Yellow Ribbon
sg Beyond Second Chances

Charting our Future Together

ANNUAL REPORT
2022

Overview

"Charting Our Future Together" signifies Yellow Ribbon Singapore's commitment to steer forward in collaboration with partners and stakeholders towards a more inclusive community. It is a bold pledge requiring the whole community to realise. But when we move altogether in the same direction, we enhance the chances of success, and the sense of unity is deeper.

Let us forge ahead and create a society that embraces inclusion for ex-offenders and looks beyond second chances.
We need **YOU** to be part of the Yellow Ribbon movement.

Vision

An inclusive society, a nation beyond second chances.

Mission

We galvanise society to uplift ex-offenders through skills and career development, co-creating opportunities for their successful reintegration and contribution back to society.

Our HOPE Values

Honour
We act with integrity and professionalism.

Oneness
We work with all sectors of society, with a common goal, to inspire second chances and uplift ex-offenders.

People-Oriented
We care about the people we work with and those we serve.

Enterprising
We imagine all possibilities and make them happen.

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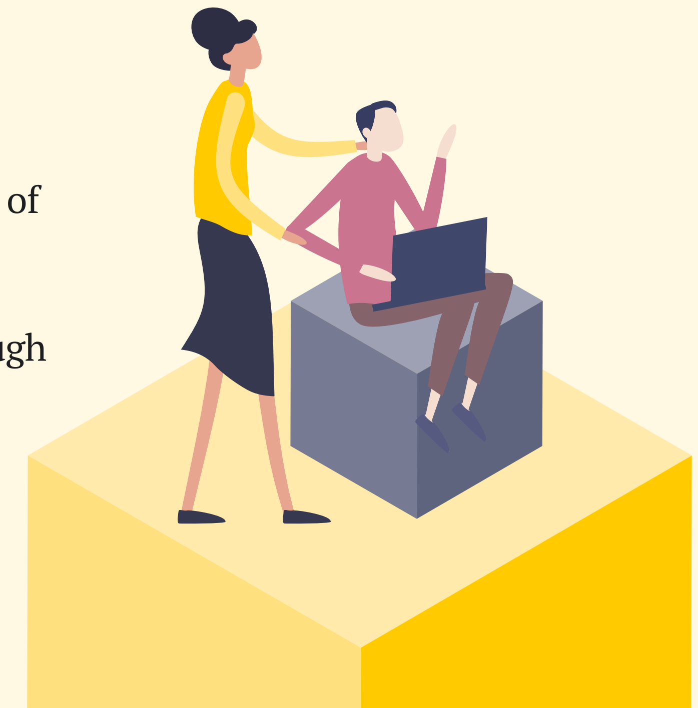

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Chairman's Message

Mr Phillip Tan Eng Seong

Chairman

Yellow Ribbon Singapore

I am delighted to present to you Yellow Ribbon Singapore's (YRSG) annual report for 2022, showcasing its achievements and milestones. We take great pride in the progress that we have made in our mission to support the successful reintegration of ex-offenders into society, and are also extremely grateful for the continued support from the community and stakeholders.

2022 was a transformative year for YRSG, marked by the launch of the YRSG Vision Marker, "The Domino Effect," on 8 April 2022, in celebration of our 46th birthday. This Vision Marker was conceptualised following YRSG's Vision, Mission and Values exercise and symbolises our collective commitment to fostering our desired culture. Each YRSG staff contributed to it, by placing a piece of domino to complete the Vision Marker. It culminated into a chain reaction initiated by Matthew Wee Yik Keong, Chief Executive Officer of YRSG, representing our collective commitment to working together to fulfil our vision.

I am heartened to have seen firsthand how YRSG overcame the various challenges thrown its way by the COVID-19 pandemic, with commendable resilience and emerging stronger than ever. We adapted quickly to the new normal at the workplace by adopting agile working arrangements, ensuring the safety and well-being of our staff and their families. YRSG's attainment of the Best Flexible Work Practices Gold Award by EngageRocket is testament to our commitment to create and sustain a conducive work environment for our staff.

Uplifting Ex-Offenders Through Skills and Career Development

A significant highlight of 2022 was the graduation ceremony on 27 April 2022 for the first batch of 17 inmates from the Precision Engineering Training Programme under the TAP (Train and Place) & Grow initiative. This milestone event was held at the Changi Prison Complex, where graduates were presented with their well-deserved WSQ Advanced Certificate for Precision Engineering.

Following the successful implementation of TAP & Grow in the Precision Engineering, Media and Logistics sectors, YRSG announced during the Singapore Prison Service-YRSG Corporate Advance 2023 that this initiative would be expanded to include the Food Services sector. About 700 inmates are expected to benefit from Food & Beverage training in prison, with opportunities to continue upskilling after their release when they join the sector.

As part of our commitment to provide more training opportunities for ex-offenders, we expanded our skills training in the community through SPS's Employment Preparation Scheme (EmPS). Since September 2022, inmates participating in EmPS undergo skills advisory workshops during their time in prison, followed by three critical core skills modules in the community. These training programmes aim to enhance digital literacy and their learning agility.

We also organised several impactful events and collaborations throughout the year. Between January to March 2023, three YR Connects x #EveryWorkerMatters sessions, held in partnership with the National Trades Union Congress (NTUC) and YRSG, facilitated meaningful conversations between ex-offenders, employers, aftercare partners, and union representatives. These sessions enabled all stakeholders to better appreciate the aspirations and challenges faced by inmates and ex-offenders as they transit back into society and the workplace.

Another significant development took place on 26 April 2023, when YRSG signed a Memorandum of Understanding (MOU) with the NTUC FairPrice Group, with the aim of providing employment and training opportunities, as well as career development support for ex-offenders in the Food Services, Logistics, and Retail sectors. This collaboration will certainly strengthen our efforts in facilitating the successful reintegration of ex-offenders into society. At the same time, NTUC FairPrice Foundation pledged $200,000 to the Yellow Ribbon Fund (YRF), to support initiatives aimed at promoting lifelong learning and career development for ex-offenders.

Galvanising the Community

In April 2022, YRF solidified its partnership with the Singapore Teochew Foundation (STF) through the signing of an MOU. Under this MOU, the STF committed to funding $2 million over the next 10 years for the YRF STAR (Skills Training Assistance to Restart) Bursary. This collaboration will benefit over 100 ex-offenders, by providing them with the necessary support for skills training and their successful reintegration into society.

