

ADVENTIST HOME FOR THE ELDERS
(Society Registration Number: 0139/1980WEL)

AUDITED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2010



26 Eng Hoon Street Singapore 169776
Tel: 6533 7393 Fax: 6533 6832 (Audit) 6533 6831 (Admin)
Website : www.tanchan-cpa.com

ADVENTIST HOME FOR THE ELDERS
(Society Registration Number: 0139/1980WEL)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2010

Contents	Page
Statement by the Board of Management	1
Auditors' Report	2 – 3
Statement of Financial Position	4
Income and Expenditure Statement	5 – 6
Statement of Changes in Funds	7
Statement of Cash Flows	8
Notes to the Financial Statements	9 – 18

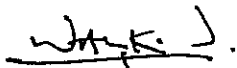
ADVENTIST HOME FOR THE ELDERS

STATEMENT BY THE BOARD OF MANAGEMENT

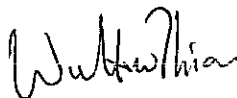
On behalf of the Members of the Board of Management of **Adventist Home for the Elders** (the "Home"), we, being the Chairman and Treasurer respectively, do hereby state that, in our opinion;

- (a) the accompanying statement of financial position, income and expenditure statement, statement of changes in funds and statement of cash flows together with the notes thereto are properly drawn up in accordance with the provisions of the Societies Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Home as at **31 December 2010** and of the results, changes in funds and cash flows of the Home for the financial year ended on that date; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Home will be able to pay its debts as and when they fall due.

Signed on behalf of the Board of Management



.....
Wan Kwong Weng
Chairman



.....
Wu How Tian
Treasurer

Singapore

Date: 16/4/2011

AUDITORS' REPORT

TO THE MEMBERS OF ADVENTIST HOME FOR THE ELDERS

We have audited the accompanying financial statements of the **Adventist Home for the Elders** ("the Home"), which comprise the statement of financial position as at **31 December 2010**, the income and expenditure statement, statement of changes in funds and statement of cash flows for the year ended **31 December 2010**, and a summary of significant accounting policies and other explanatory notes, as set out on pages **4 to 18**.

Board of Management's responsibility for the financial statements

The **Members** of the Board of Management is responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of the Societies Act ("the Act") and Singapore Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

An audit includes performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the **Board of Management**, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Auditors' Report

TO THE MEMBERS OF ADVENTIST HOME FOR THE ELDERS

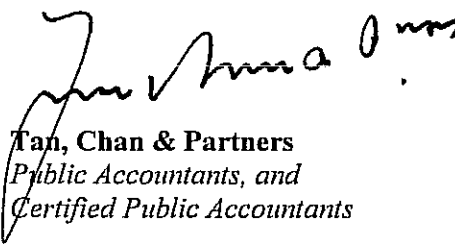
Opinion

In our opinion

- (a) the financial statements of the Home are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Company as at 31 December 2010, and the results, changes in equity and cash flows of the Company for the financial year ended on that date;
- (b) the use of the donation moneys is in accordance with the objectives of the institute of a public character; and
- (c) the Home has complied with the requirements of regulation 15 (1) where the total relevant fund raising expenses for the financial year shall not exceed 30% of the total relevant receipts from fund-raising and sponsorship for the financial year ended 31 December 2010.

Report on Other Legal and Regulatory Requirements

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


Tan, Chan & Partners
*Public Accountants, and
Certified Public Accountants*

Singapore

Date: 16 APR 2011

Ref: 30 – 1921/YAP

ADVENTIST HOME FOR THE ELDERS
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2010

	Note	2010 \$	2009 \$
Equity			
Accumulated fund		810,622	591,872
Maintenance and development fund		41,874	41,874
		<u>852,496</u>	<u>633,746</u>
Represented by:-			
Non-current assets			
Plant and equipment	3	288,374	60,388
Current assets			
Other receivables	4	7,485	8,311
Fixed deposits	5	359,956	358,891
Cash and bank balances	6	251,991	259,517
		<u>619,432</u>	<u>626,719</u>
Current liabilities			
Accrued operating expenses		11,009	11,660
Deposit received from residents		44,301	41,701
		<u>55,310</u>	<u>53,361</u>
Net current assets		564,122	573,358
Net assets		<u>852,496</u>	<u>633,746</u>

The annexed notes form an integral part of these financial statements
and should be read in conjunction therewith.

