgery Department
- 54 Singapore General Hospital, Workplace Safety & Health Office of Safety Network
- 55 Singapore Police Force
- 56 Singapore Press Holdings Limited
- 57 Singapore Senior Golfers' Society
- 58 Singapore Women's Association
- 59 Siow's Clan Guild Association
- 60 SL Global Pte Ltd
- 61 Society of Chinese Cuisine Chefs (Singapore)
- 62 Starbucks Coffee (Millenia Walk)
- 63 Sunshine Art & Cultural Society
- 64 The Bank of East Asia, Limited (BEA)
- 65 Thermo Fisher Scientific
- 66 Three Salon
- 67 Vibrant Group Limited
- 68 Wipro Consumer Care (International)

- 69 Yangzheng Primary School (Staff Team)
- 70 Zi Yean (Redhill) Restaurant Pte Ltd

### SCHOOLS

- 1 Dunman High School
- 2 Hong Wen School
- 3 ITE College Central
- 4 ITE College West
- 5 Nan Hua High School
- 6 Nan Hua Primary School
- 7 Nanyang Girls' High School
- 8 National University of Singapore
- 9 Singapore Institute of Technology
- 10 Singapore Management University
- 11 St Joseph's Institution
- 12 West Spring Primary School
- 13 Yangzheng Primary School

### COMMUNITY CENTRES/CLUBS and RESIDENTIAL COMMITTEES

- 1 Braddell Heights Community Club
- 2 Cairnhill Community Club
- 3 Kallang Community Club
- 4 Whampoa Constituency Office
- 5 Yuhua Zone 11 Residents' Committee
- 6 Braddell Heights Community Club Senior Citizens' Executive Committee

### RELIGIOUS ORGANISATIONS

- 1 Buddhist Life Mission
- 2 Calvary Baptist Church
- 3 Ean Keng Si Buddhist Temple
- 4 Eden Bible Presbyterian Church
- 5 Faith Bible Presbyterian Church
- 6 Living Streams Christian Church
- 7 Pu Ti Light Fellowship
- 8 Church of Saints Peter and Paul
- 9 The Mahaprajna Buddhist Society

### INDIVIDUALS

There are 750 individual volunteers registered with us.



No. of Volunteer Visits  
**13,762**

### Volunteer Participation:



Regular  
Volunteers  
**7,512**



Ad Hoc/Corporate  
Volunteers  
**3,560**



Students  
**2,457**



TCM  
**233**

# 2019 IN NUMBERS

## 2019年运作统计

### INPATIENT



**Occupancy Rate**  
**91%**

2018: 90.4%  
2017: 83%



**Total Residents Served**  
**681**

2018: 675  
2017: 384



**No. of Inpatient Rehab Sessions**  
**41,448**

2018: 44,093  
2017: 21,831



**Nosocomial Infection Rate**  
(per 1,000 patient days)  
**1.4**

2018: 1.6  
2017: 2.9  
KPI: ≤ 3.5



**Fall Incidence**  
(per 1,000 patient days)  
**0.43**

2018: 0.54  
2017: 0.36  
KPI: ≤ 1



## OUTPATIENT



**Total no. of  
outpatient clients**  
**9,836**



**Total no. of  
outpatient sessions**  
**108,720**

### • SENIOR CARE CENTRE



**No. of outpatient  
clients**  
**247**  
2018: 247  
2017: 173



**No. of outpatient  
sessions**  
**29,497**  
2018: 21,920  
2017: 14,792

### • KWS CARE TOTAL



**No. of  
outpatient  
clients**  
**165**  
2018: 110



**No. of  
outpatient  
sessions**  
**17,201**  
2018: 9,802

### • COMMUNITY CARE SERVICES



**No. of households  
served**  
**215**  
2018: 343  
2017: 187



**No. of home  
care visits**  
**2,579**  
2018: 2,653  
2017: 1,942

### McNair

(Started operations in 2<sup>nd</sup> half of 2017)

**No. of  
clients**  
**120**  
2018: 110

**No. of  
outpatient  
sessions**  
**13,385**  
2018: 9,802

**No. of  
AA wellness  
members**  
**728**  
2018: 721

### Jalan Besar

(Started operations in 2019)

**No. of  
clients**  
**45**

**No. of  
outpatient  
sessions**  
**3,816**

### St George

(Started operations in 2<sup>nd</sup> half of 2019)

**No. of  
AA wellness  
members**  
**149**

### • TCM CENTRE



**No. of  
patients**  
**9,209**  
2018: 9,277  
2017: 8,592



**No. of outpatient  
sessions**  
**59,443**  
2018: 55,226  
2017: 52,565



**Total no. of AA\*  
wellness members**  
**877**  
2018: 721

\*Active Ageing

# ALWAYS PROFESSIONAL, ALWAYS CARING

## 专业护疗 时刻关怀

### Community Care Manpower Development Award 社区护理人力资源发展奖

The Community Care Manpower Development Award (CCMDA) is administered by the Agency for Integrated Care to attract, develop and retain manpower in the community care sector. It is open to staff in the sector for skills upgrading, as well as students and mid-career switchers who wish to pursue a career in the industry. Two of our staff were awarded the CCMDA in 2019 to pursue further training in their fields.

由护联中心颁发的社区护理人力资源发展奖，旨在为社区护理领域招募人员、发展人力资源及保留在职人员。该培训奖项除了开放给欲提升技能的现任社区护理领域人员，有意加入这个领域的在籍学生或是中途转业者也同样可以申请。本院两名职员于2019年获颁社区护理人力资源发展奖，得以接受与他们工作相关的培训。



Our awardees Tan Kok Hwa (3<sup>rd</sup> from left) and Wan Cheng (5<sup>th</sup> from left) with CEO, Dr Ow Chee Chung (2<sup>nd</sup> from left), and the KWSH team

获得培训奖项的陈国华（左三）和温菁（左五）与总裁区志忠医生（左二）及广惠肇团队合影

### MOU With Singapore Manual & Mercantile Workers' Union (SMMWU)

#### 新加坡劳商职工联合会合作备忘录

Even after almost 40 years of close partnership, our relationship with our union SMMWU continues to deepen. KWSH signed a Memorandum Of Understanding (MOU) with SMMWU on 29 November 2019 at the union's annual dinner on the formation of the Company Training Committee. The MOU further affirms KWSH's commitment to provide more opportunities to develop and train our staff as we grow in the community care sector.

经历了近40载的伙伴关系，本院与所属工会新加坡劳商职工联合会的密切关系再次更上一层楼。广惠肇在2019年11月29日工会一年一度的晚宴上与对方签订了合作备忘录，双方将合作设立企业培训委员会。广惠肇持续在社区护理领域中扩充，而此次备忘录正体现了本院希望为职员提供更多发展和培训机会的决心。



## Healthcare Humanity Awards 2019 2019年仁心奖

On 25 April, Nurse Manager Loh Kwai Yoke and Senior Staff Nurse Yvonne Yip received their awards from Health Minister Gan Kim Yong at the 16th Healthcare Humanity Awards ceremony for their commendable dedication towards their roles. The awards are given to outstanding healthcare workers for being inspirational role models who go the extra mile to care for the sick. Through their service, they have also raised public recognition and respect for the line of work.

4月25日，第16届“仁心奖”颁奖典礼举行。护士长罗桂玉以及高级注册护士叶珍慧对于工作的奉献精神值得嘉奖，双双从卫生部长颜金勇手中接过奖项。获颁仁心奖的杰出医护人员，对病患的关怀往往已经超出职责范围，是众人的模范也启发着他人。他们的表现也同时为他们的行业赢得了人们的认可与尊敬。



SSN Yvonne Yip (left) and NM Loh Kwai Yoke

## Nurses' Merit Award 2019 2019年护士优异奖

Senior Nurse Educator Sim Puay Cheng received the Nurses' Merit Award from Health Minister Gan Kim Yong on 17 July in recognition of her remarkable performance and facilitation of projects improving resident care. The award is presented to nurses who have displayed noteworthy and exceptional performance, participated in professional development and contributed to the growth of the nursing profession.

凭借可圈可点的工作表现以及她在实现各项改善院友照护的计划中起到的关键作用，高级护理导师沈佩贞于7月17日荣获护士优异奖，奖项由卫生部长颜金勇颁发。除了工作表现优越，得奖护士们也必须积极进行职能发展并且对护士专业的拓展做出贡献。



## SingHealth Awards 新保集团奖项

On 15 January 2019, KWSH received 26 awards across various categories from President Halimah Yacob at the Singapore Health Quality Service Awards (SHQSA). Nurse Manager Loh Kwai Yoke was one of nine healthcare professionals presented with the Superstar Award, the highest accolade under the SHQSA. Organised by the SingHealth Duke-NUS Academic Medical Centre since 2011, the SHQSA is Singapore's first dedicated platform to honour healthcare professionals who have delivered quality care and excellent service to patients.

2019年1月15日由哈莉玛总统颁发的新加坡健康素质服务奖，广惠肇在各个组别中一共夺下26个奖项。其中，护士长罗桂玉获颁该奖项的最高殊荣“超级巨星奖”，是仅九位医护巨星中的其中一名。自2011年起由新保集团杜克-国大学术医学中心主办的新加坡健康素质服务奖，专门表扬那些为病友提供优质照护和卓越服务的医护人员，是本地首个此类别的嘉奖平台。



The Extra Mile – Doing More for Our Residents 工作之余献爱心



Treating residents to the king of fruits!  
同事们以果中之王招待院友



Conducting a clay art workshop for residents  
教导并陪伴院友制作粘土手工

A resident shares her joy with CEO, Dr Ow Chee Chung, during the durian party organised for residents  
一名院友在他们的榴梿派对上向总裁区志忠医生伸出“槌”手!