The CARE Network Summit was successfully held on 18 July 2022, bringing together more than 350 stakeholders from the public, people, and private sectors. The summit provided a valuable platform for like-minded community partners to engage in meaningful discussions, share knowledge on reintegration topics, forge new partnerships, and expand networking opportunities.

As part of our ongoing efforts to raise awareness and support for second chances, we rejuvenated the Yellow Ribbon Project's annual flagship run as the Yellow Ribbon Race (YR Race) in 2022. Themed "I Race for Second Chances," this hybrid race featured both physical and virtual formats and distance categories. From 1 to 30 September 2022, more than 5,400 participants demonstrated their unwavering support by participating in the 6km and 10km physical and virtual races, symbolising their commitment to support second chances for ex-offenders and their reintegration.

Another milestone event was the YRF Charity Gala, held on 3 February 2023 with great success. It was a wonderful evening that showcased the generosity and firm support of our esteemed guests, for our cause. Attended by over 550 guests, including the Guest-of-Honour, Senior Minister and Coordinating Minister for Social Policies, Mr. Tharman Shanmugaratnam, the gala event raised over $1.4 million. These funds will go a long way towards supporting our initiatives and making a positive impact on the lives of ex-offenders and their families.

Looking Ahead

I am pleased to share with our readers that the YRSG Board Committee structure has been reviewed to enhance YRSG's effectiveness in reducing the five-year recidivism rate and tackling key challenges. This includes fostering stronger collaboration amongst the Board committee members, strengthening succession planning, and optimising secretariat support. Other changes include the establishment of a central resource pool whereby members of the Employment & Employability Committee, Reintegration Committee, and other stakeholders can contribute to specific projects. Through these changes, we can have a more holistic and impactful approach towards our mission.

In conclusion, I would like to express my deepest gratitude to all our dedicated staff, volunteers, partners, and stakeholders for their unstinting support and commitment. It is through all of your collective efforts that YRSG is able to make a positive impact on the lives of ex-offenders, helping them reintegrate successfully into society and fostering a more inclusive community.

As we look ahead, we remain steadfast and committed to our vision of a society where ex-offenders have equal opportunities and support in their reintegration journey. Together, we can nurture an inclusive society that embraces and uplifts ex-offenders, opening doors to new possibilities.

YRSG Board

As of 31 March 2023

All members of the YRSG Board are appointed by the Minister for Home Affairs and hold office for a period of three years from the date of their appointments. There are four YRSG board meetings held quarterly every year.

The roles of the YRSG Board include:

- Providing strategic direction and guidance to YRSG for the successful reintegration of ex-offenders through employment;
- Advising on trends and opportunities in key industries, rehabilitation and reintegration of ex-offenders, aftercare and the social landscape; and
- Reviewing and endorsing strategic work plans and proposals put up by YRSG's management.

Mr Phillip Tan Eng Seong
Chairman

Mr Puah Kok Keong
Deputy Chairman

Ms Shie Yong Lee
Board Member

Mr Jason Leow Juan Thong
Board Member

Mr Thomas Pek
Board Member

Mr Zhulkarnain Abdul Rahim
Board Member

Mr Lim Teck Kiat
Board Member

Mr Mayank Parekh
Board Member

Dr Mohamed Fadzil Bin Mohamed Hamzah
Board Member

Mr Wan Shung Ming
Board Member

Mr David Toh Seng Hong
Board Member

Ms Mable Chan
Board Member

Ms Shirley Wong Swee Ping
Board Member

Ms Tham Loke Kheng
Board Member

Mr Carlos Nicholas Fernandes
Board Member

Board Committees

As at 31 March 2023

Audit & Risk Management Committee (ARMC)

The Audit & Risk Management Committee oversees the internal and external audits on YRSG's risk management and internal control systems. Its reviews and findings ensure that YRSG's work processes are rigorous and robust, based on the principles of good governance and risk management.

Chairman
Mr David Toh Seng Hong

Members
Dr Jonathan Pan
Mr Chun Wai Seng
Mr Bernard Soh
Ms Kuldip Gill
Ms Hah Yanying
Mr Shivkumar Mahadevan
Ms Carolyn Kan Hsueh Yee

Secretariat
Mr Jason Ng

Establishment Committee (EC)

The Establishment Committee seeks to build a dedicated and passionate workforce necessary to deliver YRSG's mission. It advises on effective human resource policies and practices to attract, nurture and retain good staff.

Chairman
Ms Mable Chan Kam Man

Members
Ms Shirlyn Ng Siok Har
Mr Ethan Tan
Ms Teo Chew Yam, Debbie
Ms Foo Ee Lin

Secretariat
Ms Ng Huey Ling

Employability & Employment Committee (E2C)

The Employability & Employment Committee promotes the rehabilitation and reintegration of inmates and Selarang Halfway House (SHWH) residents. It advises on suitable inmate training programmes and operations of the SHWH. It also recommends funding schemes that YRSG can tap on to support its training and programmes for inmates and channels resources towards the rehabilitation and reintegration of SHWH residents.

Chairman
Mr Mayank Parekh

Members
Ms Tham Loke Kheng
Mr Siew Heng Kwok
Mr Gary Goh Choon Siah
Mr Lim Fung Wan Colin
Mr Sallim Abdul Kadir
Ms Karen Lee
Ms Caroline Lim
Mr Tan Tho Eng Darren
Ms Susan Mary de Silva
Mr Lau Tai San
Mr Benjie Ng Ser Kwei
Mr Khew Sin Khoon
Mr Chua Chim Kang
Mr V Arivazhagan

Secretariat
Yam Chui Mei Rosanna

Finance & Budget Committee (FBC)

The Finance & Budget Committee is responsible for reviewing YRSG's annual budget proposal, reviewing and appraising YRSG's financial position, and reviewing YRSG's reserve policies.

Chairman
Mr Phillip Tan Eng Seong

Members
Ms Shirley Wong Swee Ping
Mr Carlos Nicholas Fernandes
Mr Abdul Rohim Bin Sarip

Secretariat
Mr Seah Ser Huat

Reintegration Committee (RC)

The Reintegration Committee sets direction and identifies areas of needs and gaps in reintegration domains, such as health and well-being, pro-social support, leisure and recreation, and family strengthening. As the nation's advocates for second chances, members strengthen YRSG's network by recommending new partners and garner community resources to strengthen the throughcare and reintegration support for ex-offenders.

