

THEKCHEN CHOLING SINGAPORE LTD

(UEN No: 202225191K)

Statement by Directors and Financial Statements

Year Ended 31 December 2022

RSM Chio Lim LLP

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THEKCHEN CHOLING SINGAPORE LTD

Statement by Directors and Financial Statements

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THEKCHEN CHOLING SINGAPORE LTD

Statement by Directors

The directors of Thekchen Choling Singapore Ltd ("TCSL") are pleased to present the financial statements of TCSL for the reporting year ended 31 December 2022.

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 financial activities of TCSL for the reporting year covered by the financial statements; and
- (b) at the date of the statement, there are reasonable grounds to believe that TCSL 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 TCSL in office at the date of this statement are:

Chiang Li Ling Denise
Ebrahim Taiyeb Mama
Hau Siang Kee
Eileen Koh Ngia Lin

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

TCSL is a company limited by guarantee and has no share capital.

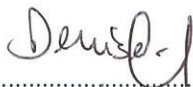
4. Options

TCSL is a company limited by guarantee. As such, there are 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



.....
Chiang Li Ling Denise
Director



.....
Ebrahim Taiyeb Mama
Director

24 JUN 2023

**Independent Auditor's Report to the Members of
THEKCHEN CHOLING SINGAPORE LTD****Report on the audit of the financial statements****Opinion**

We have audited the accompanying financial statements of Thekchen Choling Singapore Ltd ("TCSL"), which comprise the statement of financial position as at 31 December 2022, 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 significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Companies Act"), the Charities Act 1994 and other relevant regulations (the "Charities Act and Regulations"), and the Charities Accounting Standard ("CAS"), so as to give a true and fair view of the financial position of TCSL as at 31 December 2022 and of the financial activities, changes in funds and cash flows of TCSL for the year ended on that date.

Basis for opinion

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

Other information

The Directors and management are responsible for the other information. The other information comprises the Statement by Directors 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
THEKCHEN CHOLING SINGAPORE LTD**

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Responsibilities of Directors and management for the financial statements

The directors and management are responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Companies Act and the Charities Act and Regulations and CAS, 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, the directors and management are responsible for assessing TCSL'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 the directors and management either intends to liquidate TCSL or to cease operations, or has no realistic alternative but to do so.

The directors and management's responsibilities include overseeing TCSL'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 TCSL's internal control.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors and management.

**Independent Auditor's Report to the Members of
THEKCHEN CHOLING SINGAPORE LTD**

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

- d) Conclude on the appropriateness of directors and 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 TCSL'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 TCSL 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 the directors and management 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 identified during our audit.

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the Companies Act, and Charities Act and Regulations to be kept by TCSL 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, TCSL has not complied with the requirements of Regulation 7 of the Charities (Fund-Raising Appeals for Locals and Foreign Charitable Purposes) Regulations 2012.

The engagement partner on the audit resulting in this independent auditor's report is Uthaya Chandrikaa D/O Ponnusamy.

RSM Chio Lim LLP
Public Accountants and
Chartered Accountants
Singapore

24 June 2023

THEKCHEN CHOLING SINGAPORE LTD

Statement of Financial Activities
Year ended 31 December 2022

	<u>Notes</u>	<u>2022</u> \$	<u>2021</u> \$
<u>Unrestricted funds</u>			
<u>General fund</u>			
<u>Incoming resources</u>			
Incoming resources from generated funds	4	3,637,298	5,331,971
Incoming resources from charitable activities	5	299,228	368,533
Other income		164,984	43,572
Total incoming resources		<u>4,101,510</u>	<u>5,744,076</u>
<u>Resources expended</u>			
Cost of generating funds	6	(2,332,969)	(1,932,438)
Charitable activities expenses	7	(144,404)	(224,174)
Governance costs and operational expenses	8	(787,338)	(769,051)
Total resources expended		<u>(3,264,711)</u>	<u>(2,925,663)</u>
Net incoming resources		<u>836,799</u>	<u>2,818,413</u>
<u>Restricted fund</u>			
<u>Incoming resources</u>			
Incoming resources from restricted funds		440,082	3,520,899
Other income	17	1,752	619
Total incoming resources		<u>441,834</u>	<u>3,521,518</u>
<u>Resources expended</u>			
Cost of generating funds	6	(84,770)	(49,519)
Governance costs and operational expenses	8	(87,535)	(7,079)
Total resources expended		<u>(172,305)</u>	<u>(56,598)</u>
Net incoming resources		<u>269,529</u>	<u>3,464,920</u>
<u>Reconciliation of funds</u>			
Total funds brought forward		6,705,963	422,630
Net surplus for the year		<u>1,106,328</u>	<u>6,283,333</u>
Total funds carried forward		<u>7,812,291</u>	<u>6,705,963</u>