ADVENTIST HOME FOR THE ELDERS
INCOME AND EXPENDITURE STATEMENT
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2010

	Note	2010 \$	2009 \$
Income			
Contribution from resident		216,454	216,167
Donations	7	263,712	38,467
Public assistance		30,240	28,860
Interest received		2,007	4,204
Miscellaneous income		3,658	7,460
		<u>516,071</u>	<u>295,158</u>
Less : Operating expenses			
Auditors' remuneration		1,284	1,850
Bank charges		114	84
Bonus		9,014	11,349
Bookkeeping service fee		1,200	1,200
CPF contribution		7,341	6,328
Depreciation of plant and equipment	3	19,665	16,199
Events - Gala Lunch		18,963	-
Events - Eye Care Day		2,971	-
Food expense		18,711	22,939
Foreign worker levy		6,688	9,360
Insurance		6,575	4,567
Living allowance		4,740	4,050
Lodging & food expense at other home		37,676	-
Loss on disposal of plant and equipment		-	681
Medical expense		845	1,329
Minor assets expense off		4,910	1,964
Miscellaneous expense		8,139	3,808
Balance carried forward to next page		<u>148,836</u>	<u>85,708</u>

The annexed notes form an integral part of these financial statements
and should be read in conjunction therewith.

ADVENTIST HOME FOR THE ELDERS
INCOME AND EXPENDITURE STATEMENT
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2010

	Note	2010 \$	2009 \$
Balance brought forward from previous page		148,836	85,708
Printing and stationery		3,007	3,489
Rental expense		14,942	13,906
Repair and maintenance		1,418	867
Staff salaries		95,552	83,246
Staff welfare		1,136	701
Subsidy paid by Adventist Home		7,270	1,200
Telecommunication		1,786	1,606
Training expense - staff		347	1,030
Training expense - CPR and AED		5,060	2,315
Transportation		586	705
Upkeep of motor vehicle		1,392	726
Water and electricity		15,989	17,354
		<u>297,321</u>	<u>212,853</u>
Surplus before taxation		218,750	82,305
Taxation	8	-	-
Net surplus for the financial year		<u><u>218,750</u></u>	<u><u>82,305</u></u>

The annexed notes form an integral part of these financial statements
and should be read in conjunction therewith.

ADVENTIST HOME FOR THE ELDERS
STATEMENT OF CHANGES IN FUNDS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2010

	Accumulated Fund \$	Maintenance and Development Fund \$	Total \$
As at 1 January 2009	510,305	41,874	552,179
Net surplus for the financial year	82,305	-	82,305
Prior year adjustment	(738)	-	(738)
As at 31 December 2009	591,872	41,874	633,746
Net surplus for the financial year	218,750	-	218,750
As at 31 December 2010	810,622	41,874	852,496

The annexed notes form an integral part of these financial statements
and should be read in conjunction therewith.

ADVENTIST HOME FOR THE ELDERS
STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2010

	2010	2009
	\$	\$
Cash flows from operating activities		
Surplus before taxation	218,750	82,305
Adjustments for:		
Depreciation of plant and equipment	19,665	16,199
Interest received	(2,007)	(4,204)
Prior year adjustment	-	(738)
Loss on disposal of plant and equipment	-	681
Operating surplus before working capital changes	<u>236,408</u>	<u>94,243</u>
Adjustments for changes in working capital:		
Other receivables	826	(2,872)
Accrued operating expenses	(651)	(599)
Deposit received from residents	2,600	2,558
Net cash generated from operating activities	<u>239,183</u>	<u>93,330</u>
Cash flows from investing activities		
Acquisition of plant and equipment	(247,651)	(9,069)
Interest income earned	2,007	4,204
Net cash used in investing activities	<u>(245,644)</u>	<u>(4,865)</u>
Net (decrease) / increase in cash and cash equivalents	(6,461)	88,465
Cash and cash equivalents at beginning of financial year	618,408	529,943
Cash and cash equivalents at end of financial year	<u><u>611,947</u></u>	<u><u>618,408</u></u>
Cash and cash equivalents at end of year comprises:		
Fixed deposits	359,956	358,891
Cash and bank balances	251,991	259,517
	<u>611,947</u>	<u>618,408</u>

The annexed notes form an integral part of these financial statements
and should be read in conjunction therewith.