Chairman
Mr Wan Shung Ming

Members
Mr Zhulkarnain Abdul Rahim
Dr Mohamed Fadzil Bin Mohamed Hamzah
Mr Lim Teck Kiat
Mr Terrence Goh Leng Chuang
Mr Lim Kok Thai
Mr Anbarasu Rajendran
Ms Lim Chiu Loo
Mr Jabez Koh
Ms Hah Yanying
Mr Rockey Francisco Junior

Secretariat
Ms Salmiah Hamid

Our Management Team

As at 31 March 2023

An Ex-offender's Reintegration Journey

My name is Bostam, and I was part of the pioneer batch of students from the TAP (Train and Place) & Grow initiative for the Precision Engineering (PE) industry. Under this initiative, I was given the opportunity to pursue the WSQ Advanced Certificate in PE offered by Nanyang Polytechnic towards the end of my sentence. The certificate is a nationally accredited qualification aligned with Singapore's Skills Framework, and it allows me to work towards a WSQ Diploma upon my release. Having been incarcerated for 20 years, I know I have to upgrade my skills in order to find a job and make a living. Therefore, when the chance came, I decided to grab it to change my life. It was challenging at first as the course required me to learn and grasp mathematical theories and formulas. However, with the support from fellow course mates and lecturers, I managed to overcome the challenges and ended up enjoying the course.

Prior to my release, YRSG career specialists provided guidance on my career options in the PE industry. With YRSG's help, I successfully secured a job as a Computer Numerical Control Technician with Dolphin Engineering in November 2022. As part of my job scope, in addition to loading and unloading materials into the machines for production in a precise manner, I ensured that finished products meet the desired quality levels and consistency by performing quality assurance and quality checks. There is little room for error as mistakes are costly. I must also exercise initiative and solve problems to ensure that operations run smoothly. This is what I enjoy most about my job.

> "At Dolphin, we are committed to creating a culture of inclusivity and providing equal opportunities to all individuals, including ex-offenders. We believe that everyone deserves a chance to rebuild their lives and contribute meaningfully to society. By actively seeking to hire ex-offenders, we tap into a pool of talented individuals who possess unique perspectives, resilience, and a strong drive for personal growth. We provide comprehensive support systems, including mentorship programs, skills training, and counselling, to help them reintegrate into the workforce successfully. Our goal is to break the cycle of recidivism by empowering and uplifting ex-offenders, and fostering a positive and transformative environment within our organisation. Together, we can create a brighter future for all.''
>
> **– Managing Director, Dolphin Engineering.**

I was naturally apprehensive about venturing into a new industry since I had no prior relevant working experience. I struggled at first as I had trouble understanding the engineering drawings needed for production. With sheer determination, willingness to learn, and support from my supervisor and YRSG's career coach, I have settled into my role and I am performing well.

I hope to develop a long-term career in the industry. I plan to upgrade myself in the near future and attain my goal of becoming an engineer. I am grateful to YRSG for providing me with the opportunity to attain the nationally accredited qualification, which paved the way for my career in the PE industry. I am also grateful to my employer, Dolphin Engineering, for allowing me to pursue my dreams.

Graduation Ceremony for the First Batch of Precision Engineering Graduates

The graduation ceremony for the first batch of the TAP & Grow Precision Engineering course was held on 27 April 2022 to celebrate the hard work and perseverance of 17 students in attaining the WSQ Advanced Certificate in Precision Engineering.[1] The ceremony held in Changi Prison Complex was graced by Associate Professor Muhammad Faishal Ibrahim, Minister of State for Home Affairs and National Development. 40 attendees consisting of programme partners such as the Singapore Precision Engineering and Technology Association (SPETA), Nanyang Polytechnic (NYP), and prospective employers attended the ceremony.

The ceremony featured a congratulatory video specially put together by NYP lecturers, which prompted cheers from the graduates. This was followed by a speech from one of the graduates sharing his experience during the four-month course. After the graduation ceremony, an engagement session was held amongst the graduates, Associate Professor Muhammad Faishal Ibrahim, and senior management from SPETA, NYP, the Singapore Prison Service (SPS) and YRSG to discuss the graduates' aspirations and concerns upon their release.

[1]The TAP (Train and Place) & Grow initiative was introduced in partnership with like-minded employers, trade associations, training institutions and community partners to set up training academies inside the prison. The aim is to enable inmates to undergo industry-specific training for subsequent recruitment into the industries. Since 2019, TAP & Grow has been launched in three industries, namely precision engineering, media, and logistics.

Bostam

Digital Literacy Masterplan for Inmates

The Digital Literacy Masterplan targets a select group of inmates with low digital literacy, providing them with the necessary knowledge to use technology both in the workplace and in day-to-day living. The training facilitates inmates' reintegration by teaching them how to carry out transactions on e-platforms, such as internet banking and government e-services, as well as how to use basic Microsoft Office Suite skills to support their employment endeavours.

To further augment their technological knowledge, YRSG introduced Scratch, a basic coding course that utilises simple visual interfaces to create digital stories, games, and animations.

In order to improve the digital fluency of inmates, YRSG plans to implement more digital-related courses in cyber security. These courses will familiarise inmates with the threats posed by the malicious use of cyber technologies, enabling them to avoid being victims of scams.

An inmate shared his feedback on the "Computer Fundamentals" course he attended:

"It has been years since I last used a computer. However, after attending the **Computer Fundamentals** course, I feel I would be more confident in using the computer while at work after my release."

For exposure and relevance to online digital platforms, inmates are given the opportunity to attend courses such as **"Staying Relevant in the Digital Economy"** and **"Digital Learning Beginner Workshop"** after their release. These courses provide an introduction to digital learning and cover emerging trends in digitalisation and its impact.

A supervisee who attended the **"Staying Relevant in the Digital Economy"** course, shared what he had learnt:

"The internet is not available inside the prison. However, after attending the courses offered by YRSG after my release, I have learnt how to use SingPass and online banking apps. I have also learnt that I am able to do self-learning using online learning platforms."

Partnership with the Private Sector through Work Programme

The work programme for inmates is administered through commercially run business units within prisons. It aims to cultivate positive work ethics, impart market-relevant skills, and develop teamwork and communication skills for their eventual reintegration into the Singapore workforce as productive and contributing citizens. The work programme is implemented in two ways, namely through private companies participating in YRSG's Private Partnership Scheme (PPS) and through YRSG's subsidiary, Yellow Ribbon Industries Pte Ltd (YRI).