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

THEKCHEN CHOLING SINGAPORE LTD

Statement of Financial Position
As at 31 December 2022

	<u>Notes</u>	<u>2022</u> \$	<u>2021</u> \$
ASSETS			
<u>Non-current assets</u>			
Property, plant and equipment	10	1,658,861	1,778,185
Total non-current assets		<u>1,658,861</u>	<u>1,778,185</u>
<u>Current assets</u>			
Trade and other receivables	11	249,224	69,187
Other non-financial assets	12	59,739	51,081
Cash and cash equivalents	13	6,375,155	5,069,571
Total current assets		<u>6,684,118</u>	<u>5,189,839</u>
Total assets		<u>8,342,979</u>	<u>6,968,024</u>
FUNDS AND LIABILITIES			
<u>Current liabilities</u>			
Other payables	14	106,461	101,180
Other non-financial liabilities	15	424,227	160,881
Total current liabilities		<u>530,688</u>	<u>262,061</u>
Total net assets		<u>7,812,291</u>	<u>6,705,963</u>
<u>Unrestricted funds</u>			
General funds		4,052,405	3,215,606
Total unrestricted funds		<u>4,052,405</u>	<u>3,215,606</u>
<u>Restricted funds</u>			
Restricted funds	17	3,759,886	3,490,357
Total restricted funds		<u>3,759,886</u>	<u>3,490,357</u>
Total funds		<u>7,812,291</u>	<u>6,705,963</u>
Total funds and liabilities		<u>8,342,979</u>	<u>6,968,024</u>

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

THEKCHEN CHOLING SINGAPORE LTD

**Statement of Changes in Funds
Year ended 31 December 2022**

	<u>Total Funds</u> \$	<u>Restricted Funds Vajraland Funds</u> \$	<u>Unrestricted Funds General Funds</u> \$
Current year:			
Opening balance at 1 January 2022	6,705,963	3,490,357	3,215,606
Changes in equity:			
Net incoming resources for the financial year	<u>1,106,328</u>	<u>269,529</u>	<u>836,799</u>
Closing balance at 31 December 2022	<u>7,812,291</u>	<u>3,759,886</u>	<u>4,052,405</u>
Previous year:			
Opening balance at 1 January 2021	422,630	25,437	397,193
Changes in equity:			
Net incoming resources for the financial year	<u>6,283,333</u>	<u>3,464,920</u>	<u>2,818,413</u>
Closing balance at 31 December 2021	<u>6,705,963</u>	<u>3,490,357</u>	<u>3,215,606</u>

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

THEKCHEN CHOLING SINGAPORE LTD

Statement of Cash Flows
Year ended 31 December 2022

	<u>2022</u> \$	<u>2021</u> \$
<u>Cash flows from operating activities</u>		
Net incoming resources for the year	1,106,328	6,283,333
Adjustments for:		
Interest income	(4,399)	(5,966)
Donation-in-kind	–	(1,515,848)
Depreciation of property, plant and equipment	208,909	127,218
Gain on disposal of property, plant and equipment	(11,117)	–
Operating cash flows before changes in working capital	<u>1,299,721</u>	<u>4,888,737</u>
Trade and other receivables	(180,037)	(17,563)
Other non-financial assets	(8,658)	(22,011)
Other payables	5,281	(34,993)
Other non-financial liabilities	<u>263,346</u>	<u>14,041</u>
Net cash flows from operating activities	<u>1,379,653</u>	<u>4,828,211</u>
<u>Cash flows used in investing activities</u>		
Purchase of fixed assets	(91,468)	(375,432)
Proceed from disposal of property, plant and equipment	13,000	–
Interest received	<u>4,399</u>	<u>5,966</u>
Net cash flows used in investing activities	<u>(74,069)</u>	<u>(369,466)</u>
<u>Cash flows used in financing activities</u>		
Cash restricted in use	<u>(298,399)</u>	<u>(1,982,732)</u>
Net cash flows used in financing activities	<u>(298,399)</u>	<u>(1,982,732)</u>
Net increase in cash and cash equivalents	1,007,185	2,476,013
Cash and cash equivalents, statement of cash flows, beginning balance	<u>3,061,402</u>	<u>585,389</u>
Cash and cash equivalents, statement of cash flows, ending balance (Note 13)	<u><u>4,068,587</u></u>	<u><u>3,061,402</u></u>

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

THEKCHEN CHOLING SINGAPORE LTD

Notes to the Financial Statements 31 December 2022

1. General

Thekchen Choling Singapore Ltd ("TCSL") is incorporated in Singapore under the Companies Act 1967. It is also subject to the provisions of the Charities Act 1944. The financial statements are presented in Singapore dollars.