ADVENTIST HOME FOR THE ELDERS
NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2010

1. General Information

Adventist Home for the Elders (“the Home”) is a society registered under the Societies Act in Singapore. It is also an approved Institution of Public Character (IPC) and Central Fund Member. Its Charity Registration Number is 00358.

The registered address of the Home is located at BLK 195 Kim Keat Avenue, #01-294 Singapore 310195.

The principal activities of the Home are to provide accommodation and care to the destitute aged. There has been no significant change in the nature of these activities during the financial year.

The Company has obtained its Institution of Public Character (“IPC”) status from 1 July 2008 to 30 June 2011.

There has been no significant change in the nature of these activities during the financial year.

The financial statements are presented in Singapore dollars, the Home’s functional and presentation currency, and all values are rounded to the nearest dollar, except when otherwise indicated.

2. Summary of Significant Accounting Policies

2.1 Basis of Preparation

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (“FRS”). The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of these financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Home’s accounting policies. It also requires the use of certain critical accounting estimates and assumptions.

Interpretations and amendments to published standards effective in 2010

On 1 January 2010, the Home adopted the new or amended FRS and Interpretations to FRS (“INT FRS”) that are mandatory for application from that date. Changes to the Home’s accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

FRS1-Presentation of Financial Statements (Revised) is effective for annual periods beginning on or after 1 January 2010, and changes the basis for presentation and structure of the financial statements. It does not change the recognition, measurement or disclosure of specific transactions and other events required by other FRSSs.

ADVENTIST HOME FOR THE ELDERS
NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2010

2. Summary of Significant Accounting Policies (Cont'd)

2.1 Basis of Preparation (Cont'd)

The adoption of the other new or amended FRS and INT FRS did not result in substantial changes to the Home's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

2.2 Plant and Equipment

The cost of an item of plant and equipment is recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Home; and the cost of the item can be measured reliably. The cost of an item of plant and equipment comprises its purchase price; any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management; the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located. These costs include costs incurred initially to acquire or construct the plant and equipment and costs incurred subsequently to add to, replace part of, or service it. The costs of day-to-day servicing of the plant and equipment are recognised in the income and expenditure statement as incurred.

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 computed using the straight-line method to write off the cost of the asset over its estimated useful life. The estimated useful lives of the plant and equipment are as follows:

Furniture and equipment	3 - 10 years
Motor vehicle	10 years
Renovation	10 years

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Home and the cost of the item can be measured reliably.

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are recognised in profit or loss when the changes arise.

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is included in the profit or loss. Any amount in revaluation reserve relating to that asset is transferred to retained profits directly upon disposal of that asset.

ADVENTIST HOME FOR THE ELDERS
NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2010

2. Summary of Significant Accounting Policies (Cont'd)

2.3 Impairment of Non-Financial Assets

Property, plant and equipment are reviewed for impairment whenever there is any indication that these assets may be impaired.

If the recoverable amount of the asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

An impairment loss for an asset is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of accumulated depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset is recognised in profit or loss.

2.4 Loan and Receivables

Bank balances
Fixed deposits
Other receivables

Bank balances, fixed deposits and other receivables are initially recognised at their fair values plus transaction costs and subsequently carried at amortised cost using the effective interest method, less accumulated impairment losses. Loans and receivables include bank balances, fixed deposits and other receivables.

The Home assesses at each balance sheet date whether there is objective evidence that these financial assets are impaired and recognises an allowance for impairment when such evidence exists. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default or significant delay in payments are objective evidence that these financial assets are impaired.

The carrying amount of these assets is reduced through the use of an impairment allowance account which is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

These assets are presented as current assets except for those that are expected to be realised later than 12 months after the balance sheet date, which are presented as non-current assets.

2.5 Cash and Cash Equivalents

Cash and cash equivalents comprise cash in hand, cash at bank and deposits with financial institutions that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

ADVENTIST HOME FOR THE ELDERS
NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2010

2. Summary of Significant Accounting Policies (Cont'd)

2.6 Trade and Other Payables

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

2.7 Income Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Home and the revenue can be reliably measure and the following specific recognition criteria must also be met before revenue is recognized:

2.7.1 Contributions, donations and public assistance

Income from contributions, donations and public assistance are taken into financial statements at the point of receipt.