Mr Jason Fong, Director of Wholesome Savour Pte Ltd (Wholesome Savour), one of YRSG's food manufacturing tenants, shared his views on the PPS:

"Wholesome Savour strongly advocates positive change in society. Other than promoting equality and inclusivity, we believe in helping rebuild the lives of those in need by providing them with career development skills and opportunities."

An inmate from the Wholesome Savour workshop shared how the work programme has benefitted him:

"I'm learning new skills through the work programme, which can prepare me for reintegration into society and get back on the right track after my incarceration."

Two inmates from Yellow Ribbon Bakery shared their sentiments and what they had learnt from attending the work programme:

"I have learnt how to make several types of pastries, and this skill might be useful for me upon my release. I would be able to surprise my daughter by baking some cookies or tarts for her to try. After learning to bake pastries, I realised that it is not like cooking food, as mixing of ingredients is an important process, just like the steps I take in my life."

"From having zero knowledge of baking, I now know how to bake cookies, biscotti, croissant, focaccia and even mooncake. Fortunately, I have supervisors who are always there for me and guide me every step of the way. Without my supervisors, I would not have gained the skills and knowledge in pastry products. One of the key lessons I have learnt from artisanal baking is that it takes one step at a time to achieve perfection, and it comes with a lot of hardship. I still remember when I was doing product research and development, it took many attempts and months to achieve the desired results. At least now, I have a skill that will stay with me even after my release. I can apply it and start baking part time in my free time."

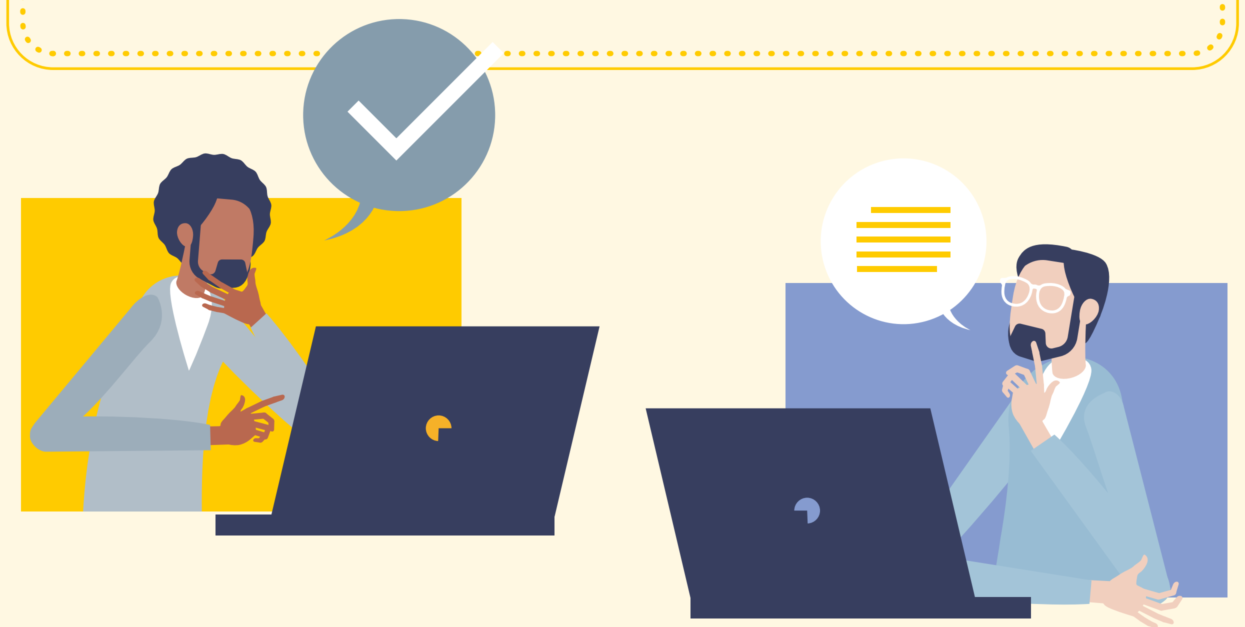
Review of Work Programme

A review of the work programme was conducted in light of the evolving employment landscape and changing inmate profile, with the aim of increasing partner involvement in the engagement and training of inmates.

This review was one of the key recommendations from
a joint workgroup between SPS and YRSG
on the future of the work programme in prisons.

As inmates are now more educated and with the reducing number of inmates, the review highlighted the need to assess the relevance and value of the work programme. Through the review, the workgroup determined that the work programme should progress from inmate engagement to achieving training outcomes.

YRSG plans to align and support work programme partners in transitioning towards a training-focused model. In addition, YRSG intends to augment the training provided by these partners with additional certified training unique to the partners' workshop operations.



Grow Movement and YR Sandbox

Grow Movement

The Grow Movement is an expansion of the TAP & Grow initiative, which encourages well-performing ex-offenders to continue their lifelong learning and upskilling efforts. Under this movement, trade associations and employers will co-sponsor career development courses and qualifications for ex-offenders who are stable in their job and exhibit growth potential. This will support them in progressing along the skills pathway of their chosen career developed under TAP & Grow, or SkillsFuture. As of April 2023, $220,000 has been pledged to support the movement.

YR Sandbox

YR Sandbox is a new alternate pathway to the TAP & Grow initiative. It aims to offer new career options to ex-offenders in emerging or fast-growing sectors where training and induction programmes are conducted in the community. Ex-offenders will be provided with adequate support to reskill and upskill and be part of a skilled workforce in the Digital, Green, Built Environment and Gig economies.

YR Connects x Every Worker Matters Conversations

Beyond Second Chances

YRSG collaborated with the National Trades Union Congress (NTUC) to organise a series of engagement sessions in conjunction with NTUC's #EveryWorkerMatters Conversations to understand the aspirations and challenges faced by inmates and ex-offenders as they transition back into the society and the workplace.

The first session was held on 13 January 2023 at One Marina Boulevard and was attended by almost 140 participants consisting of ex-offenders, employers, and industry partners. Participants took part in a group conversation to discuss areas related to training, workplace inclusion and stakeholder support for ex-offenders. This was followed by a fireside chat with a panel of speakers comprising Mr Patrick Tay, Assistant Secretary-General of NTUC, Mr Phillip Tan, Chairman of YRSG, Mr Lam Shiu Tong, Managing Director, Facilities Management, Defence & Sport Facilities of C&W Services, and an ex-offender, Mr Yeo Yun Luo, Project Manager, Project & Development Services from Cushman & Wakefield.