KWSH staff serving up the classic and nostalgic "lok lok" skewered food for residents  
在广惠肇职员的精心安排下，院友再次尝到已在本地销声匿迹的“串串乐”的味道





# FINANCIAL HIGHLIGHTS

## 财务报告

### Statement of Financial Activities Year Ended 31 December 2019

	2019	2018
	\$	\$
Operating income	6,894,076	5,183,775
Operating expenditure	(35,573,939)	(29,528,536)
<b>Operating deficit before government grants</b>	<b>(28,679,863)</b>	<b>(24,344,761)</b>
Singapore government grants	25,691,897	24,292,413
<b>Operating deficit after government grants</b>	<b>(2,987,966)</b>	<b>(52,348)</b>
Donation net of expenses	12,452,252	15,897,667
Investment property rental net income	1,324,033	1,241,566
Commercial rental net income	453,276	147,013
Investment and interest net income/ (expense), net of disposal and impairment	5,856,475	(7,741)
Other income	140,306	126,683
Hospital redevelopment cost	(2,801,341)	(2,342,439)
<b>Net incoming resources</b>	<b>14,437,035</b>	<b>15,010,401</b>
Fair value changes on equity and debt instruments at FVTOCI, net of tax	433,809	(2,051,277)
<b>Total comprehensive income</b>	<b>14,870,844</b>	<b>12,959,124</b>



## Statement of Financial Position As at 31 December 2019

	2019 \$	2018 \$
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	19,410,989	21,923,096
Right-of-use assets	9,289,808	-
Investment properties	14,095,989	14,383,662
Other financial assets, non-current	81,647,498	81,226,762
<b>Total non-current assets</b>	<b>124,444,284</b>	<b>117,533,520</b>
<b>Current assets</b>		
Inventories	151,298	149,156
Trade and other receivables	13,158,377	11,774,324
Other financial assets	1,004,500	-
Other non-financial assets	630,259	1,045,328
Cash and cash equivalents	66,243,360	49,307,867
<b>Total current assets</b>	<b>81,187,794</b>	<b>62,276,675</b>
<b>Total assets</b>	<b>205,632,078</b>	<b>179,810,195</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Financial liabilities - lease liabilities	7,340,027	-
<b>Total non-current liabilities</b>	<b>7,340,027</b>	<b>-</b>
<b>Current liabilities</b>		
Trade and other payables	10,063,460	8,344,644
Financial liabilities - lease liabilities	2,211,673	-
Other non-financial liabilities	12,888,894	13,208,371
<b>Total current liabilities</b>	<b>25,164,027</b>	<b>21,553,015</b>
<b>Total liabilities</b>	<b>32,504,054</b>	<b>21,553,015</b>
<b>Net assets</b>	<b>173,128,024</b>	<b>158,257,180</b>
<b>THE FUNDS OF THE HOSPITAL</b>		
<b>Unrestricted funds</b>		
Project development fund	23,719,144	26,520,485
General fund	150,518,286	133,164,860
Fair value reserves	(1,109,406)	(1,428,165)
<b>Total unrestricted funds</b>	<b>173,128,024</b>	<b>158,257,180</b>
<b>Total funds</b>	<b>173,128,024</b>	<b>158,257,180</b>

The full statements are available at [www.kwsh.org.sg](http://www.kwsh.org.sg)



## **KWONG WAI SHIU HOSPITAL**

(Unique Entity Number: 201615448C)  
(Incorporated under the Companies Act, Chapter 50)

(Registered under the Charities Act, Chapter 37 and Institution of Public Character.)

### **Statement by the Directors and Financial Statements**

Year Ended 31 December 2019

**KWONG WAI SHIU HOSPITAL****Statement by Directors and Financial Statements**

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## KWONG WAI SHIU HOSPITAL

### Statement by Directors

The directors of Kwong Wai Shiu Hospital (the “Hospital”) are pleased to present the financial statements of the Hospital for the reporting year ended 31 December 2019.

#### 1. Opinion of the directors

In the opinion of the directors,

- (a) the accompanying financial statements are drawn up so as to give a true and fair view of the financial position and performance of the Hospital for the reporting year covered by the financial statements; and
- (b) at the date of the statement there are reasonable grounds to believe that the Hospital will be able to pay its debts as and when they fall due.

The board of directors approved and authorised these financial statements for issue.

#### 2. Directors

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

Adrian Lum Wen-Hong  
 Chan Chiu Kok  
 Chan Kim Ying  
 Chen Wei Ching  
 Cheong Sooi Peng  
 Cheong Wai Kwong  
 Chew Robert  
 Chia Weng Kaye  
 Chia Weng Soon  
 Ching Kwok Choy  
 Chong Kar Shin  
 Fong Yue Kwong  
 Ho Kwok Choi  
 Hooi Kok Wai  
 Hoong Kong Fatt  
 Kok Pak Weng  
 Kwong Kin Mun  
 Lam Yew Choong  
 Lau Kam Yuen  
 Lee Kwok Kie @ Patrick Lee  
 Lee Pui Luin Anne  
 Leong Lai Onn Susan  
 Leong Mun Sum @ Leong Heng Wan  
 Leong Sin Kuen  
 Leong Sin Yuen  
 Lo Wei Min @ Mrs Pearlyn Chong  
 Loh Keng Fai Winston  
 Loh Weng Whye  
 Mark Lee Kean Phi  
 Moh Swee Cheong  
 Ng Siew Quan

**KWONG WAI SHIU HOSPITAL****2. Directors (cont'd)**

The directors of the Hospital in office at the date of this statement are: (cont'd)

Ng Yok Kuan  
Pan Tien Chor  
Sew Weng Cheong  
Seow Choke Meng  
Seow Lee Kian Terene  
Tang Kin Fei  
Tang Tat Kwong  
Wong Chee Heng  
Wan Shung Ming

**3. Directors' interest in shares and debentures, and arrangements to enable directors to acquire benefits by means of the acquisition of shares and debentures**

The Hospital is limited by guarantee and has no share capital.

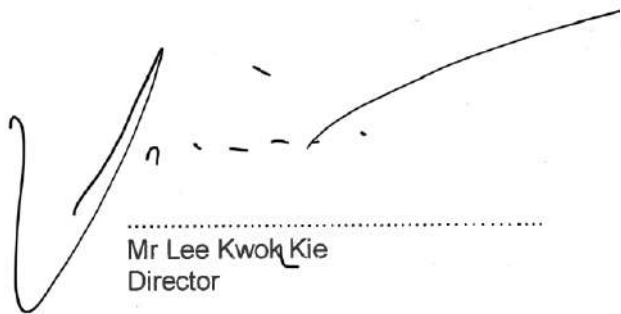
**4. Options**

The Hospital is limited by guarantee. As such there were no share options or unissued shares under option.

**5. Independent auditor**

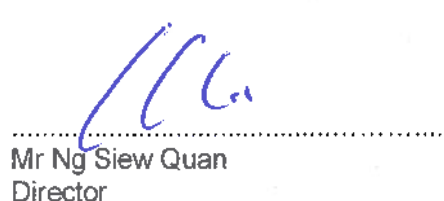
RSM Chio Lim LLP has expressed willingness to accept re-appointment.

On behalf of the directors



.....  
Mr Lee Kwok Kie  
Director

26 March 2020



.....  
Mr Ng Siew Quan  
Director



**RSM Chio Lim LLP**

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Wilkie Edge, Singapore 228095

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F +65 6594 7811

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www.RSMSingapore.sg

**Independent Auditor's Report to the Members of  
KWONG WAI SHIU HOSPITAL**

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

**Opinion**

We have audited the financial statements of Kwong Wai Shiu Hospital ("the Hospital"), which comprise the statement of financial position as at 31 December 2019, and the statement of financial activities, statement of changes in funds and statement of cash flows for the reporting year then ended, and notes to the financial statements, including the accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Companies Act"), the Charities Act, Chapter 37 and other relevant regulations (the Charities Act and Regulations) and Financial Reporting Standards ("FRS") so as to give a true and fair view of the financial position of the Hospital as at 31 December 2019 and of the financial activities and cash flows of the Hospital for the reporting year ended on that date.

**Basis for opinion**

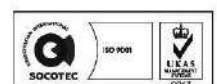
We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Hospital in accordance with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

**Other information**

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we 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 KWONG WAI SHIU HOSPITAL**

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### **Responsibilities of management and directors for the financial statements**

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

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

Those charged with governance comprises the directors and the governing board. Their responsibilities include overseeing the Hospital'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:

- a) 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.
- b) 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 Hospital's internal control.
- c) 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  
KWONG WAI SHIU HOSPITAL**

– 3 –

**Auditor's responsibilities for the audit of the financial statements (cont'd)**

- d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Hospital'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 Hospital to cease to continue as a going concern.
- e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**Report on other legal and regulatory requirements**

In our opinion, the accounting and other records required to be kept by the Hospital 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 year:

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

The engagement partner on the audit resulting in this independent auditor's report is Tay Hui Jun Sabrina.



RSM Chio Lim LLP  
Public Accountants and  
Chartered Accountants  
Singapore

26 March 2020

Engagement partner - effective from year ended 31 December 2019

## KWONG WAI SHIU HOSPITAL

Statement of Financial Activities  
Year Ended 31 December 2019

	Notes	Unrestricted Funds			Total \$
		General Fund \$	Fair Value Reserve \$	Project Development Fund \$	
<b>2019</b>					
<b><u>Incoming resources</u></b>					
Charitable activities income		6,894,076	–	–	6,894,076
Donation income		7,293,423	–	–	7,293,423
Fund-raising activities		5,548,497	–	–	5,548,497
Investment income	4	5,128,859	–	–	5,128,859
Interest income		781,399	–	–	781,399
Rental income		2,475,807	–	–	2,475,807
Commercial rental income		968,681	–	–	968,681
Singapore government grants		26,004,798	–	–	26,004,798
Other income		140,306	–	–	140,306
<b>Total incoming resources</b>		<b>55,235,846</b>	<b>–</b>	<b>–</b>	<b>55,235,846</b>
<b><u>Resources expended</u></b>					
Charitable activities expenses	5	31,698,662	–	–	31,698,662
Fund-raising expenses		389,668	–	–	389,668
Rental expenses		1,151,774	–	–	1,151,774
Commercial rental expenses		515,405	–	–	515,405
Investment expenses		53,783	–	–	53,783
Other operating and administration expenses	6	3,875,277	–	–	3,875,277
Hospital redevelopment cost		312,901	–	2,801,341	3,114,242
<b>Total resources expended</b>		<b>37,997,470</b>	<b>–</b>	<b>2,801,341</b>	<b>40,798,811</b>
<b>Net incoming / (outgoing) resources</b>		<b>17,238,376</b>	<b>–</b>	<b>(2,801,341)</b>	<b>14,437,035</b>
<b><u>Other comprehensive income</u></b>					
<b><u>Items that will not be reclassified to profit or loss:</u></b>					
Fair value changes on equity instruments at FVTOCI, net of tax	13	–	421,129	–	421,129
<b><u>Items that may be reclassified to profit or loss:</u></b>					
Fair value changes on debt assets instruments at FVTOCI, net of tax	13	–	12,680	–	12,680
<b>Other comprehensive income for the year</b>		<b>–</b>	<b>433,809</b>	<b>–</b>	<b>433,809</b>
<b>Total comprehensive income / (loss)</b>		<b>17,238,376</b>	<b>433,809</b>	<b>(2,801,341)</b>	<b>14,870,844</b>

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

**KWONG WAI SHIU HOSPITAL**
**Statement of Financial Activities  
 Year Ended 31 December 2019**

	Notes	Unrestricted Funds			Restricted Fund	Total
		General Fund	Fair Value Reserve	Project Development Fund	Building Fund	
		\$	\$	\$	\$	\$
<b>2018</b>						
<b><u>Incoming resources</u></b>						
Charitable activities income		5,183,775	–	–	–	5,183,775
Donation income		9,541,216	–	–	5,690	9,546,906
Fund-raising activities		6,695,904	–	–	–	6,695,904
Investment income	4	1,222,925	–	–	–	1,222,925
Interest income		319,072	–	–	–	319,072
Rental income		2,251,306	–	–	–	2,251,306
Commercial rental income		269,995	–	–	–	269,995
Singapore government grants		24,532,302	–	–	–	24,532,302
Other income		126,683	–	–	–	126,683
<b>Total incoming resources</b>		<b>50,143,178</b>	<b>–</b>	<b>–</b>	<b>5,690</b>	<b>50,148,868</b>
<b><u>Resources expended</u></b>						
Charitable activities expenses	5	25,730,705	–	–	–	25,730,705
Fund-raising expenses		345,143	–	–	–	345,143
Rental expenses		1,009,740	–	–	–	1,009,740
Commercial rental expenses		122,982	–	–	–	122,982
Investment expenses		1,549,738	–	–	–	1,549,738
Other operating and administration expenses	6	3,797,831	–	–	–	3,797,831
Hospital redevelopment cost		239,889	–	1,479,515	862,924	2,582,328
<b>Total resources expended</b>		<b>32,796,028</b>	<b>–</b>	<b>1,479,515</b>	<b>862,924</b>	<b>35,138,467</b>
<b>Net incoming / (outgoing) resources</b>		<b>17,347,150</b>	<b>–</b>	<b>(1,479,515)</b>	<b>(857,234)</b>	<b>15,010,401</b>
<b><u>Other comprehensive income / (loss)</u></b>						
<b><u>Items that will not be reclassified to profit or loss:</u></b>						
Fair value changes on equity instruments at FVTOCI, net of tax	13	–	(1,825,192)	–	–	(1,825,192)
<b><u>Items that may be reclassified to profit or loss:</u></b>						
Fair value changes on debt assets instruments at FVTOCI, net of tax	13	–	(226,085)	–	–	(226,085)
<b>Other comprehensive loss for the year</b>		<b>–</b>	<b>(2,051,277)</b>	<b>–</b>	<b>–</b>	<b>(2,051,277)</b>
<b>Total comprehensive income / (loss)</b>		<b>17,347,150</b>	<b>(2,051,277)</b>	<b>(1,479,515)</b>	<b>(857,234)</b>	<b>12,959,124</b>