The board of directors approved and authorised these financial statements for issue on the date of the statement by the directors.

The principal activities of TCSL are to promote the practice of the Buddha Dharma and Mahayana Buddhism; to support the community at large in the practice of the Buddha Dharma and Mahayana Buddhism; and to provide social support for the benefit of the community at large through various initiatives and programs for the improvement of health, education and social needs.

The registered office is: 2 Beatty Lane, Singapore 209945. TCSL is situated in Singapore.

Statement of compliance with financial reporting standards

The financial statements have been prepared in accordance with the CAS as issued by the Singapore Accounting Standards Council. They are in compliance with the provisions of the Companies Act 1967 and the Charities Act 1944.

Accounting convention

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

Basis of preparation of the financial statements

The preparation of financial statements in conformity with generally accepted accounting principles requires the directors and 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, directors and management have made judgements in the process of applying the entity's accounting policies. The areas requiring directors and 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 recognition

The income amount is the fair value of the consideration received or receivable from the gross inflow of economic benefits during the reporting year arising from the course of the ordinary activities of TCSL and it is shown net of related tax and subsidies.

(i) Donations

Donations are accounted for when received.

(ii) Sale of goods

Income from the sale of goods is recognised when significant risks and rewards of ownership are transferred to the buyer, there is neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold, and the amount of revenue and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

(iii) Other income

Interest income is recognised using the effective interest rate.

(iv) Government grant

A government grant is recognised at fair value in the statement of financial activities as an incoming resource when there is reasonable assurance that the conditions attaching to it will be complied with and that the grant will be received. Grant in recognition of specific expenses are recognised as income over the years necessary to match them with the related costs that they are intended to compensate, on a systematic basis.

(v) Donations-in-kind

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

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

2A. Significant accounting policies (cont'd)

Income tax

As a charity registered under the Charities Act 1994, TCSL is exempted from tax on income and gains falling within section 13R of the Income Tax Act 1947 to the extent that these are applied to its charitable objects. No tax charges have arisen for TCSL.

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 method 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:

Freehold Building – 50 years

Renovations – 3 years

Motor Vehicle – 10 years or remaining COE time of acquisition

Other Fixed Assets – 1 to 5 years

An asset is depreciated when it is available for use until it is derecognised even if during that year 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 recognised in the Statement of Financial Activities. 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 years 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 directors and management. Subsequent costs 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 the Statement of Financial Activities when they are incurred.

Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. For operating leases, lease payments are recognised as an expense in the Statement of Financial Activities on a straight-line basis over the term of the relevant lease unless another systematic basis is representative of the time pattern of the user's benefit, even if the payments are not on that basis. Lease incentives received are recognised in the Statement of Financial Activities as an integral part of the total lease expense.

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

2A. Significant accounting policies (cont'd)

Reserves policy

The directors and management have examined TCSL's requirements for reserves in light of the main risks to TCSL. The current strategy is to build reserves through planned operating surpluses. The reserves are needed to meet the working capital requirements of TCSL and the directors and management are confident that at this level they would be able to continue the current activities of TCSL in the event of a significant drop in funding. The unrestricted funds not committed or invested in fixed assets held by TCSL should be able to meet the short term working capital requirements of TCSL.

Trade and other receivables

Trade and other receivables excluding prepayments shall be initially recognised at their transaction price, excluding transaction costs, if any. Transaction costs shall be recognised as expenditure in the Statement of Financial Activities as incurred. Prepayments shall be initially recognised at the amount paid in advance for the economic resources expected to be received in the future.

After initial recognition, trade and other receivables excluding prepayments shall be measured at cost less any accumulated impairment losses. Prepayments shall be measured at the amount paid less the economic resources received or consumed during the financial year.

Cash and cash equivalents

Cash and cash equivalents include bank and cash balances, on demand deposits and any highly liquid debt 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 that form an integral part of cash management.