Two subsequent sessions were held at Changi Prison Complex on 13 February and 9 March 2023, where 50 male and female inmates were engaged. NTUC's Secretary General, Mr Ng Chee Meng attended the latter session and delivered the closing speech. In addition to highlighting concerns on workplace inclusion and the need for holistic support upon release, participants also raised how on-the-job training would be instrumental in helping them to assimilate to their new jobs. Through these conversations, NTUC, SPS and YRSG gained a better understanding of how they can work together to strengthen employment and employability support for ex-offenders to aid in their successful reintegration.

MOU Signing between YRSG and FairPrice Group

FairPrice Group (FPG) and YRSG formalised their collaboration to provide employment and training opportunities for ex-offenders in the food services, logistics and retail sectors through a Memorandum of Understanding (MOU) signing ceremony held on 26 April 2023. The MOU signing ceremony was witnessed by Minister of State for Culture, Community and Youth & Trade and Industry, Ms Low Yen Ling.

Under this partnership, FPG will work closely with YRSG and its career coaches to assist ex-offenders during their transition back into the society. Support structures, such as contextualised onboarding programmes, workplace mentorships, and engagements with supervisors and co-workers, will be provided to ex-offenders to enable them to adapt to their new work environments and stay productive in the workforce.

NTUC FairPrice Foundation also pledged $200,000 to the Yellow Ribbon Fund to support initiatives aimed at promoting lifelong learning and career development for ex-offenders. This includes YRSG's post-release partial training sponsorship scheme, as well as the Grow Movement which aims to motivate and provide initial funding support for ex-offenders to continue upskilling upon release. Respective trade associations and employers will be consulted to determine suitable skills upgrading pathways which will include qualifications up to Diploma level. Up to 300 ex-offenders stand to benefit from the first tranche of funding support.

Building the Career Aspirations of Inmates and Ex-offenders

Angeline Seow

Career Specialist

As a career specialist, I am committed to helping inmates and ex-offenders identify and pursue meaningful career paths, which play a crucial role in their successful reintegration into the society. In my daily work, I engage them through interview sessions where we discuss their past experiences, education, skills and career goals, as well as their aspirations. I help them to tap into their strengths and interests, understanding their abilities and passion, as these factors guide their career exploration process and encourage them to consider potential career pathways.

Prior to the inmates' release or emplacement into the SPS's community-based programme, I will connect with my colleagues from YRSG's Partnership Division to identify suitable and attractive employment opportunities for our inmates. I facilitate virtual interview sessions for potential employers to interview and select suitable inmates for their job vacancies. By connecting inmates with potential employers while they are still incarcerated, I assist them in securing jobs even before their release or emplacement.

I believe that pursuing a meaningful career path can bring about positive changes in the lives of formerly incarcerated individuals and this can contribute to reducing the recidivism rate.

As a career coach, I provide career retention support to ex-offenders by offering guidance and advice during their employment. A core part of my work also involves collaborating closely with my clients' employers and counterparts from SPS. Together, we address their work concerns and help them overcome work challenges. These interventions may be conducted via video calls and workplace visits, where we engage all parties constructively to co-create the best possible solutions for their challenges. This not only acknowledges their difficulties at work but also strengthens their resilience to remain in their jobs and to work towards achieving a successful career in the long run.

Besides acknowledging their previous work experience and relevant skills certifications, I also explore potential career trajectories with my clients to support them to remain gainfully employed for a prolonged period, enabling them to progress steadily on their reintegration journey. I also direct my clients to readily available career resources in the public domain, such as job portals and resume building tips (e.g., on MyCareersFuture). I encourage them to actively seek better career opportunities and work on improving their employability.

In our line of work, it can be disheartening to encounter clients who are unwilling to change or lack motivation to work. Hence, I find great encouragement when clients express their interest in reskilling themselves in industries beyond their current employment. This demonstrates their motivation to change and readiness to improve their employability. For such clients, I strive to facilitate and guide them in their search for relevant skills training, allowing them to deepen their interests and eventually switch career tracks, where applicable. For instance, I recall a client who initially felt lost because his prior long-term occupation as a sports coach did not equip him with many transferable skills to aid him in seeking a different job. Fortunately, he expressed his concerns and his interest in the hospitality sector at the onset, and we were able to work collaboratively to help him take the leap of faith and secure a front desk position at a hotel. The decision proved to be correct as he has remained employed with the same company to this day. His supervisor has shared positive feedback on his maturity, proactiveness and fast learning abilities, despite having no experience.

I am a firm believer in lifelong learning and consistently encourage my clients to upgrade themselves through studies and courses. I encourage them to share their plans, offering suggestions to refine them, and advise them to leverage available resources, such as applying for the Yellow Ribbon Fund STAR (Skills Training Assistance to Restart) Bursary or utilising SkillsFuture credits.

With YRSG's employment assistance and employers' support, I believe we can create an inclusive society, and assist ex-offenders to stay employed, and achieving their respective career goals.

Mohamad Mustaqium Bin Wajid

Career Coach

The Work of Career Specialists and Career Coaches in the New Normal

The COVID-19 pandemic took the world by surprise, and it also had an impact on Careers@YR. There were disruptions to work and we had to devise alternative solutions to ensure that our employment assistance remained available to our clients despite the situation.

We made changes and adaptations in the way we worked. Today, in the new normal, we continue to adopt some of these practices:

Leveraging Technology for Virtual Communication

Career specialists utilised virtual meeting tools to conduct virtual interviews between inmates and potential employers when physical visits to prisons were suspended. Although virtual meetings lacked physical touch and connection, this was offset by an increase in employer participation during placement exercises due to its convenience. This resulted in a greater variety and volume of job opportunities made available to inmates. Presently, career specialists meet inmates physically for sessions but continue to rely on virtual meeting tools for job placement exercises, providing convenience to employers who no longer need to travel to prisons for interviews, which often took longer due to the travel time, security checks and clearances.

Career coaches were also unable to conduct physical site visits due to COVID-19 restrictions when the pandemic hit. Instead, they turned to video calls to maintain support and guidance to their clients. Although it was challenging at times to interpret non-verbal cues, video calls allowed career coaches to promptly address and resolve issues with their clients. Today, career coaches have the flexibility to adopt a hybrid approach, combining physical site visits and video calls, to engage, assist and manage their clients effectively.

Flexible Work Arrangement

During the pandemic, remote work was introduced, and this continues to be an option for staff in the new normal. Today, YRSG has adopted a hybrid work arrangement, allowing staff to work remotely. On days when staff return to the office, they can connect physically and collaborate with each other.