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

## KWONG WAI SHIU HOSPITAL

**Total Comprehensive Income is re-analysed as follows:  
Year Ended 31 December 2019**

	Unrestricted Funds			Total \$
	General Fund \$	Fair Value Reserve \$	Project Development Fund \$	
<b>2019:</b>				
Operating deficit before government grants	(28,679,863)	–	–	(28,679,863)
Singapore government grants	25,691,897	–	–	25,691,897
Operating deficit after government grants	(2,987,966)	–	–	(2,987,966)
Donation income	7,293,423	–	–	7,293,423
Fund raising net surplus	5,158,829	–	–	5,158,829
Investment and interest net income, net of disposal and impairment	5,856,475	–	–	5,856,475
Rental net income	1,324,033	–	–	1,324,033
Commercial rental net income	453,276	–	–	453,276
Other income	140,306	–	–	140,306
Hospital redevelopment cost	(312,901)	–	(2,801,341)	(3,114,242)
Singapore government grants for hospital redevelopment cost	312,901	–	–	312,901
Fair value changes on equity and debt instruments at FVTOCI, net of tax	–	433,809	–	433,809
<b>Total comprehensive income / (loss)</b>	<b>17,238,376</b>	<b>433,809</b>	<b>(2,801,341)</b>	<b>14,870,844</b>

## KWONG WAI SHIU HOSPITAL

**Total Comprehensive Income is re-analysed as follows:  
Year Ended 31 December 2019**

	Unrestricted Funds			Restricted Fund	Total \$
	General Fund \$	Fair Value Reserve \$	Project Development Fund \$	Building Fund \$	
<b>2018:</b>					
Operating deficit before government grants	(24,344,761)	–	–	–	(24,344,761)
Singapore government grants	24,292,413	–	–	–	24,292,413
Operating deficit after government grants	(52,348)	–	–	–	(52,348)
Donation income	9,541,216	–	–	5,690	9,546,906
Fund raising net surplus	6,350,761	–	–	–	6,350,761
Investment and interest net expense, inclusive of disposal and impairment	(7,741)	–	–	–	(7,741)
Rental net income	1,241,566	–	–	–	1,241,566
Commercial rental net income	147,013	–	–	–	147,013
Other income	126,683	–	–	–	126,683
Hospital redevelopment cost	(239,889)	–	(1,479,515)	(862,924)	(2,582,328)
Singapore government grants for hospital redevelopment cost	239,889	–	–	–	239,889
Fair value changes on equity and debt instruments at FVTOCI, net of tax	–	(2,051,277)	–	–	(2,051,277)
<b>Total comprehensive income / (loss)</b>	<b>17,347,150</b>	<b>(2,051,277)</b>	<b>(1,479,515)</b>	<b>(857,234)</b>	<b>12,959,124</b>

## KWONG WAI SHIU HOSPITAL

Statement of Financial Position  
As at 31 December 2019

	<u>Notes</u>	<u>2019</u> \$	<u>2018</u> \$
<b>Assets</b>			
<b><u>Non-current assets</u></b>			
Property, plant and equipment	10	19,410,989	21,923,096
Right-of-use assets	11	9,289,808	–
Investment properties	12	14,095,989	14,383,662
Other financial assets	13	81,647,498	81,226,762
<b>Total non-current assets</b>		<u>124,444,284</u>	<u>117,533,520</u>
<b><u>Current assets</u></b>			
Inventories	14	151,298	149,156
Trade and other receivables	15	13,158,377	11,774,324
Other financial assets	13	1,004,500	–
Other non-financial assets	16	630,259	1,045,328
Cash and cash equivalents	17	66,243,360	49,307,867
<b>Total current assets</b>		<u>81,187,794</u>	<u>62,276,675</u>
<b>Total assets</b>		<u>205,632,078</u>	<u>179,810,195</u>
<b>Liabilities</b>			
<b><u>Non-current liabilities</u></b>			
Financial liabilities - lease liabilities	11	7,340,027	–
<b>Total non-current liabilities</b>		<u>7,340,027</u>	<u>–</u>
<b><u>Current liabilities</u></b>			
Trade and other payables	18	10,063,460	8,344,644
Financial liabilities - lease liabilities	11	2,211,673	–
Other non-financial liabilities	19	12,888,894	13,208,371
<b>Total current liabilities</b>		<u>25,164,027</u>	<u>21,553,015</u>
<b>Total liabilities</b>		<u>32,504,054</u>	<u>21,553,015</u>
<b>Net assets</b>		<u>173,128,024</u>	<u>158,257,180</u>
<b>The funds of the hospital</b>			
<b><u>Unrestricted funds</u></b>			
Project development fund		23,719,144	26,520,485
General fund		150,518,286	133,164,860
Fair value reserves		(1,109,406)	(1,428,165)
<b>Total unrestricted funds</b>		<u>173,128,024</u>	<u>158,257,180</u>
<b>Total funds</b>	20	<u>173,128,024</u>	<u>158,257,180</u>

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

**KWONG WAI SHIU HOSPITAL**
**Statement of Changes in Funds  
 Year Ended 31 December 2019**

	Unrestricted Funds				Restricted Fund	Total
	Sinking Fund	Project Development Fund	General Fund	Fair Value Reserve		
	\$	\$	\$	\$	\$	\$
Balance as at 1 January 2018	200,000	28,000,000	115,558,436	682,386	857,234	145,298,056
Transfer	(200,000)	–	259,274	(59,274)	–	–
Net (deficit) / surplus for the reporting year	–	(1,479,515)	17,347,150	–	(857,234)	15,010,401
Fair value changes on equity instruments at FVTOCI, net of tax (Note 13)	–	–	–	(1,825,192)	–	(1,825,192)
Fair value changes on debt assets instruments at FVTOCI, net of tax (Note 13)	–	–	–	(226,085)	–	(226,085)
Balance as at 31 December 2018	–	26,520,485	133,164,860	(1,428,165)	–	158,257,180
Net (deficit) / surplus for the reporting year	–	(2,801,341)	17,238,376	–	–	14,437,035
Transferred to retained earnings – realised on disposal	–	–	115,050	(115,050)	–	–
Fair value changes on equity instruments at FVTOCI, net of tax (Note 13)	–	–	–	421,129	–	421,129
Fair value changes on debt assets instruments at FVTOCI, net of tax (Note 13)	–	–	–	12,680	–	12,680
Balance as at 31 December 2019	–	23,719,144	150,518,286	(1,109,406)	–	173,128,024

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

**KWONG WAI SHIU HOSPITAL****Statement of Cash Flows**  
**Year Ended 31 December 2019**

	<u>2019</u>	<u>2018</u>
	\$	\$
<b><u>Cash flows from operating activities</u></b>		
Net incoming resources for the year	14,437,035	15,010,401
Adjustments for:		
Depreciation of property, plant and equipment	4,906,127	4,007,895
Depreciation of investment properties	287,673	293,544
Dividend and coupon income	(1,074,823)	(1,222,925)
Interest income	(781,399)	(319,072)
Fair value (gains) / losses on financial assets FVTPL	(2,769,004)	852,611
(Gains) / losses on disposal of financial assets FVTPL	(1,285,032)	646,046
Losses on disposal of property, plant and equipment	74,443	89,373
Depreciation of leased assets	2,328,761	–
Operating cash flow before changes in working capital	<u>16,123,781</u>	<u>19,357,873</u>
Inventories	(2,142)	(42,583)
Trade and other receivables	(1,060,400)	(1,515,995)
Other non-financial assets	415,069	(186,047)
Trade and other payables	1,718,816	1,068,984
Other non-financial liabilities	(319,477)	(2,907,069)
Cash restricted in use	(158,153)	1,526,179
Net cash flows from operating activities	<u>16,717,494</u>	<u>17,301,342</u>
<b><u>Cash flows from investing activities</u></b>		
Investment income received	1,074,823	1,222,925
Interest received	472,116	448,508
Purchase of property, plant and equipment	(2,494,566)	(6,629,231)
Disposal of property, plant and equipment	26,103	1,200
Purchase of financial assets at FVTPL	(26,589,306)	(45,969,359)
Disposal of financial assets at FVTPL	29,329,425	–
Disposal of financial assets at FVTOCI	308,120	–
Net cash flows from / (used in) investing activities	<u>2,126,715</u>	<u>(50,925,957)</u>
<b><u>Cash flows from financing activities</u></b>		
Lease liabilities – principal portion paid	(2,066,869)	–
Net cash flows used in financing activities	<u>(2,066,869)</u>	<u>–</u>
<b>Net increase / (decrease) in cash and cash equivalents</b>	16,777,340	(33,624,615)
Cash and cash equivalents, statement of cash flows, beginning balance	<u>44,610,239</u>	<u>78,234,854</u>
<b>Cash and cash equivalents, statement of cash flows, ending balance (Note 17A)</b>	<u>61,387,579</u>	<u>44,610,239</u>

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



## KWONG WAI SHIU HOSPITAL

### Notes to the Financial Statements 31 December 2019

#### 1. General

Kwong Wai Shiu Hospital (“Hospital”) (UEN: 201615448C) is incorporated in Singapore as a company limited by guarantee (“CLG”) without a share capital. It was granted the status of an Institutions of a Public Character (“IPC”) under the Charities Act, Chapter 37. The financial statements are presented in Singapore dollar. The board of directors approved and authorised these financial statements for issue on the date of the statement by directors. The directors have the power to amend and reissue the financial statements.

The principal activities of the Hospital are to provide nursing and personal care facilities, rehabilitative services and Traditional Chinese Medicine services to the sick and needy in Singapore.

Every member of the Hospital undertakes to contribute to the assets of the Hospital in the event of it being wound up while he is a member, or within one year after he ceases to be a member, for payment of the debts and liabilities of the Hospital contracted before he 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 Singapore Dollars One Hundred (S\$100).

The Hospital had ten members at the end of the reporting year.

The registered office is: 705 Serangoon Road, Singapore 328127. The Hospital is situated in Singapore.

#### **Statement of compliance with financial reporting standards**

These financial statements have been prepared in accordance with the Financial Reporting Standards (“FRSs”) and the related interpretations to FRS (“INT FRS”) as issued by the Singapore Accounting Standards Council. They are in compliance with the provisions of the Companies Act, Chapter 50.