2.7.2 Interest income

Interest income is recognised as it accrues using the effective interest method.

2.7.3 Other miscellaneous income and Job Credit Scheme

Other miscellaneous income and cash grants received from Jobs Credit Scheme are recognised as income upon receipt.

2.8 Employee Benefits

a) Defined contribution plans

The Home's contributions to defined contribution plans are recognised as employee compensation expense when the contributions are due, unless they can be capitalised as an asset.

b) Employee leave entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

ADVENTIST HOME FOR THE ELDERS
NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2010

2. Summary of Significant Accounting Policies (Cont'd)

2.9 Leases – operating leases

When the Home is the lessee

Leases where substantially all risks and rewards incidental to ownership are retained by the lessors are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessors) are recognised in profit or loss on a straight-line basis over the period of the lease.

Contingent rents are recognised as an expense in profit or loss when incurred.

2.10 Related Party Transactions

For the purpose of the statutory financial statements, parties are considered to be related to the Home if the latter has the ability, directly or indirectly, to control or exercise significant influence over the party in making financial and operating decisions or vice versa, or where the Association and the party are subject to common control or common significant influence.

Included under related parties are the key management personnel. The key management personnel of the Home are those persons having the authority and responsibility for planning, directing and controlling the activities of the entity. The members of the Board of Management are considered as key management personnel of the Home.

2.11 Key Management Personnel

Key management personnel of the Home are those persons having authority and responsibility for planning, directing and controlling the activities of the Home, directly or indirectly.

ADVENTIST HOME FOR THE ELDERS
NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2010

3. Plant and Equipment

	Furniture and Equipment \$	Motor Vehicle \$	Renovation \$	Total \$
<u>Cost</u>				
At 1 January 2009	92,812	53,900	354,478	501,190
Additions	9,069	-	-	9,069
Disposals	(45,135)	-	(347,028)	(392,163)
At 31 December 2009	56,746	53,900	7,450	118,096
Additions	11,251	-	236,400	247,651
At 31 December 2010	67,997	53,900	243,850	365,747
<u>Accumulated depreciation</u>				
At 1 January 2009	72,201	10,782	350,008	432,991
Depreciation	9,319	5,390	1,490	16,199
Disposals	(44,454)	-	(347,028)	(391,482)
At 31 December 2009	37,066	16,172	4,470	57,708
Depreciation	3,415	5,390	10,860	19,665
At 31 December 2010	40,481	21,562	15,330	77,373
<u>Net book value</u>				
At 31 December 2010	27,516	32,338	228,520	288,374
At 31 December 2009	19,680	37,728	2,980	60,388

4. Other Receivables

	2010 \$	2009 \$
Deposits	5,652	4,652
Prepayments	1,372	859
Staff loans	-	2,800
Interest receivables	461	-
	7,485	8,311

ADVENTIST HOME FOR THE ELDERS
NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2010

5. Fixed Deposits

	Effective Interest Rate	Tenure	Principal Amount \$
<u>As at 31 December 2010</u>			
United Overseas Bank Limited Overseas-Chinese	0.45%	12 months	168,011
Banking Corporation Limited	0.45% - 0.55%	12 months	<u>191,945</u>
			<u><u>359,956</u></u>
<u>As at 31 December 2009</u>			
United Overseas Bank Limited Overseas-Chinese	0.45%	12 months	167,582
Banking Corporation Limited	0.55%	12 months	<u>191,309</u>
			<u><u>358,891</u></u>

6. Cash and Bank Balances

	2010 \$	2009 \$
United Overseas Bank Limited	30,743	146,356
DBS Bank Limited	218,248	110,161
Cash on hand	<u>3,000</u>	<u>3,000</u>
	<u><u>251,991</u></u>	<u><u>259,517</u></u>

7. Donations

	2010 \$	2009 \$
Tax-deductible donations	219,987	31,220
Other donations	<u>43,725</u>	<u>7,247</u>
	<u><u>263,712</u></u>	<u><u>38,467</u></u>

Other donations mainly consist of donations from anonymous donors and donations of which tax deductible receipts are not issued.

8. Taxation

The income of the Home is exempted from tax under section 13(1)(zm) of the Singapore Income Tax Act as the Home is an approved Institution of Public Character ("IPC") under the Singapore Income Tax Act.