Performance Highlights

Skills Training

Number of Inmates Trained

2018	4,340
2019	5,923
2020	4,717
2021	4,748
2022	3,740

Average Number of Training Hours Per Inmate Trained

2018	-[1]
2019	-[1]
2020	54
2021	60
2022	64

[1] This indicator was only tracked from 2020 onwards.

Work Programmes

Average Number of Inmates Engaged in Work Programmes in YRSG and YRI Workshops

2018	2,476
2019	2,157
2020	1,849
2021	1,660
2022	1,464

Percentage of Eligible Inmates Engaged in Work Programmes

2018	78%
2019	87%
2020	88%
2021	88%
2022	88%

Employment Assistance

Number of Inmates Assisted

2018	2019	2020	2021	2022
2,336	2,626	2,768	2,969	2,439

Percentage of Assisted Inmates who Secured Jobs

2018	2019	2020	2021	2022
95%	96%	93%	94%	93%

Career Retention Rate

Retention Cohort (3-month)

2018	2019	2020	2021	2022[2]
81%	83%	87%	85%	79%

Retention Cohort (6-month)

2018	2019	2020	2021[2]	2022[2]
64%	68%	70%	67%	63%

[2] Preliminary figures as at end Mar 2023.

Number of Employers Registered with YRSG

2018	2019	2020	2021	2022
5,307	5,603	5,895	5,634	6,265

Yellow Ribbon Project

May 2022

Home Team Volunteer Network (HTVN) Webinar Hosted by YRSG

- In May 2022, YRSG hosted the Home Team Volunteer Network (HTVN) Webinar themed "We Are Each Other's Stories, We Are Each Other's Second Chances."
- The session, attended by 61 volunteers across the various volunteer schemes, featured a sharing on YRSG's efforts in building an inclusive society, YR Skills Volunteer's experience and YRF STAR Bursary Recipient/ex-offender's journey.

July 2022

Yellow Ribbon Culinary Competition

- The annual Yellow Ribbon Culinary Competition (YRCC) aims to equip inmates with skills and enhance their employability in the food and beverage (F&B) industry. YRCC 2022's theme was "A Taste of Home," which encouraged the inmates to think about what home meant to them.
- Held in partnership with the Singapore Chefs' Association, the inmates were asked to redefine local hawker food that reminded them of Singapore as their home and their love for their families. 40 inmates participated in the competition. The winning dish was a Hainanese Chicken Rice dish called "Home," which the participant learnt from his late grandmother. As the eldest grandson, he saw it as his responsibility to continue the legacy of the dish, and presenting the dish during the competition was also his way of remembering his grandmother.
- The Guest-of-Honour, Associate Professor Muhammad Faishal Ibrahim, Minister of State for Home Affairs and National Development, emphasised the importance of the community as a strong motivator in inmates' reintegration journey.

August 2022

Esplanade's Red Dot August

- Red Dot August is a series of programmes presented at Esplanade that celebrates all things uniquely Singapore.
- Titled, "We Are Each Other's Stories, We Are Each Other's Second Chances," the Yellow Ribbon Performing Arts Centre (PAC) Alumni band performed for the third time this year but in a physical setting with more than 200 spectators.
- The performance featured original songs written by inmates from previous Yellow Ribbon Songwriting Competitions and two original songs, "Lessons" and "Love Can Heal," written by the YR PAC Alumni members. The band also performed well-known National Day songs and multilingual songs.

August to September 2022

Gardens by the Bay's Mid-Autumn Festival Celebration

- Gardens by the Bay collaborated with Yellow Ribbon Project (YRP) to provide opportunities for female inmates to paint five tiger lanterns which took centre stage at the Supertree Grove.
- 19 female inmates took part in this initiative to express their blessings in the spirit of the festival. They also took the opportunity to showcase their artistic talents and give back to society through art.

September 2022

Yellow Ribbon Race

- Yellow Ribbon Race (YR Race) was a hybrid race that included both physical and virtual race formats and distance categories. Virtual participants were given the added flexibility to clock their distances by foot, wheels, or water. These options were included to promote inclusivity and solidarity within the community in support of second chances.
- Themed "I Race for Second Chances," close to 5,500 participants showed their support for second chances from 1 to 30 September 2022 by participating in the 6km and 10km physical races and/or virtual race.
- The Guest-of-Honour, Deputy Prime Minister and Minister for Finance, Mr Lawrence Wong, flagged off the event and participated in the physical YR Race. During the event, he shared words of encouragement for ex-offenders and participants of the event, declaring how "everyone matters, and everyone deserves a second chance".
- Through this event, more than $150,000 was raised to support the rehabilitation and reintegration of ex-offenders and their families.

"As we race for second chances, we hope that the public knows that ex-offenders can also be givers instead of just takers. I hope we, ex-offenders, can show through our actions that we have learnt from our past mistakes and can contribute meaningfully to the community that has supported us."

Andyn Kadir, an ex-offender and race participant

November 2022

Yellow Ribbon Awards

- Themed, "We Are Each Other's Second Chances", the second edition of the Yellow Ribbon Awards was held on 2 November 2022. The event recognised and honoured over 200 employers, community partners, ex-offenders and volunteers for their achievements and contributions towards championing second chances for inmates and ex-offenders.
- Mrs Josephine Teo, Minister for Communications and Information and Second Minister for Home Affairs, graced the event. In her speech, Mrs Teo highlighted that to form a strong network of pro-social support for ex-offenders, stakeholders such as community partners, employers, and volunteers played a crucial role. She also commended ex-offenders who actively paid it forward through volunteering for social or environmental causes. These meaningful contributions by ex-offenders and community partners played a vital part in transforming public perceptions and culture, forming a virtuous cycle of support.

"My employer and colleagues were very patient and willing to guide me although I had no prior work experience. They also gave me opportunities to go for courses to upskill myself. Through my work, I gained independence and am now able to support my son and my family. My mindset now is totally different from the past – I have so much now, and it is not worth it to throw it all away. I am very grateful for the second chance that I was given, and I want to show them that their decision to trust me was right."