#### **Accounting convention**

The financial statements are prepared on a going concern basis under the historical cost convention except where a financial reporting standard requires an alternative treatment (such as fair values) as disclosed where appropriate in these financial statements. The accounting policies in the financial reporting standards may not be applied when the effect of applying them is not material. The disclosures required by financial reporting standards may not be provided if the information resulting from that disclosure is not material.

## KWONG WAI SHIU HOSPITAL

### 1. General (cont'd)

#### Basis of preparation of the financial statements

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting year. Actual results could differ from those estimates. The estimates and assumptions are reviewed on an ongoing basis. Apart from those involving estimations, management has made judgements in the process of applying the entity's accounting policies. The areas requiring management's most difficult, subjective or complex judgements, or areas where assumptions and estimates are significant to the financial statements, are disclosed at the end of this footnote, where applicable.

### 2. Significant accounting policies and other explanatory information

#### 2A. Significant accounting policies

##### Income and revenue recognition

The financial reporting standard on revenue from contracts with customers establishes a five-step model to account for revenue arising from contracts with customers. Revenue is recognised at an amount that reflects the consideration to which the entity expects to be entitled in exchange for transferring goods or services to a customer (which excludes estimates of variable consideration that are subject to constraints, such as right of return exists, trade discounts, volume rebates and changes to the transaction price arising from modifications), net of any related sales taxes and excluding any amounts collected on behalf of third parties. An asset (goods or services) is transferred when or as the customer obtains control of that asset. As a practical expedient the effects of any significant financing component is not adjusted if the payment for the good or service will be within one year.

##### (i) Government grants

Government grants to cover a particular expenditure or programme are accounted for as incoming resources upon receipt of notification of the grant award, which normally coincides with the year when the related expenses, for which the grant is intended to cover, are incurred. The corresponding asset (grants receivable account) is also recognised then. A government grant is recognised at fair value when there is reasonable assurance that the conditions attaching to it will be complied with and that the grant will be received. Grants in recognition of specific expenses is recognised as income over the periods necessary to match them with the related costs that they are intended to compensate. The grant related to assets is presented in the statement of financial position by recognising the grant as deferred income that is recognised in profit or loss on a systematic basis over the useful life of the asset and in the proportions in which depreciation expense on those assets is recognised.

##### (ii) Donations

Revenue from cash donations and fund-raising projects are recognised as and when received except for advance donation received. Donation received in advance for future fund raising projects are deferred and recognised as incoming resources as and when the fund raising projects are held.

**KWONG WAI SHIU HOSPITAL****2. Significant accounting policies and other explanatory information (cont'd)****2A. Significant accounting policies (cont'd)****Income and revenue recognition (cont'd)****(iii) Patient service charge**

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

**(iv) Rental income**

Rental income is recognised from operating leases as income on a straight-line basis.

**(v) Investment income**

Dividend from equity instruments is recognised in profit or loss only when the entity's right to receive payment of the dividend is established; it is probable that the economic benefits associated with the dividend will flow to the entity; and the amount of the dividend can be measured reliably. This is usually ex-dividend date for quoted shares.

**(vi) Interest income**

Interest income is recognised using the effective interest method.

**Gifts in kind**

A gift in kind is included in the statement of financial activities based on an estimate of the fair value at the date of the receipt of the gift of the non-monetary asset or the grant of a right to the monetary asset. The gift is recognised if the amount of the gift can be measured reliably and there is no uncertainty that it will be received.

Goods donated as property, plant and equipment are recorded at values based on a reasonable estimate of their fair value. Assets which are donated for resale, distribution or consumption are recorded when received. No value is ascribed to volunteer services.

**Employee benefits**

Contributions to a defined contribution retirement benefit plan are recorded as an expense as they fall due. The entity's legal or constructive obligation is limited to the amount that it is obligated to contribute to an independently administered fund (such as the Central Provident Fund in Singapore, a government managed defined contribution retirement benefit plan). For employee leave entitlement the expected cost of short-term employee benefits in the form of compensated absences is recognised in the case of accumulating compensated absences, when the employees render service that increases their entitlement to future compensated absences; and in the case of non-accumulating compensated absences, when the absences occur. A liability for bonuses is recognised where the entity is contractually obliged or where there is constructive obligation based on past practice.

**KWONG WAI SHIU HOSPITAL****2. Significant accounting policies and other explanatory information (cont'd)****2A. Significant accounting policies (cont'd)****Foreign currency transactions**

The functional currency is the Singapore dollar as it reflects the primary economic environment in which the entity operates. Transactions in foreign currencies are recorded in the functional currency at the rates ruling at the dates of the transactions. At each end of the reporting year, recorded monetary balances and balances measured at fair value that are denominated in non-functional currencies are reported at the rates ruling at the end of the reporting year and fair value measurement dates respectively. All realised and unrealised exchange adjustment gains and losses are dealt with in profit or loss except when a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. The presentation is in the functional currency.

**Income tax**

As an approved charity under the Charities Act, Cap. 37, the Hospital is exempted from income tax under Section 13(1)(zm) of the Income Tax Act, Cap 134.

**Property, plant and equipment**

Property, plant and equipment are carried at cost on initial recognition and after initial recognition at cost less any accumulated depreciation and any accumulated impairment losses. Depreciation is provided on a straight-line basis to allocate the gross carrying amounts of the assets less their residual values over their estimated useful lives of each part of an item of these assets. The annual rates of depreciation are as follows:

Building	Over the leasehold period of 6 years
Leasehold improvements	5 years
Office and medical equipment	5 years
Furniture and fittings	10 years
Motor vehicles	5 years
IT systems and equipment	3 years

An asset is depreciated when it is available for use until it is derecognised even if during that period the item is idle. Fully depreciated assets still in use are retained in the financial statements.

The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item and is recognised in profit or loss. The residual value and the useful life of an asset is reviewed at least at each end of the reporting year and, if expectations differ significantly from previous estimates, the changes are accounted for as a change in an accounting estimate, and the depreciation charge for the current and future periods are adjusted.

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

**KWONG WAI SHIU HOSPITAL****2. Significant accounting policies and other explanatory information (cont'd)****2A. Significant accounting policies (cont'd)****Right-of-use assets**

The right-of-use assets are accounted and presented as if they were owned such as property plant and equipment.

The right-of-use assets are depreciated over the lease term of the asset that ranges from 3 to 5 years.

**Investment properties**

Investment property is property (land or a building or part of a building or both) held (by the owner or by the lessee as a right-of-use asset under a finance lease) to earn rentals or for capital appreciation or both, rather than for: (a) use in the production or supply of goods or services or for administrative purposes; or (b) sale in the ordinary course of business. It includes an investment property in the course of construction. After initial recognition at cost including transaction costs the cost model is used to measure the investment property using the treatment for property, plant and equipment, that is, at cost less any accumulated depreciation and any accumulated impairment losses. An investment property that meets the criteria to be classified as held for sale is carried at the lower of carrying amount and fair value. For disclosure purposes only, the fair values are measured periodically on a systematic basis at least once in three years by external independent professional valuers having an appropriate recognised professional qualification and recent experience in the location and category of the property being valued. The annual rate of depreciation is 2% on reducing balance basis.

**Leases of leasee**

A lease is a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration. A right-of-use asset is capitalised in the statement of financial position, measured at the present value of the unavoidable future lease payments to be made over the lease term. A liability corresponding to the capitalised lease is also recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs. The right-to-use asset is depreciated over the earlier of the end of the useful life of the right-of-use asset or the end of the lease term and an interest expense on the recognised lease liability (included in finance costs). Short-term leases of 12 months or less and leases of low-value assets (such as personal computers and small office equipment) where an accounting policy choice exists under the lease standard whereby the lease payments are expensed to profit or loss as incurred on a straight line basis over the remaining lease term.

**Lessor**

As a lessor the reporting entity classifies each of its leases as either an operating lease or a finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset and it is presented in its statement of financial position as a receivable at an amount equal to the net investment in the lease. For a finance lease the finance income is recognised over the lease term, based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset. Lease payments from operating leases are recognised as income on either a straight-line basis or another systematic basis over the term of the lease.

## KWONG WAI SHIU HOSPITAL

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

#### 2A. Significant accounting policies (cont'd)

##### Inventories

Inventories are measured at the lower of cost (first in first out method) and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

##### Impairment of non-financial assets

Irrespective of whether there is any indication of impairment, an annual impairment test is performed at the same time every year on an intangible asset with an indefinite useful life or an intangible asset not yet available for use. The carrying amount of other non-financial assets is reviewed at each end of the reporting year for indications of impairment and where an asset is impaired, it is written down through profit or loss to its estimated recoverable amount. The impairment loss is the excess of the carrying amount over the recoverable amount and is recognised in profit or loss unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs of disposal and its value in use. When the fair value less costs of disposal method is used, any available recent market transactions are taken into consideration. When the value in use method is adopted, in assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). At each end of the reporting year non-financial assets other than goodwill with impairment loss recognised in prior periods are assessed for possible reversal of the impairment. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been measured, net of depreciation or amortisation, if no impairment loss had been recognised.

##### Financial instruments

Recognition and derecognition of financial instruments:

A financial asset or a financial liability is recognised in the statement of financial position when, and only when, the entity becomes party to the contractual provisions of the instrument. All other financial instruments (including regular-way purchases and sales of financial assets) are recognised and derecognised, as applicable, using trade date accounting or settlement date accounting. A financial asset is derecognised when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the entity neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. A financial liability is removed from the statement of financial position when, and only when, it is extinguished, that is, when the obligation specified in the contract is discharged or cancelled or expires. At initial recognition the financial asset or financial liability is measured at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

**KWONG WAI SHIU HOSPITAL****2. Significant accounting policies and other explanatory information (cont'd)****2A. Significant accounting policies (cont'd)****Financial instruments (cont'd)**

Classification and measurement of financial assets:

1. Financial asset classified as measured at amortised cost: A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss (FVTPL), that is (a) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Typically trade and other receivables, bank and cash balances are classified in this category.
2. Financial asset that is a debt asset instrument classified as measured at fair value through other comprehensive income (FVTOCI): A debt asset instrument is measured at fair value through other comprehensive income (FVTOCI) only if it meets both of the following conditions and is not designated as at FVTPL, that is (a) the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets are not reclassified subsequent to their initial recognition, except when, and only when, the reporting entity changes its business model for managing financial assets (expected to be rare and infrequent events). The previously recognised gains, losses, or interest cannot be restated. When these financial assets are derecognised, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss.
3. Financial asset that is an equity investment measured at fair value through other comprehensive income (FVTOCI): On initial recognition of an equity investment that is not held for trading, an irrevocably election may be made to present subsequent changes in fair value in OCI. This election is made on an investment-by-investment basis. Fair value changes are recognised in OCI but dividends are recognised in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. The gain or loss that is presented in OCI includes any related foreign exchange component arising on non-monetary investments (For example: equity instruments). On disposal, the cumulative fair value changes are not recycled to profit or loss but remain in reserves within equity. The weighted average or specific identification method is used when determining the cost basis of equities being disposed of.
4. Financial asset classified as measured at fair value through profit or loss (FVTPL): All other financial assets are classified as measured at FVTPL. In addition, on initial recognition, management may irrevocably designate a financial asset as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

## KWONG WAI SHIU HOSPITAL

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

#### 2A. Significant accounting policies (cont'd)

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

Classification and measurement of financial liabilities:

Financial liabilities are classified as at fair value through profit or loss (FVTPL) in either of the following circumstances: (1) the liabilities are managed, evaluated and reported internally on a fair value basis; or (2) the designation eliminates or significantly reduces an accounting mismatch that would otherwise arise. All other financial liabilities are carried at amortised cost using the effective interest method. Reclassification of any financial liability is not permitted.