Other payables

Other payables excluding accruals shall be recognised at their transaction price, excluding transaction costs, if any, both at initial recognition and at subsequent measurement. Transaction costs shall be recognised as expenditure in the Statement of Financial Activities as incurred. Accruals shall be recognised at the best estimate of the amount payable.

Funds

Fund balances restricted by outside sources are so indicated and are distinguished from unrestricted funds allocated to restricted purposes if any by action of the directors and management. Externally restricted funds may only be utilised in accordance with the purposes established by the source of such funds and are in contrast with unrestricted funds over which directors and management retain 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.

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

2B. Other explanatory information

Provision

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 the Statement of Financial Activities in the reporting year they occur.

2C. Critical judgements, assumptions and estimation uncertainties

The 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 and the 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 currently or within the next reporting year are discussed below. These estimates and assumptions are periodically monitored to ensure they incorporate all relevant information available at the date when financial statements are prepared. However, this does not prevent actual figures differing from estimates.

Assessment of carrying amounts of freehold land and building:

An assessment is made for the reporting year whether there is any indication that the asset may be impaired. If any such indication exists, an estimate is made of the recoverable amount of the asset. The recoverable amounts of cash-generating units if applicable is measured based on the fair value less costs of disposal or value in use calculations. It is impracticable to disclose the extent of the possible effects. It is reasonably possible, based on existing knowledge, that outcomes within the next reporting year that are different from assumptions could require a material adjustment to the carrying amount of the balances affected. The carrying amount of the specific asset or class of assets at the end of the reporting year affected by the assumption is \$1,387,308 (2021: \$1,428,090).

Value of the freehold land and building:

TCSL's freehold land and building were donated by a donor. Managements understands from the donor that the value of the donation-in-kind of \$1,462,075 was mainly attributed to the renovations undertaken by the donor over the years and the value of the freehold land is negligible. Accordingly, management has recorded the value of freehold land as nil and attributed the costs to building that will be depreciated over the useful life.

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3. Related party relationship and transactions

Related parties include all of the following:

- (a) A person or a close member of that person's family if that person:
 - (i) has control or joint control over the reporting entity;
 - (ii) has significant influence over the reporting entity; or
 - (iii) is a board member, trustee or member of the key management personnel of the reporting entity or of a parent of the reporting entity; and
- (b) An entity is related to the reporting entity if any of the following conditions apply:
 - (i) The entity and the reporting entity are members of the same group;
 - (ii) One entity is an associate or joint venture of TCSL (or an associate or joint venture of a member of a group of which TCSL is a member);
 - (iii) Both entities are joint ventures of the same third party;
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) The entity is controlled or jointly controlled by a person identified in (a);
 - (vi) A person identified in (a)(i) has significant influence over the entity or is a director, trustee or member of the key management personnel of the entity (or of a parent of the entity)

The directors did not receive any compensation, reimbursement, allowance or services by direct payment to a third party by TCSL during the reporting year.

All directors and employees of TCSL are required to read and understand the conflict of interest policy in place and make full disclosure of any interests, relationships, and holdings that could potentially result in a conflict of interest. When a conflict of interest situation arises, the directors or employee concerned shall abstain from participating in the discussion, decision-making and voting on the matter.

3A. Key management compensation

	<u>2022</u>	<u>2021</u>
	\$	\$
Salaries and other short-term employee benefits	<u>130,599</u>	<u>129,639</u>

There was one key management personnel who received more than \$100,000 in annual remuneration in the reporting year ended 31 December 2022.

3B. Other receivables from and other payables to related parties

The trade transactions and the trade receivables and payables balances arising from sales and purchases of goods and services are disclosed elsewhere in the notes to the financial statements.

THEKCHEN CHOLING SINGAPORE LTD

4. Incoming resources from generated funds - unrestricted

	<u>2022</u>	<u>2021</u>
	\$	\$
Events	1,575,345	1,473,135
Thekchen Jewel	1,335,766	1,269,554
Support Our Temple	516,908	1,859,223
Dharma Preservation and Propagation	65,850	562,542
Triple Gem Fund	143,429	167,517
Total incoming resources from generated funds	<u>3,637,298</u>	<u>5,331,971</u>

5. Incoming resources from charitable activities

	<u>2022</u>	<u>2021</u>
	\$	\$
Total incoming resources from charitable activities	<u>299,228</u>	<u>368,533</u>