Grace Sim, a recipient of the Advocates of Second Chances (Overcomers) Silver award

November 2022

Yellow Ribbon Community Arts Festival (Launched on 4 November 2022, Festival from 5 to 13 November 2022)

- The Yellow Ribbon Community Art & Poetry Exhibition was rejuvenated as a 9-day long festival in November 2022 at Gardens by the Bay, showcasing the talents of inmates and ex-offenders through artworks, poetry, music performances, art and crochet workshops, as well as food and merchandise. Themed, "Home is where the HeART is", it encouraged the participants to create works of art that reminded them of home or their vision of what home is.
- Throughout the festival, 44 artworks and 29 pieces of poetry were displayed physically, and an additional 11 artworks were exhibited virtually on the festival's website.
- Mr Edwin Tong, Minister for Culture, Community and Youth and Second Minister for Law was the Guest-of-Honour for the festival's launch. He highlighted the pivotal role that arts play in the rehabilitation and reintegration of inmates and ex-offenders and was impressed by the wide array of artistic talents and artworks showcased throughout the festival.

Anecdote from Ex-offenders

Tom (Pseudonym), whose poem was on display at the festival, reminisced about life with his parents before his incarceration and recalled their little acts of love. Poetry served as an outlet for Tom to express his gratitude towards his parents, reflect on his life and family, and redefine what family and home meant to him. His realisation of his parents' undying love and support motivated Tom to continue his studies behind bars. He enrolled in prison school, where he attained his GCE O-Level certificate and later a Diploma in International Supply Chain Management offered by Ngee Ann Polytechnic.

In support of the YRP, Singapore Management University's student volunteer group, Un.Ravelled started Project Crochet in 2021 to train inmates, ex-offenders and volunteers to crochet Yellow Ribbon pins. Thus far, over 4,000 pins have been distributed to help raise awareness of the YRP and enable the community to show their support for second chances. Un.Ravelled has also helped raise funds for the Yellow Ribbon Fund (YRF) at the Yellow Ribbon Race and continues to support the YRP. DIY Yellow Ribbon packs were also available at the YRF booth during the festival launch for attendees to crochet their own Yellow Ribbon pin and share them with others. Un.Ravelled also conducted crocheting workshops over the weekends of the festival for members of the public to attend and crochet yellow hearts and write messages of encouragement to inmates and ex-offenders.

Ridhuan, one of the artist mentors for the event, has enjoyed drawing and other creative pursuits from a very young age. As an introvert with speech impediments, art naturally became an outlet for him to express himself. During his 18-year imprisonment, Ridhuan actively participated in art courses, including batik painting, ceramics and pottery. The encouragement from his art instructors and their belief in him contributed to his rehabilitation. His confidence grew over time when he saw his artworks displayed both locally and internationally. Ridhuan's achievements include participation in the annual Yellow Ribbon Community Art Exhibition, as well as the CDL Singapore Sculpture Award and Berlin's Fine Art International Contest in 2017. Following his release in 2021, Ridhuan is now back in prison – not as an inmate but as a mentor to aspiring inmate artists at the prison's Visual Arts Hub.

Yellow Ribbon School Engagement

As part of the school engagement efforts, nine schools were engaged to spread the message of second chances and encourage student-led projects. From producing music videos showcasing the YR PAC Alumni band's talents to spreading the awareness of YRP through physical booths and social media platforms, the students contributed to YRSG's year-round efforts in galvanising society to extend their support for the inmates and ex-offenders.

Yellow Ribbon Fund

April 2022

Memorandum of Understanding between Yellow Ribbon Fund and Singapore Teochew Foundation to Expand YRF STAR Bursary

In support of the Yellow Ribbon Fund Skills Training Assistance to Re-start (YRF STAR) Bursary to extend opportunities to more inmates who wish to pursue higher education, Yellow Ribbon Fund and Singapore Teochew Foundation inked a Memorandum of Understanding (MOU) on 1 April 2022. Under the MOU, Singapore Teochew Foundation committed $2 million over 10 years. About 100 inmates stand to benefit from this collaboration.

The event was graced by Associate Professor Muhammad Faishal Ibrahim, Minister of State for Home Affairs and National Development.

Since 2010, the YRF STAR Bursary has provided financial assistance to about 250 inmates and ex-offenders, enabling them to pursue higher academic qualifications. With the objective of uplifting and helping the beneficiaries build a viable future for themselves and their families, they too, can be inspiring role models and contributing members of society.

November 2022

Yellow Ribbon Fund's Dining Behind Bars

After a three-year hiatus due to COVID-19, the Yellow Ribbon Fund organised its Dining Behind Bars initiative on 4 November 2022 for over 40 guests at The Changi Tea Room.

Guests were given a tour of the inmates' correctional unit and a bakery workshop under the Private Partnerships Scheme to help them gain a better understanding of the living environment and the rehabilitative efforts provided by SPS and YRSG.

During the event, the guests were treated to a sumptuous three-course meal prepared by inmates who were mentored by culinary chefs. The appetiser and main course dishes were derived from the winning entries of the Yellow Ribbon Culinary Competition 2022. Inmates from the Performing Arts Centre also showcased their talents through their song pieces, while a silent auction featuring paintings and potteries by inmates from the Visual Arts Hub was held.

Chef Royce Lee, an ex-offender who previously assisted in preparing culinary dishes for Dining Behind Bars luncheons during his incarceration, returned to mentor the inmates for this event. He is now an established chef, holding a management position in a thriving catering business in Singapore. Chef Royce Lee serves as a role model for inmates who aspire to pursue a career in the Food & Beverage industry. He also expressed his intention to hire ex-offenders for his business.

In his speech, the Guest-of-Honour Associate Professor Muhammad Faishal Ibrahim, Minister of State for Home Affairs and National Development shared that, "The prisons provide a range of programmes to help the inmates in their rehabilitation journey and prepare them for their reintegration back into the community. Their work schedule and environment mirror closely to the industry practice. These inmates leave the prison with transferrable skills and would often find jobs easily in the Food & Beverage and Hospitality sectors."

February 2023

Yellow Ribbon Fund's Charity Gala

Themed Reflections: Celebrating Milestones and Beyond, the biennial Yellow Ribbon Fund (YRF) Charity Gala Dinner held on 3 February 2023 raised over $1.4 million in support of YRF's rehabilitation and reintegration initiatives. This event marked a significant milestone as physical events resumed following a hiatus caused by the COVID-19 pandemic, demonstrating our resilience in overcoming challenges.

The gala dinner was graced by Senior Minister and Coordinating Minister for Social Policies, Mr Tharman Shanmugaratnam. Over 550 guests attended, including approximately 110 corporate representatives, individual donors and sponsors who pledged their commitment to the cause. During his welcome speech, Chairman of YRF, Mr Edmund Cheng, expressed gratitude to the donors and sponsors, and acknowledged their role as YRF's vital allies in building a more inclusive society that embraces ex-offenders and their families.