##### Cash and cash equivalents

Cash and cash equivalents in the statement of cash flows include bank and cash balances, on demand deposits and any highly liquid debt asset instruments purchased with an original maturity of three months or less. For the statement of cash flows the item includes cash and cash equivalents less cash subject to restriction and bank overdrafts payable on demand that form an integral part of cash management. Other financial assets and financial liabilities at fair value through profit or loss are presented within the section on operating activities as part of changes in working capital in the statement of cash flows.

##### Fair value measurement

The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When measuring the fair value of an asset or a liability, market observable data to the extent possible is used. If the fair value of an asset or a liability is not directly observable, an estimate is made using valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs (eg by use of the market comparable approach that reflects recent transaction prices for similar items, discounted cash flow analysis, or option pricing models refined to reflect the issuer's specific circumstances). Inputs used are consistent with the characteristics of the asset / liability that market participants would take into account. The entity's intention to hold an asset or to settle or otherwise fulfil a liability is not taken into account as relevant when measuring fair value.

Fair values are categorised into different levels in a fair value hierarchy based on the degree to which the inputs to the measurement are observable and the significance of the inputs to the fair value measurement in its entirety: Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (ie as prices) or indirectly (ie derived from prices). Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs). Transfers between levels of the fair value hierarchy are recognised at the end of the reporting period during which the change occurred.

The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value. The fair values of non-current financial instruments may not be disclosed separately unless there are significant differences at the end of the reporting year and in the event the fair values are disclosed in the relevant notes to the financial statements.



**KWONG WAI SHIU HOSPITAL****2. Significant accounting policies and other explanatory information (cont'd)****2B. Other explanatory information****Provisions**

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

**Funds**

All income and expenditures are reflected in the statement of financial activities. Income and expenditures specifically relating to any of the funds separately set up by the Hospital are allocated subsequently to those funds. Fund balances restricted by outside sources are so indicated and are distinguished from unrestricted funds allocated to specific purposes, if any, by action of the management. Externally restricted funds may only be utilised in accordance with the purposes established by the source of such funds 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 institutional purposes. An expense resulting from the operating activities of a fund that is directly attributable to the fund is charged to that fund. Common expenses if any are allocated on a reasonable basis to the funds based on a method most suitable to that common expense unless impractical to do so. Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, e.g. allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

**2C. Critical judgements, assumptions and estimation uncertainties**

There were no critical judgements made in the process of applying the accounting policies that have the most significant effect on the amounts recognised in the financial statements. There were no key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting year, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting year.

**3. Related party relationships and transactions**

The financial reporting standard on related party disclosures requires the reporting entity to disclose: (a) transactions with its related parties; and (b) relationships between parents and subsidiaries irrespective of whether there have been transactions between those related parties. A party is related to a party if the party controls, or is controlled by, or can significantly influence or is significantly influenced by the other party.

It is not the practice for the directors/office bearers, or people connected with them, to receive remuneration or other benefits from the Hospital for which they are responsible, or from institutions connected with the Hospital.

**KWONG WAI SHIU HOSPITAL****3. Related party relationships and transactions (cont'd)**

All board members and staff members of the Hospital are required to read and understand the conflict of interest policy in place and make full disclosure of interests, relationships and holdings that could potentially result in conflict of interests. When a conflict of interest situation arises, the members or staffs shall abstain from participating in the discussion, decision making and voting on the matter.

**3A. Related party transactions:**

There are transactions and arrangements between the reporting entity and related parties and the effects of these on the basis determined between the parties are reflected in these financial statements.

Significant related party transactions:

	<u>2019</u> \$	<u>2018</u> \$
Purchase of goods and services from companies in which certain board members have an interest	<u>288,315</u>	<u>367,556</u>

**3B. Key management compensation:**

	<u>2019</u> \$	<u>2018</u> \$
Salaries and other short-term employee benefits	<u>1,786,468</u>	<u>1,694,604</u>

The above amounts are included under employee benefits expense.

Number of key management in remuneration bands:

	<u>2019</u> \$	<u>2018</u> \$
Above \$300,000	1	1
\$200,001 - \$300,000	1	1
\$100,001 - \$200,000	<u>7</u>	<u>7</u>

Key management personnel comprise the Chief Executive Officer and the direct reporting senior officers. The board members did not receive any compensation during the year.

There were no transactions with a corporation in which the above key management personnel have an interest.

**KWONG WAI SHIU HOSPITAL**
**4. Investment income**

	<u>2019</u>	<u>2018</u>
	\$	\$
Dividend and coupon income	1,074,823	1,222,925
Gains on disposal of investments at FVTPL	1,285,032	–
Gains on fair value changes of investments at FVTPL	2,769,004	–
	<u>5,128,859</u>	<u>1,222,925</u>

**5. Charitable activities expenses**

	<u>2019</u>	<u>2018</u>
	\$	\$
Depreciation of property, plant and equipment *	1,845,330	1,460,233
Facilities management *	3,481,672	2,807,403
IT and computing expenses *	225,890	169,423
Leased land rental *	334,694	2,203,256
Leasing of equipment *	(3,030)	15,583
Loss on disposal of property, plant and equipment *	–	80,353
Medical supplies and other consumable for patients	2,770,956	2,262,195
Outsource clinical services	788,503	592,298
Other outsource services *	431,545	437,284
Security expenses *	379,243	355,878
Transportation for clients	2,387	63,376
Staff costs and benefits *	18,071,971	14,480,297
Trainers fee and course material	251,230	8,866
Depreciation on lease assets *	1,668,806	–
Interest on lease liabilities *	391,536	–
Other charitable related expenses *	1,057,929	794,260
	<u>31,698,662</u>	<u>25,730,705</u>

\* These are common costs allocated based on headcount.

**6. Other operating and administration expenses**

	<u>2019</u>	<u>2018</u>
	\$	\$
External and internal audit	60,499	111,805
Depreciation of property, plant and equipment *	87,546	83,451
Facilities management *	134,602	100,163
General insurance	34,285	41,129
IT and computing expenses *	30,022	18,952
Leased land rental *	19,298	322,782
Leasing of equipment *	(530)	2,600
Depreciation on lease assets *	249,362	–
Interest on lease liabilities *	58,505	–
Loss on disposal of property, plant and equipment *	–	9,020
Non-claimable GST expenses	694,811	810,200
Professional consultation fees *	41,755	3,867
Security expenses *	56,551	53,073
Staff costs and benefits *	2,278,889	2,087,303
Other expenses *	129,682	153,486
	<u>3,875,277</u>	<u>3,797,831</u>

\* These are common costs allocated based on headcount.

**KWONG WAI SHIU HOSPITAL****7. Employee benefits expense**

	<u>2019</u> \$	<u>2018</u> \$
Staff costs	16,783,485	13,666,817
Contributions to defined contribution plan	1,560,805	1,288,948
Other staff related costs	626,920	482,483
Foreign worker levy and expenses	1,379,650	1,129,352
	<u>20,350,860</u>	<u>16,567,600</u>

**8. Items in the statement of financial activities**

The statement of financial activities includes the following:

a. Fund raising activities

In accordance with the Charities (Institutions of a Public Character) Regulations, the Hospital is required to disclose fund-raising appeals with gross receipts of more than \$1 million.

	Income for <u>general fund</u> \$	Fund generating expenses for <u>general fund</u> \$	Net fund generating income for <u>general fund</u> \$
<u>2019</u>			
Charity concert	<u>873,250</u>	<u>51,867</u>	<u>821,383</u>
<u>2018</u>			
Charity concert	<u>2,471,628</u>	<u>61,860</u>	<u>2,409,768</u>

The annual charity concert for 2019 was held on 25 May 2019.

b. Other operating and administration expenses

	<u>2019</u> \$	<u>2018</u> \$
Internal audit fees	2,000	50,000
External audit fees	<u>58,499</u>	<u>61,805</u>

**9. Tax deductible donation receipts**

The Hospital enjoys a concessionary tax treatment whereby qualifying donors are granted 2.5 (2018: 2.5) times tax deduction for the donations made to the Hospital. This status was renewed for 2 years with effect from 1 July 2018 under the Health Endowment Fund Scheme.

	<u>2019</u> \$	<u>2018</u> \$
The Hospital issued tax deductible receipts for donations collected	<u>7,519,798</u>	<u>12,059,115</u>

**KWONG WAI SHIU HOSPITAL**
**10. Property, plant and equipment**

	Buildings	Leasehold Improvements	Office and Medical Equipment	Motor Vehicles	IT Systems and Equipment	Furniture & Fittings	Hospital Redevelopment	Total
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Cost:</b>								
At 1 January 2018	4,791,198	1,390,816	4,364,716	482,596	1,365,054	2,845,696	12,443,620	27,683,696
Additions	–	41,000	1,151,978	532,196	678,974	461,430	3,763,653	6,629,231
Reclassification	15,941,787	250,486	–	–	–	–	(16,192,273)	–
Disposals	(4,791,198)	(772,693)	(404,110)	–	(17,805)	(166,212)	–	(6,152,018)
At 31 December 2018	15,941,787	909,609	5,112,584	1,014,792	2,026,223	3,140,914	15,000	28,160,909
Additions	208,210	170,700	657,302	537,719	335,964	584,671	–	2,494,566
Disposals	–	–	(437,230)	(213,276)	(1,880)	(34,119)	–	(686,505)
At 31 December 2019	16,149,997	1,080,309	5,332,656	1,339,235	2,360,307	3,691,466	15,000	29,968,970
<b>Accumulated depreciation:</b>								
At 1 January 2018	4,791,198	782,996	1,244,917	420,412	796,048	255,792	–	8,291,363
Depreciation for the year	2,277,398	134,656	819,234	83,773	396,191	296,643	–	4,007,895
Disposals	(4,791,198)	(772,693)	(336,309)	–	(15,829)	(145,416)	–	(6,061,445)
At 31 December 2018	2,277,398	144,959	1,727,842	504,185	1,176,410	407,019	–	6,237,813
Depreciation for the year	2,745,021	189,691	964,419	195,156	456,365	355,475	–	4,906,127
Disposals	–	–	(348,491)	(213,276)	(1,880)	(22,312)	–	(585,959)
At 31 December 2019	5,022,419	334,650	2,343,770	486,065	1,630,895	740,182	–	10,557,981
<b>Carrying value:</b>								
At 1 January 2018	–	607,820	3,119,799	62,184	569,006	2,589,904	12,443,620	19,392,333
At 31 December 2018	13,664,389	764,650	3,384,742	510,607	849,813	2,733,895	15,000	21,923,096
At 31 December 2019	11,127,578	745,659	2,988,886	853,170	729,412	2,951,284	15,000	19,410,989

**KWONG WAI SHIU HOSPITAL****10. Property, plant and equipment (cont'd)**

Allocation of the depreciation expense:

	<u>2019</u>	<u>2018</u>
	\$	\$
Charitable activities expenses	1,845,330	1,460,233
Other operating and administration expenses	87,546	83,451
Hospital redevelopment cost	2,970,775	2,463,375
Commercial rental expense	2,476	836
Total	<u>4,906,127</u>	<u>4,007,895</u>