ADVENTIST HOME FOR THE ELDERS
NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2010

9. Capital Commitments

<u>As at 31 December 2010</u>	Contracted Sum	Progress Billing To date	Future Commitments
	\$	\$	\$
Renovation and improvement works	<u>269,000</u>	<u>236,400</u>	<u>32,600</u>

The contract for renovation and improvement works was awarded to L.A.E Design & Construction Pte Ltd for the contracted sum of \$269,000.

There is no capital commitment for the financial year ended 31 December 2009.

10. Key Management Personnel

Key management personnel of the Home are those persons having the authority and responsibility for planning, directing and controlling the activities of the Home. The Board of Management and the senior management officers are considered as key management personnel of the Home.

11. Significant Related Party Transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions.

During the financial year, the Home has the following significant transactions with the related parties on terms agreed between the parties.

	2010 \$	2009 \$
Repair and maintenance	703	578
Fixed and minor assets	<u>390</u>	<u>1,400</u>
	<u>1,093</u>	<u>1,978</u>

ADVENTIST HOME FOR THE ELDERS
NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2010

12. Capital Management

The Home's objectives when managing capital are:

- (a) To safeguard the Home's ability to continue as a going concern;
- (b) To support the Home's stability and growth; and
- (c) To provide capital for the purpose of strengthening the Home's risk management capability.

The Home actively and regularly reviews and manages its capital structure to ensure optimal capital structure, taking into consideration the future capital requirements of the Home and capital efficiency, prevailing and projected profitability, projected operating cash flows, projected capital expenditure and projected strategic investment opportunities.

13. Financial Risk Management and Fair Value

13.1 Financial Risk Management

The Board of management is responsible for setting the objectives and underlying principles of financial risk management for the Home. The management team then establishes the detailed policies such as risk identification and measurement, exposure limits and hedging strategies. Financial risk management is carried out by treasury personnel.

The finance personnel measure actual exposures against the limits set and prepare regular reports for the review of the management team and the Board of Directors. The information presented below is based on information received by key management.

13.1.1 Credit risk

The Home adopts the policy of dealing only with customers of appropriate credit history, and obtaining sufficient security where appropriate to mitigate credit risk. For other financial assets, the Home adopts the policy of dealing with financial institutions and other counterparties with high credit ratings.

The maximum exposure to credit risk for each class of financial assets is the carrying amount of that class of financial instruments presented on the balance sheet. The Home's major classes of financial assets are bank balances, fixed deposits and other receivables.

13.1.2 Interest rate risk

The Home is exposed to interest rate risk through the impact of rate changes on interest bearing fixed deposits. The Home's policy is to review the terms of these deposits to take advantage of the most favourable interest rate available.

ADVENTIST HOME FOR THE ELDERS
NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2010

13. Financial Risk Management and Fair Value (Cont'd)

13.1 Financial Risk Management (Cont'd)

13.1.3 Liquidity risk

In the management of liquidity risk, the Home monitors and maintains a level of cash and bank balances deemed adequate by the Home to finance its operations and mitigate the effects of fluctuations in cash flows.

13.2 Fair Value of Financial Assets and Financial Liabilities

The carrying value of current receivables and payables are assumed to approximate their fair values due to the relatively short term maturity of these financial instruments. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Home for similar financial instruments.

14. New or Revised Accounting Standards And Interpretations

The mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Home's accounting periods beginning on or after 1 January 2011 or later periods and which the Home has not early adopted .

Amendments to FRS 24 – Related party disclosures (effective for annual periods beginning on or after 1 January 2011)

The management anticipates that the adoption of the above FRSs, INT FRSs and amendments to FRS in the future periods will not have a material impact on the financial statements of the Home in the period of their initial adoption, except for the amendments to FRS 24 – Related party disclosures.

The amendment removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities. It also clarifies and simplifies the definition of a related party. However, the revised definition of a related party will mean that some entities will have more related parties and will be required to make additional disclosures.

Management is currently considering the revised definition to determine whether any additional disclosures will be required and has yet to put systems in place to capture the necessary information. It is therefore not possible to disclose the financial impact, if any, of the amendment on the related party disclosures.

15. Approval of Financial Statements

The financial statements of the Home for the financial year ended **31 December 2010** were authorised for issue on 16 APR 2011.