6. Costs of generating funds

	<u>2022</u>	<u>2021</u>
	\$	\$
Employee benefits expense (Note 9)	1,019,539	1,269,877
Other costs of generating funds	<u>1,398,200</u>	<u>712,080</u>
Total costs of generating funds	<u>2,417,739</u>	<u>1,981,957</u>
Presented in statement of financial activities as:		
Unrestricted funds	2,332,969	1,932,438
Restricted funds	<u>84,770</u>	<u>49,519</u>
Total costs of generating funds	<u>2,417,739</u>	<u>1,981,957</u>

7. Charitable activities expenses

	<u>2022</u>	<u>2021</u>
	\$	\$
<u>Unrestricted funds</u>		
Local charitable activities expenses	83,387	191,742
Overseas charitable activities expenses	<u>61,017</u>	<u>32,432</u>
Total charitable activities expenses	<u>144,404</u>	<u>224,174</u>

Charitable activities expenses relate to the costs of social programmes.

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8. Governance costs and operational expenses

	<u>2022</u>	<u>2021</u>
	\$	\$
<u>Governance costs</u>		
Audit fee	13,217	22,560
Legal and professional fee	98,798	15,520
Directors' training cost	4,115	3,678
Volunteer expenses	18,018	680
	<u>134,148</u>	<u>42,438</u>
<u>Operational expenses</u>		
Administrative expenses	51,422	76,483
Advertising and marketing	81,635	107,966
Bank charges	66,248	81,389
Employee benefits expense (Note 9)	159,958	156,096
Insurance	9,421	10,069
IT costs	113,750	98,356
Relationship management	11,406	7,657
Repair and maintenance	45,510	45,080
Rental expenses (Note 18)	150,287	115,448
Travelling and transport	5,496	3,416
Utilities	45,592	31,732
	<u>740,725</u>	<u>733,692</u>
 Total governance costs and operational expenses	 <u>874,873</u>	 <u>776,130</u>
 Presented in statement of financial activities as:		
Unrestricted funds	787,338	769,051
Restricted funds	87,535	7,079
Total governance costs and operational expenses	<u>874,873</u>	<u>776,130</u>

9. Employee benefits expense

	<u>Cost of</u>	<u>Operational</u>	<u>Total</u>
	<u>generating</u>	<u>expenses</u>	<u></u>
	<u>funds</u>	<u></u>	<u>\$</u>
	\$	\$	\$
<u>2022</u>			
Short term employee benefits expense	841,236	115,980	957,216
Contributions to defined contribution plan	119,238	14,619	133,857
Other benefits	59,065	29,359	88,424
Total employee benefits expense	<u>1,019,539</u>	<u>159,958</u>	<u>1,179,497</u>
 <u>2021</u>			
Short term employee benefits expense	1,108,893	114,290	1,223,183
Contributions to defined contribution plan	130,919	15,349	146,268
Other benefits	30,065	26,457	56,522
Total employee benefits expense	<u>1,269,877</u>	<u>156,096</u>	<u>1,425,973</u>

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10. Property, plant and equipment

	Freehold Land & Building	Renovations	Motor Vehicle	Other Fixed Assets	Total
	\$	\$	\$	\$	\$
Cost:					
At 1 January 2021	–	–	16,006	–	16,006
Additions	1,462,075	255,843	29,800	143,562	1,891,280
At 31 December 2021	1,462,075	255,843	45,806	143,562	1,907,286
Additions	–	4,005	–	87,463	91,468
Disposal	–	–	(16,006)	–	(16,006)
At 31 December 2022	1,462,075	259,848	29,800	231,025	1,982,748
Accumulated depreciation:					
At 1 January 2021	–	–	1,883	–	1,883
Charge for the year	33,985	39,926	16,620	36,687	127,218
At 31 December 2021	33,985	39,926	18,503	36,687	129,101
Charge for the year	40,782	89,295	7,327	71,505	208,909
Disposal	–	–	(14,123)	–	(14,123)
At 31 December 2022	74,767	129,221	11,707	108,192	323,887
Net book value:					
At 1 January 2021	–	–	14,123	–	14,123
At 31 December 2021	1,428,090	215,917	27,303	106,875	1,778,185
At 31 December 2022	1,387,308	130,627	18,092	122,833	1,658,861

The depreciation expense is included in costs of generating funds.

Freehold land is carried at nil value. Please refer to further details in Note 2C on value of the freehold land.