**11. Right-of-use assets and lease liabilities**

The leases are for land and building and office equipment. The lease contracts are usually for fixed periods of 3 to 5 years but may have extension options. Lease terms contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

At the date of transition to the new standard on leases, management elected to measure the right-of-use assets at an amount equal to the lease liability adjusted for any prepaid or accrued lease payments that existed at the date of transition (applied to leases previously classified as finance leases or operating leases). The lease liability does not include the short-term leases and leases of low-value underlying assets. Variable lease payments which do not depend on an index or a rate or based on a percentage of revenue are not included from the initial measurement of the lease liability and the right-to-use assets.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The right-of-use assets and lease liabilities in the statement of financial position. The movements are as follows:

	<u>Land and Building</u>	<u>Office Equipment</u>	<u>Total</u>	<u>Lease Liabilities</u>
	\$	\$	\$	\$
<b>Cost:</b>				
At 1 January 2019	11,543,713	74,856	11,618,569	11,618,569
Accretion of interest	–	–	–	549,539
Lease payments – principal portion paid	–	–	–	(2,066,869)
Interest paid				(549,539)
At 31 December 2019	<u>11,543,713</u>	<u>74,856</u>	<u>11,618,569</u>	<u>9,551,700</u>
<b>Accumulated depreciation:</b>				
At 1 January 2019	–	–	–	–
Depreciation for the year	(2,308,743)	(20,018)	(2,328,761)	–
At 31 December 2019	<u>(2,308,743)</u>	<u>(20,018)</u>	<u>(2,328,761)</u>	–
<b>Carrying value:</b>				
At 1 January 2019	<u>11,543,713</u>	<u>74,856</u>	<u>11,618,569</u>	<u>11,618,569</u>
At 31 December 2019	<u>9,234,970</u>	<u>54,838</u>	<u>9,289,808</u>	<u>9,551,700</u>

**KWONG WAI SHIU HOSPITAL**
**11. Right-of-use assets and lease liabilities (cont'd)**

Allocation of the depreciation and interest expense:

	<u>Interest expense</u> \$	<u>Depreciation expense</u> \$
<u>2019</u>		
Charitable activities expenses	391,536	1,668,806
Other operating and administration expenses	58,505	249,362
Commercial rental expense	99,498	410,593
Total	<u>549,539</u>	<u>2,328,761</u>

Lease liabilities are presented in the statement of financial position as follows:

	<u>2019</u> \$
Lease liabilities, current	2,211,673
Lease liabilities, non-current	<u>7,340,027</u>
	<u>9,551,700</u>

The new standard on leases has been applied using the modified retrospective transition approach. Therefore no comparative amounts for the year ended 31 December 2018 are presented.

On transition to the new standard on leases the weighted average incremental borrowing rate applied to lease liabilities recognised was 5.25%. The right-of-use asset and lease liability before the date of initial application are measured at the same amounts as under the new standard.

Reconciliation of lease commitments and lease liability at the date of initial application:

	<u>2019</u> \$
Operating lease commitments as at 31 December 2018	5,700,992
Other adjustments	<u>(398,739)</u>
Subtotal - Operating lease liabilities before discounting	5,302,253
Discounted using incremental borrowing rate	<u>(262,030)</u>
Operating lease liabilities, net	5,040,223
Reasonably certain extension options	<u>6,578,346</u>
Total lease liabilities recognised at 1 January 2019	<u>11,618,569</u>

A summary of the maturity analysis of lease liabilities that shows the remaining contractual maturities is as follows:

<u>2019</u>	<u>Minimum payments</u> \$	<u>Finance charges</u> \$	<u>Present value</u> \$
Minimum lease payments payable:			
Not later than one year	2,648,832	(437,159)	2,211,673
Between 2 and 5 years	7,913,813	(573,786)	7,340,027
Total	<u>10,562,645</u>	<u>(1,010,945)</u>	<u>9,551,700</u>

**KWONG WAI SHIU HOSPITAL****11. Right-of-use assets and lease liabilities (cont'd)**

Other disclosures on leases:

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

	<u>2019</u>
	\$
Expense relating to short-term leases included in other expenses	205,548
Income from subleasing right-of-use assets	<u>968,453</u>
Total commitments on short-term leases at year end date	<u>62,808</u>

**12. Investment properties**

	<u>2019</u>	<u>2018</u>
	\$	\$
<u>At cost:</u>		
At beginning and end of the year	<u>18,511,747</u>	<u>18,511,747</u>
<u>Accumulated depreciation:</u>		
At beginning of the year	4,128,085	3,834,541
Depreciation for the year	<u>287,673</u>	<u>293,544</u>
At end of the year	<u>4,415,758</u>	<u>4,128,085</u>
<u>Carrying value:</u>		
At beginning of the year	<u>14,383,662</u>	<u>14,677,206</u>
At end of the year	<u>14,095,989</u>	<u>14,383,662</u>
<u>Fair value:</u>		
Fair value at end of the year	<u>92,610,600</u>	<u>91,250,000</u>
Rental and service income from investment properties	<u>2,475,807</u>	<u>2,251,306</u>
Direct operating expenses (including repairs and maintenance) arising from investment properties that generated rental income during the period	<u>1,151,774</u>	<u>1,009,740</u>

The depreciation expense is charged to rental expenses in the statement of financial activities.

There are no restrictions on the realisability of investment property or the remittance of income and proceeds of disposal.

The investment properties are leased out under operating leases. Also see Note 23 on operating lease income commitments. The management has not entered into contractual obligations for the maintenance or enhancement of the investment properties. Most property leases with an initial period ranging from 1 year to 5 years. The tenant has the right to terminate the tenancy agreement before the expiry of the lease by refunding to the landlord, pro rata, the commission paid by the landlord to his real estate agent. Accordingly, there is no future minimum lease receivables under non-cancellable operating leases.



**KWONG WAI SHIU HOSPITAL****12. Investment properties (cont'd)**

As the lessor, the reporting entity manages the risk associated with any rights it retains in the underlying assets including any means to reduce that risk. Such means may include, insurance coverage, or variable lease payments for use in excess of specified limits, having clauses in the leases providing for compensation the lessor when a property has been subjected to excess wear-and-tear during the lease term.

The estimated fair value of each investment property as at 31 December 2019 was measured based on prior year valuation made by Chambers Valuers & Property Consultants Pte. Ltd., a firm of independent professional valuers in 2018, adjusted for using the published property price index for residential and commercial (office and retail) properties to reflect the actual market state and circumstance as of the end of the reporting year. The fair value measurement is categorised within the fair value hierarchy at Level 3. Significant observable inputs and range – Price per square foot: \$819 to \$2,767.

The fair value of each investment property as at 31 December 2018 was measured based on the highest and best use method to reflect the actual market state and circumstance. The fair value was based on valuation made by Chambers Valuers & Property Consultants Pte. Ltd., a firm of independent professional valuers. The fair value measurement is categorised within the fair value hierarchy at Level 3. Significant observable inputs and range derived from valuation reports – Price per square foot: \$796 to \$2,732.

The valuation reports are obtained on a systematic basis at least once in three years based on comparison with market evidence of recent transaction prices for similar properties.

The increase in fair value is due to better market conditions.

**13. Other financial assets**

	<u>2019</u>	<u>2018</u>
	\$	\$
Balance is made up of:		
Investments in equity shares at FVTOCI (Note 13A)	8,164,743	8,051,734
Investments in debt asset instruments at FVTOCI (Note 13B)	13,648,000	13,635,320
Investments in funds at FVTPL (Note 13F)	60,839,255	59,539,708
Total at end of the year	<u>82,651,998</u>	<u>81,226,762</u>
Presented in the statement of financial position as follows:		
	<u>2019</u>	<u>2018</u>
	\$	\$
Other financial assets, non-current	81,647,498	81,226,762
Other financial assets, current	1,004,500	–
Total at end of the year	<u>82,651,998</u>	<u>81,226,762</u>

**KWONG WAI SHIU HOSPITAL****13. Other financial assets (cont'd)****13A. Investments in equity shares at FVTOCI**

	<u>2019</u>	<u>2018</u>
	\$	\$
Movements during the year:		
Fair value at beginning of the year	8,051,734	9,876,926
Additions	147,280	–
Disposals	(340,350)	–
Gain on disposal included in retained earnings - accumulative	(115,050)	–
Increase / (decrease) in fair value through other comprehensive income	<u>421,129</u>	<u>(1,825,192)</u>
Fair value at end of year	<u>8,164,743</u>	<u>8,051,734</u>

Elections to FVTOCI are made on an instrument-by-instrument basis. The investments in this category met the definition of equity from the issuer's perspective.

The gain or loss on re-measuring investments in equity shares at FVTOCI to fair value (other than those relating to hedges) are presented in OCI. On disposal, the cumulative fair value loss of \$1,253,207 (2018: \$1,559,285) are not recycled to profit or loss but remain in reserves within equity.

During the reporting year certain investments in equity instruments measured at FVTOCI were derecognised to use the proceeds for other investments. The fair value of the investments at the date of derecognition was \$455,400. The cumulative gain on disposal of \$115,050 was transferred to retained earnings.

The fair values of quoted securities in corporations are based on prices in an active market at the end of the reporting year.

**13B. Investments in debt asset instruments at FVTOCI**

	<u>2019</u>	<u>2018</u>
	\$	\$
Movements during the year:		
Fair value at beginning of the year	13,635,320	13,861,405
Increase / (decrease) in fair value through other comprehensive income	<u>12,680</u>	<u>(226,085)</u>
Fair value at end of year	<u>13,648,000</u>	<u>13,635,320</u>

The debt investments carried at FVTOCI are subject to the expected credit loss model under the standard on financial instruments. The debt investments at FVTOCI are considered to have low credit risk, and the loss allowance recognised during the reporting year is limited to 12 months expected losses.

**KWONG WAI SHIU HOSPITAL**
**13. Other financial assets (cont'd)**
**13C. Disclosures relating to investments at FVTOCI**

The information gives a summary of the significant sector concentrations within the investment portfolio including Level 1, 2 and 3 securities:

	<u>Level</u>	<u>2019</u> \$	<u>2018</u> \$	<u>2019</u> %	<u>2018</u> %
C1. Quoted equity shares:					
Media	1	978,820	1,055,150	5	5
Multi sector	1	2,443,570	2,244,120	11	10
Energy, gas and water sector	1	19,333	17,364	N.M.	N.M.
Transportation	1	953,700	933,300	4	4
Telecommunication	1	2,563,500	2,486,500	12	12
Real estate	1	1,205,820	1,315,300	6	6
		<u>8,164,743</u>	<u>8,051,734</u>	<u>38</u>	<u>37</u>
C2. Quoted bonds:					
Quoted bonds in corporations with fixed coupon rates between 3.5% and 4.4% maturing between April 2020 to May 2026 (2018: 3.5% and 4.4% maturing between April 2020 to May 2026)					
	1	3,541,200	3,541,000	16	16
Quoted bonds in corporations with fixed coupon rates of 3.8% to 4.8% (2018: 3.8% to 4.8%) without fixed maturity					
	1	<u>10,106,800</u>	<u>10,094,320</u>	<u>46</u>	<u>47</u>
		<u>13,648,000</u>	<u>13,635,320</u>	<u>62</u>	<u>63</u>
Total financial assets at FVTOCI		<u>21,812,743</u>	<u>21,687,054</u>	<u>100</u>	<u>100</u>

N.M.: Not Material

**13D. Sensitivity analysis for price risk of equity shares at FVTOCI:**

There are investments in equity shares or similar instruments. Such investments are exposed to both currency risk and market price risk arising from uncertainties about future values of the investment securities. Sensitivity analysis: The effect is as follows:

	<u>2019</u> \$	<u>2018</u> \$
A hypothetical 10% increase in the market index of quoted equity shares would have a favourable effect on other comprehensive income before tax of	<u>816,500</u>	<u>805,200</u>

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

The above sensitivity has not changed significantly from last year.

**KWONG WAI SHIU HOSPITAL****13. Other financial assets (cont'd)****13E. Credit rating of the debt assets instruments at FVTOCI**

The debt investments carried at FVTOCI are subject to the expected credit loss model under the standard on financial instruments. Listed bonds are regarded as of low credit risk if they have an investment grade credit rating with one or more reputable rating agencies. Other bonds are regarded as of low credit risk if they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term. The methodology applied for impairment loss depends on whether there has been a significant increase in credit risk.

Ratings of investments in debt assets instruments at FVTOCI:

	<u>2019</u>	<u>2018</u>
	\$	\$
Movements during the year:		
Balances with investment grade credit ratings with one or more reputable rating agencies	12,140,500	12,129,820
Not rated	1,507,500	1,505,500
Total	<u>13,648,000</u>	<u>13,635,320</u>

**13F. Investments in funds at FVTPL**

	<u>2019</u>	<u>2018</u>
	\$	\$
Movements during the year:		
Fair value at beginning of the year	59,539,708	15,069,006
Additions	26,589,306	45,969,359
Disposals	(28,044,393)	–
Transferred to other receivables	(14,370)	–
Increase / (decrease) in fair value through profit or loss under investment income	2,769,004	(1,498,657)
Fair value at end of year	<u>60,839,255</u>	<u>59,539,708</u>

**13G. Disclosures relating to investments at FVTPL**

	<u>Level</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
		\$	\$	%	%
D1. Quoted equity shares:					
Others (a)	1	<u>16,927,265</u>	<u>16,702,087</u>	<u>28</u>	<u>28</u>
D2. Quoted bonds:					
Quoted Fullerton short term interest rate and Asian bond fund without fixed maturity	1	28,225,666	27,691,493	46	47
Quoted LionGlobal short duration bond class I without fixed maturity	1	<u>15,686,324</u>	<u>15,146,128</u>	<u>26</u>	<u>25</u>
		<u>43,911,990</u>	<u>42,837,621</u>	<u>72</u>	<u>72</u>
Total financial assets at FVTPL		<u>60,839,255</u>	<u>59,539,708</u>	<u>100</u>	<u>100</u>

**KWONG WAI SHIU HOSPITAL**
**13. Other financial assets (cont'd)**
**13G. Disclosures relating to investments at FVTPL (cont'd)**

(a) These are investments in funds that are diversified into the various sectors of the equities markets.

**13H. Sensitivity analysis for price risk of investments at FVTPL:**

There are investments in equity shares or similar instruments. Such investments are exposed to both currency risk and market price risk arising from uncertainties about future values of the investment securities.

Sensitivity analysis: The effect is as follows:

	<u>2019</u>	<u>2018</u>
	\$	\$
A hypothetical 10% increase in the market index of quoted equity shares would have a favourable effect on other comprehensive income before tax of	<u>1,692,700</u>	<u>1,670,200</u>

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

The above sensitivity has not changed significantly from last year.

**13I. Credit rating of the debt assets instruments at FVTPL**

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

Ratings of investments in debt assets instruments at FVTPL:

	<u>2019</u>	<u>2018</u>
	\$	\$
Not rated	<u>43,911,990</u>	<u>42,837,621</u>

**14. Inventories**

	<u>2019</u>	<u>2018</u>
	\$	\$
Chinese refined medicine	37,842	39,216
Western medicine	38,223	38,747
Medical and surgical supplies	59,621	54,955
Sundry items	15,612	16,238
Balance at end of year	<u>151,298</u>	<u>149,156</u>
Cost of inventories recorded as an expense in the statement of financial activities	<u>2,142,310</u>	<u>1,788,177</u>

## KWONG WAI SHIU HOSPITAL

## 15. Trade and other receivables, current

	<u>2019</u>	<u>2018</u>
	\$	\$
<u>Trade receivables:</u>		
Trade receivables		
– Patients	1,628,517	1,192,216
– Community Training Institute	30,372	4,430
Receivables		
– Property related	137,491	139,591
– Tenants at KWSH premises	–	73,231
Less: allowance for impairment	–	(3,060)
Net trade receivables – subtotal	<u>1,796,380</u>	<u>1,406,408</u>
<u>Other receivables:</u>		
Deposits to secure services	728,903	717,888
Fixed deposits interest and bond coupon receivables	564,669	255,386
Capital grants receivables	1,462,100	1,753,166
Singapore government grants receivables	3,051,722	7,472,178
Other receivables – donations	86,555	34,336
Other receivables – investment property	2,628,000	–
Other receivables	159,415	134,962
Cash with fund manager	2,680,633	–
Net other receivables – subtotal	<u>11,361,997</u>	<u>10,367,916</u>
Total trade and other receivables	<u>13,158,377</u>	<u>11,774,324</u>
	<u>2019</u>	<u>2018</u>
	\$	\$
Movements in above allowance on trade receivables:		
At beginning of the year	3,060	3,060
Bad debts written off	(3,060)	–
At end of the year	<u>–</u>	<u>3,060</u>

The trade receivables are subject to the expected credit loss model under the financial reporting standard on financial instruments. The methodology applied for impairment loss is the simplified approach to measuring expected credit losses (ECL) which uses a lifetime expected loss allowance for all trade receivables. The expected lifetime losses are recognised from initial recognition of these assets. These assets are grouped based on shared credit risk characteristics and the days past due for measuring the expected credit losses. The allowance matrix is based on its historical observed default rates (over a period of 3 months) over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date the historical observed default rates are updated and changes in the forward-looking estimates are analysed. No allowance matrix is deemed necessary for the Hospital.

	<u>Gross amount</u>	
	<u>2019</u>	<u>2018</u>
	\$	\$
Trade receivables:		
Less than 30 days	550,511	568,665
31-60 days	297,986	258,557
61-90 days	144,679	140,509
Over 90 days	803,204	441,737
At end of year	<u>1,796,380</u>	<u>1,409,468</u>

The amounts are written off when there are indications that there is no reasonable expectation of recovery or the failure of a debtor to make contractual payments over an extended period.

## KWONG WAI SHIU HOSPITAL

### 15. Trade and other receivables (cont'd)

Trade receivables that are individually determined to be impaired at the end of the reporting period relate to debtors that are in significant financial difficulties and have defaulted on payments. Based on the existing model, receivables from patients can be offsetted against government assistance funds available. As such, the default rates are reduced to minimal or zero which no loss on allowances is necessary as at the end of the reporting year.

There are no collateral held as security and other credit enhancements for the trade receivables.

There is no concentration of credit risk with respect to trade receivables as there are a large number of customers.

The other receivables at amortised cost shown above are subject to the expected credit loss model under the financial reporting standard on financial instruments. The other receivables at amortised cost and which can be graded as low risk individually are considered to have low credit risk. At the end of the first reporting period a loss allowance is recognised at an amount equal to 12 month expected credit losses because there has not been a significant increase in credit risk since initial recognition. No loss allowance is necessary.

### 16. Other non-financial assets

	<u>2019</u> \$	<u>2018</u> \$
Prepayments	<u>630,259</u>	<u>1,045,328</u>

### 17. Cash and cash equivalents

	<u>2019</u> \$	<u>2018</u> \$
Not restricted in use	61,387,579	44,610,239
Restricted in use	<u>4,855,781</u>	<u>4,697,628</u>
Cash at end of year	<u>66,243,360</u>	<u>49,307,867</u>
Interest earning balances	<u>49,640,040</u>	<u>36,505,286</u>

The rates of interest for the cash on interest earning balances is between 0.05% and 2.25%. (2018: 0.05% and 2.20%).

### 17A. Cash and cash equivalents in the statement of cash flows:

	<u>2019</u> \$	<u>2018</u> \$
Amount as shown above	66,243,360	49,307,867
Cash restricted in use <sup>(1)</sup>	<u>(4,855,781)</u>	<u>(4,697,628)</u>
Cash and cash equivalents for statement of cash flows purposes at end of year	<u>61,387,579</u>	<u>44,610,239</u>

<sup>(1)</sup> Includes the following:

- \$4,763,376 (2018: \$4,272,073) relating to monies received under Community Silver Trust Fund (Note 19) and

**KWONG WAI SHIU HOSPITAL****17. Cash and cash equivalents (cont'd)****17A. Cash and cash equivalents in the statement of cash flows (cont'd):**

- \$92,405 (2018: \$425,555) relating to monies received under Medifund from Ministry of Health (Note 19).

**18. Trade and other payables**

	<u>2019</u>	<u>2018</u>
	\$	\$
<u>Trade payables:</u>		
Outside parties and accrued liabilities	5,912,229	6,907,376
<u>Other payables:</u>		
Deposits received from patients and tenants	1,299,467	1,217,054
Advances received for investment property rentals	2,628,000	–
Other payables	223,764	220,214
Other payables – subtotal	4,151,231	1,437,268
Total trade and other payables	<u>10,063,460</u>	<u>8,344,644</u>

**19. Other non-financial liabilities**

	<u>2019</u>	<u>2018</u>
	\$	\$
Community Silver Trust – Deferred Grant <sup>(1)</sup>	4,763,376	4,272,073
Community Silver Trust – Deferred Income <sup>(2)</sup>	2,233,083	2,220,759
Capital grant - Deferred Income <sup>(3)</sup>	5,266,842	5,807,381
Medifund from Ministry of Health	92,405	425,555
Healthcare Productivity Fund	40,195	47,288
NHELP Funding	14,612	–
Heritage Project Grant	92,023	51,758
Silver Volunteer Fund	2,621	–
Prepaid rentals from tenants	97,638	98,528
Deferred course fee income	5,270	–
Deferred ward income	280,829	285,029
	<u>12,888,894</u>	<u>13,208,371</u>
	<u>2019</u>	<u>2018</u>
	\$	\$
<sup>(1)</sup> Movements in above deferred grant:		
Balance at beginning of the year	4,272,073	5,699,830
Grants approved during the year	6,620,940	5,000,000
Utilised during the year	(6,129,527)	(6,435,716)
Refunded during the year	(5,434)	–
Interest income	5,324	7,959
Balance at end of the year	<u>4,763,376</u>	<u>4,272,073</u>

Community Silver Trust (“CST”) fund relates to monies received under Community Silver Trust donation matching grant programme. The objective of the CST is to encourage more donations and provide additional resources for the service providers in the Intermediate and Long Term Care (“ILTC”) Sector and to enhance capabilities and provide value-added services to achieve affordable and higher quality care. The Hospital receives a matching grant of one dollar for every donation dollar raised subject to an annual grant cap of \$15 million. The funding agreement with CST was renewed for a period of 5 years from 1 April 2019 to 31 March 2024.