11. Trade and other receivables

	<u>2022</u>	<u>2021</u>
	\$	\$
<u>Trade receivables</u>		
Third parties	189,133	28,096
Net trade receivables – subtotal	189,133	28,096
<u>Other receivables</u>		
Deposits for securing of services	38,070	38,110
Other receivables	22,021	2,981
Net other receivables – subtotal	60,091	41,091
Total trade and other receivables	249,224	69,187

12. Other non-financial assets

	<u>2022</u>	<u>2021</u>
	\$	\$
Prepayments	59,739	51,081

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13. Cash and cash equivalents

	<u>2022</u>	<u>2021</u>
	\$	\$
Not restricted in use	4,068,587	3,061,402
Restricted in use	<u>2,306,568</u>	<u>2,008,169</u>
Cash at end of the year	<u>6,375,155</u>	<u>5,069,571</u>
 Included in the cash and cash equivalents are interest earning balances of	 <u>4,130,914</u>	 <u>375,589</u>

The rates of interest for the interest earning cash balances ranges between 0.1% and 4.0% (2021: 0.10% and 0.50%) and have a tenure of 1 month to 3 years (2021: 6 months) at the end of the reporting year.

13A. Non-cash transactions:

Property, plant and equipment of \$1,515,848 were donated as donations-in-kind in the previous reporting year.

14. Other payables

	<u>2022</u>	<u>2021</u>
	\$	\$
Other payables	36,436	28,230
Accruals	<u>70,025</u>	<u>72,950</u>
Total other payables	<u>106,461</u>	<u>101,180</u>

15. Other non-financial liabilities

	<u>2022</u>	<u>2021</u>
	\$	\$
Deferred revenue (Note 15A)	424,027	156,893
Advance payments	<u>200</u>	<u>3,988</u>
Total other non-financial liabilities	<u>424,227</u>	<u>160,881</u>

15A. Deferred revenue

	\$
<u>Deferred revenue:</u>	
At 1 January 2021	142,852
Additions	282,600
Amortisation	<u>(268,559)</u>
At 31 December 2021	156,893
Additions	551,590
Amortisation	<u>(284,456)</u>
At 31 December 2022	<u>424,027</u>

Deferred revenue relates to religious services with performance obligations that is expected to be completed within an one year period.

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16. Unrestricted funds

Unrestricted funds refer to funds that can be spent at the discretion of the governing directors for any purpose of TCSL.

The reserve ratio (general fund / total resources expended) of TCSL's General Fund is 2.24 (2021: 2.10).

Designated funds are part of unrestricted funds but with a designated usage that is approved by the governing directors. The planned timing of the usage of the designated funds is approved by the directors.

Animal Liberation Fund is being raised for the charitable purposes of wildlife conservation and sheltering of endangered animals in Singapore and overseas.

Coffin Donation Fund is being raised to render support to the elderly and dying in Singapore.

	Animal Liberation Fund \$	Coffin Donation Fund \$	Total \$
Current year:			
Balance at start of the year	2,656	151,789	154,445
Net incoming resources for the year	23,630	136,883	160,513
Net outgoing resources for the year	(11,000)	(61,800)	(72,800)
Balance at end of the year	<u>15,286</u>	<u>226,872</u>	<u>242,158</u>
Previous year:			
Balance at start of the year	4,477	27,348	31,825
Net incoming resources for the year	34,638	229,441	264,079
Net outgoing resources for the year	(36,459)	(105,000)	(141,459)
Balance at end of the year	<u>2,656</u>	<u>151,789</u>	<u>154,445</u>

17. Restricted funds

Vajraland Fund is being raised for the purchase of TCSL's own building wherein the temple of Lord Buddha can be located. The fund is capitalised and retained as Vajraland Fund for the payment of all building related costs, such as renovation costs.

	<u>2022</u> \$	<u>2021</u> \$
Balance at start of the year	3,490,357	25,437
Total incoming resources for the year	441,834	3,521,518
Total resources expended for the year	(172,305)	(56,598)
Balance at end of the year	<u>3,759,886</u>	<u>3,490,357</u>
Represented by:		
Property, plant and equipment	1,453,318	1,482,188
Cash balances	2,306,568	2,008,169
Total	<u>3,759,886</u>	<u>3,490,357</u>

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18. Operating lease payment commitments - as lessee

At the end of the reporting year, the total of future minimum lease payments under operating leases are as follows:

	<u>2022</u>	<u>2021</u>
	\$	\$
Not later than one year	145,380	145,380
Later than one year and not later than five years	<u>83,565</u>	<u>228,945</u>
Rental expense for the reporting year (Note 8)	<u>150,287</u>	<u>115,448</u>

Operating lease payments are for rentals payable by TCSL for its premises, rental of car and rental of copier. The lease rental terms are negotiated for terms ranging from 36 to 60 months.