**KWONG WAI SHIU HOSPITAL**
**19. Other non-financial liabilities (cont'd)**

From 2013, the Hospital was allowed to claim for another CST matching grant up to 40% of the Hospital's donations received. Such grant is intended to fund the Hospital's operating expenses and the grant threshold for each year is capped at \$5 million per Government's fiscal year ending 31 March.

Any remaining fund shall be refunded to the CST in the event CST ascertains that the Hospital has not used the grant according to the approved use of the CST or not satisfactorily utilised the grant provided.

	<u>2019</u>	<u>2018</u>
	\$	\$
(2) Movements in above deferred income:		
Balance at beginning of the year	2,220,759	1,596,055
Additions during the year	769,720	1,177,919
Utilised during the year	<u>(757,396)</u>	<u>(553,215)</u>
Balance at end of the year	<u>2,233,083</u>	<u>2,220,759</u>

Amounts under the CST fund utilised for plant and equipment additions are taken to the deferred income grant account, and are credited to the statement of financial activities over the periods necessary to match the depreciation of the corresponding plant and equipment.

	<u>2019</u>	<u>2018</u>
	\$	\$
(3) Movements in above deferred income for capital grant:		
Balance at beginning of the year	5,807,381	5,254,720
Additions during the year	651,236	1,530,293
Utilised during the year	<u>(1,191,775)</u>	<u>(977,632)</u>
Balance at end of the year	<u>5,266,842</u>	<u>5,807,381</u>

Amounts under the capital grant fund utilised for plant and equipment additions are taken to the deferred income grant account, and are credited to the statement of financial activities over the periods necessary to match the depreciation of the corresponding plant and equipment.

**20. Fund account balances**

- (i) Sinking Fund is set aside for the purpose of any possible major repairs on the hospital buildings.
- (ii) Project Development Fund is set aside from General Fund to provide for the purpose of Hospital Development.
- (iii) Building Fund is set aside for the purpose of Hospital Redevelopment.
- (iv) Fair Value Reserve relates to the changes in fair values of the annual remeasurement of the investments in financial assets at fair value through other comprehensive income ("FVTOCI"). The cumulative fair value loss of \$1,253,207 (2018: \$1,559,285) from the re-measurement of investments in equity shares will not be recycled to profit or loss on disposal. The cumulative gain of \$143,801 (2018: \$131,120) from the re-measurement of investments in debt asset instruments will be recycled to profit or loss on disposal.

**KWONG WAI SHIU HOSPITAL****21. Reserves policy**

	<u>2019</u> \$	<u>2018</u> \$
Unrestricted Funds (excluding Project Development Fund)	<u>149,408,880</u>	<u>131,736,695</u>
Annual Operating Expenditure	<u>37,997,470</u>	<u>32,796,028</u>
Ratio of Reserves (excluding Project Development Fund) to Annual Operating Expenditure	<u>3.9</u>	<u>4.0</u>

The reserves provide financial stability and the means for the development of the Hospital's activities. The Hospital intends to maintain the reserves at 3 to 4 years, a level sufficient for its future operating needs bearing in mind its major expansion that will be ongoing over the next few years.

Upon the full operation of the new nursing home, it is anticipated that there will be an increase in operating expenses in the coming years. Management monitors and reports to the Board of Directors regularly on the Hospital's activities and financial status. The Board of Directors reviews the level of reserves regularly for the Hospital to meet its continuing obligations.

**22. Capital commitments**

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

	<u>2019</u> \$	<u>2018</u> \$
Commitments:		
To build conserved building	–	60,124
To purchase plant & machinery	<u>716,954</u>	<u>481,365</u>
	<u>716,954</u>	<u>541,489</u>

**23. Operating lease income commitments – as lessor**

Operating lease income is for rental receivable for the investment properties. The leases to the tenants have no long-term commitment terms.

**KWONG WAI SHIU HOSPITAL****24. Financial instruments: information on financial risks****24A. Categories of financial assets and liabilities**

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

	<u>2019</u>	<u>2018</u>
	\$	\$
<u>Financial assets:</u>		
Financial assets at amortised cost	79,401,737	61,082,191
Financial assets at fair value through profit or loss ("FVTPL")	60,839,255	59,539,708
Financial assets that is a debt asset instrument at fair value through other comprehensive income ("FVTOCI")	13,648,000	13,635,320
Financial assets that is an equity investment at fair value through other comprehensive income ("FVTOCI")	<u>8,164,743</u>	<u>8,051,734</u>
At end of the year	<u>162,053,735</u>	<u>142,308,953</u>
<u>Financial liabilities:</u>		
Financial liabilities at amortised cost	<u>19,615,160</u>	<u>8,344,644</u>
At end of the year	<u>19,615,160</u>	<u>8,344,644</u>

Further quantitative disclosures are included throughout these financial statements.

**24B. Financial risk management**

The main purpose for holding financial instruments is to raise and manage the finances for the entity's operating, investing and financing activities. There are exposures to the financial risks on the financial instruments such as credit risk, liquidity risk and market risk comprising interest rate, currency risk and price risk exposures. Management has certain practices for the management of financial risks. The guidelines set up the short and long term objectives and action to be taken in order to manage the financial risks. The guidelines include the following:

1. Minimise interest rate, currency, credit and market risk for all kinds of transactions.
2. Maximise the use of "natural hedge": favouring as much as possible the natural off-setting of sales and costs and payables and receivables denominated in the same currency and therefore put in place hedging strategies only for the excess balance (if necessary). The same strategy is pursued with regard to interest rate risk.
3. All financial risk management activities are carried out and monitored by senior management staff and directors.
4. All financial risk management activities are carried out following acceptable market practices.
5. Appropriate consideration is given to investing in shares or similar instruments.

There is also an investment committee. The directors and the investment committee receive periodic reports on the state of the investments and the investment markets.

There have been no changes to the exposure risk; the objectives, policies and processes for managing risk and the methods used to measure the risk.

**KWONG WAI SHIU HOSPITAL****24. Financial instruments: information on financial risks (cont'd)****24C. Fair values of financial instruments**

The analyses of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 are disclosed in the relevant notes to the financial statements. These include the significant financial instruments stated at amortised cost and at fair value in the statement of financial position. The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value.

**24D. Credit risk on financial assets**

Financial assets that are potentially subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner. These arise principally from cash balances with banks, cash equivalents, receivables and other financial assets. The maximum exposure to credit risk is the total of the fair value of the financial assets at the end of the reporting year. Credit risk on cash balances with banks and any other financial instruments is limited because the counter-parties are entities with acceptable credit ratings. For expected credit losses (ECL) on financial assets, the three-stage approach in the financial reporting standard on financial instruments is used to measure the impairment allowance. Under this approach the financial assets move through the three stages as their credit quality changes. However, a simplified approach is permitted by the financial reporting standards on financial instruments for financial assets that do not have a significant financing component, such as trade receivables. On initial recognition, a day-1 loss is recorded equal to the 12 month ECL (or lifetime ECL for trade receivables), unless the assets are considered credit impaired. For credit risk on trade receivables an ongoing credit evaluation is performed on the financial condition of the debtors and an impairment loss is recognised in profit or loss. Reviews and assessments of credit exposures in excess of designated limits are made. Renewals and reviews of credits limits are subject to the same review process.

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

**24E. Liquidity risk – financial liabilities maturity analysis**

The liquidity risk refers to the difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. It is expected that all the liabilities will be settled at their contractual maturity. The other payables are with short-term durations except for the leases.

The Hospital has sufficient cash balances to support cash commitments from their existing liabilities. The Hospital does not have any banking facilities.

**24F. Interest rate risk**

Interest rate risk arises on interest-bearing financial instruments recognised in the statement of financial position. The interest rate risk exposure is mainly from changes in fixed rate of the Hospital's fixed deposits. The interest from financial assets including cash balances is not significant.

**24G. Foreign currency risk**

There is no significant exposure to foreign currency risk.

**KWONG WAI SHIU HOSPITAL****24. Financial instruments: information on financial risks (cont'd)****24H. Equity price risk**

There are investments in equity shares or similar instruments. Such investments are exposed to both currency risk and market price risk arising from uncertainties about future values of the investment securities. The fair values of these investments and sensitivity analysis are disclosed in Note 13.

**25. Comparative figures**

In 2018, the Hospital measured certain investments at FVTOCI that should have been measured at FVTPL under the new financial reporting standard 109 Financial Instruments which is effective from 1 January 2018. The Hospital has made changes to the prior year's statements and the effects of the reclassification are as follows:

	<u>After</u> \$	<u>Reclassifications</u> <u>Before</u> \$	<u>Difference</u> \$
<u>2018 Statement of financial position:</u>			
General fund	133,164,860	133,958,197	(793,337)
Fair value reserves	(1,428,165)	(2,221,502)	793,337
<u>2018 Statement of financial activities:</u>			
Investment expenses	(1,549,738)	(51,081)	(1,498,657)
Fair value changes on equity instruments at FVTOCI, net of tax	(1,825,192)	(3,176,730)	1,351,538
Losses on disposal on equity instruments at FVTOCI, net of tax	–	(646,046)	646,046
Fair value changes on debt assets instruments at FVTOCI, net of tax	(226,085)	272,842	(498,927)

The above reclassification did not affect the opening balances as at 1 January 2018, accordingly, no third statement of financial position at the beginning of the preceding reporting year is being presented.

**26. Events after the end of the reporting year**

Subsequent to the end of the reporting year, the company sold an investment property for a term of 104 years for a total consideration of \$26,280,000.

**27. Changes and adoption of financial reporting standards**

For the current reporting year new or revised financial reporting standards were issued by the Singapore Accounting Standards Council. Those applicable to the reporting entity are listed below. Adoption of the applicable new or revised standards has resulted in some changes in the detailed application of the accounting policies and some modifications to financial statements presentation and measurement as disclosed in Note 11.

<u>FRS No.</u>	<u>Title</u>
FRS 116	Leases (and Leases - Illustrative Examples & Amendments to Guidance on Other Standards)

**KWONG WAI SHIU HOSPITAL****28. New or amended standards in issue but not yet effective**

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



赠人玫瑰  
手留余香

## THE FRAGRANCE ALWAYS STAYS IN THE HAND THAT GIVES THE ROSE

We wish to express our sincere thanks and appreciation to all our donors, volunteers and well-wishers for your encouragement and support.

We look forward to your continuous generosity and compassion as we journey on to build a better place for the needy and elderly in Singapore.

我们衷心感谢所有的捐献者、义工及各界人士的爱护与关怀。

我们祈望您继续支持本院，与我们共同成长。





**KWONG WAI SHIU HOSPITAL**

**廣惠肇留醫院**

**Since 1910**

**KWONG WAI SHIU HOSPITAL**

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**VISION**  
**愿景**

To be a Leading Community Healthcare Hub in Singapore.  
成为新加坡卓越的社区医护中心。

**MISSION**  
**宗旨**

To provide Quality, Comprehensive and Convenient  
healthcare services to the needy in Singapore.  
为新加坡有需要照顾的社群提供优质，  
全面及方便的医护服务。

**QUALITY POLICY**  
**品质方针**

To provide quality healthcare services that meet our  
customers' satisfaction. We are therefore committed to  
achieve clinical excellence, service efficiency and provide  
compassionate patient care.  
提供高素质的医疗服务以满足顾客的需求。我们致力于建立  
卓越的医疗护理体系，确保高服务效率并积极关怀病人。