The event featured captivating performances by inmates from the Performing Arts Centre, who showcased timeless songs from yesteryears. An auction featuring paintings and handicrafts made by the inmates from the Visual Arts Hub was also held.

CARE Network

CARE Network Summit 2022

- The CARE Network Summit is an annual platform for stakeholders to share best practices, forge new partnerships and expand networking opportunities. It aims to advance the capabilities and capacities of the aftercare sector and strengthen a sustainable ecosystem of support for ex-offenders and their families.
- Themed "Igniting Connections, Empowering Lives", the CARE Network Summit 2022 was held on 18 July 2022. The in-person summit returned after a two-year hiatus post-pandemic with more than 350 participants from the public, people and private sectors.

> "An ex-offender's reintegration often adversely impacts his/her family members. Social isolation, stigma and harassment are key issues that parents, siblings, spouses and children of ex-offenders face."

Associate Professor Timothy Sim,
Head of Programme, Master of Counselling,
S R Nathan School of Human Development

CARE Network Newsletter "CN Insider" (Under Advancing Capabilities & Capacity)

- The CARE Network (CN) Insider was piloted in January 2022. This newsletter, by the community for the community, shares aftercare-related news and developments of their respective agencies amongst the aftercare community.
- The CN Insider aims to:
  - Enhance understanding of the various aftercare programmes and key developments in the sector;
  - Create networking and collaborative opportunities across agencies; and
  - Promote the vibrancy of aftercare work and people's contribution in the community.
- This initiative has garnered positive feedback from aftercare partners, who valued the rich content presented in an accessible and engaging manner. It showcased new initiatives, support available for the aftercare sector, programmes and services, ex-offenders' achievements as well as the milestones achieved by the different agencies.

CARE Network Learning Journey (Under Advancing Capabilities & Capacity)

On 2 December 2022, 27 CARE Network partners from Industrial & Services Co-operative Society Limited (ISCOS), NeuGen Fund, Singapore After-Care Association (SACA), and Singapore Anti-Narcotics Association gathered to resume the learning experience post-pandemic. The learning journey included a tour of SPS Institution S2 and Selarang Halfway House (SHWH), as well as a discussion of the programmes and services provided from incare to aftercare. This cross-sharing platform enhanced collective learning and working relationships among the CARE Network partners.

> "The tour of S2 and SHWH provided a clearer idea of the synergy in operations between incare and aftercare. I liked the detailed tour and easy-to-understand key details. This would help me in better empathising with my clients."

A participant of the learning journey

SPS-SUSS E-Learning Module (Under Advancing Capabilities & Capacity)

- In 2021, the Aftercare Competency Framework (ACF) was created, based on SkillsFuture's Skills Framework for Social Service (Social Work; SFwSS). This ACF framework outlined key competencies, skills, and knowledge areas distinct to aftercare-related work.
- Following the development of the framework, SPS and SACA jointly conducted two aftercare-specific training courses covering the Corrections and Aftercare Landscape (May 2021) as well as Offender Rehabilitation Approaches (January 2022). More than 120 practitioners attended the two courses.
- To further expand the reach, SPS and SACA co-developed the first e-module titled "Correctional Landscape and Rehabilitation Approaches" which was launched on the online training portal of Singapore University of Social Sciences (SUSS) in January 2023. The e-module provides an overview of the criminal justice system, government agencies and community organisations in the landscape, as well as an understanding of the dominant correctional approaches applied in Singapore and the evidence-based practices applied in rehabilitation work. This course is an online self-paced asynchronous course where learners would be able to learn at their own comfortable pace.

Scan to Register for the course

Supporting Prosocial Groups in the Community (Under Throughcare Support)

- From the CN review in 2020, the presence of a prosocial support network was identified as a key factor for desistance as we work towards lowering the 5-year recidivism rate. The prosocial support network serves as a platform for ex-offenders with lived experience to support and empower one another to take ownership of their reintegration, pursue their interest and/or build a common prosocial identity.
- A pilot programme, the YRF Prosocial Seed Funding, was conceptualised to support the reintegration of ex-offenders in the community by providing platforms and opportunities that encourage ex-offenders to actively participate in meaningful prosocial activities and give back to the community. This includes support in the following areas:
  - Outreach and engagement of other ex-offenders;
  - Training and mentorship opportunities; and
  - Seed funding for their activities.
- In 2022, prosocial groups such as CANVAS and Break the Cycle (BtC) Singapore were supported by this funding. The support included seed funding for CANVAS' involvement in Yellow Ribbon Community Arts Festival and BtC's Singapore's Countdown 202.3km Challenge.

"CANVAS would like to take the opportunity to thank YRSG for supporting interest groups like ours in a meaningful way through such a fund. In 2022, we expanded our scope of activities for CANVAS women. Very grateful to have tapped into the fund to do so!"

Louis Woo, CANVAS Co-founder

Project R.O.O.T for Children (Under Throughcare Support)

- Project R.O.O.T for Children is an enhanced tri-sector collective impact collaboration/partnership following the first launch of the CARE Network Children Support Programme (CNCSP) in 2017. This collaboration serves to enhance coordination and collaboration among various social service agencies serving the same target group – children impacted by parental incarceration – as well as strengthen the early identification and referral system of beneficiaries in need.
- This programme comprises three initiatives:
  - The **Children Support Programme**, funded by Tote Board, provides beneficiaries with tuition and casework support to improve their academic performance. In 2022, 46 children benefitted from this programme.
  - **Camp Cacti**, funded by CapitaLand Hope Foundation, completed its first run in 2022. Focused on building socio-emotional resilience, 63 children registered for eight sessions conducted via online and physical camps at Aperia Mall.
  - **Community Dialogue**, organised by CN Secretariat biannually, brings together professionals in the aftercare sector to discuss ideas, and share best practices and various programmes available for children and families impacted by incarceration. In April and October 2022, the agencies held a preliminary discussion on the SPS-FSC Referral Network and provided progress updates on the children supported by Project R.O.O.T for Children initiatives.

"Students are always looking forward to every camp session. During interactions or home visits, the students themselves will ask when the next camp session will be and are eager to meet the friends they have made there. Given that many of the activities involved students mingling and having a teamwork element, that has translated into them gaining self-confidence in terms of sharing opinions and helping their peers."

Ms Halimatus Sa'adiah, Senior Social Service Executive, NeuGen Fund

Culture Transformation

YRSG has continually reviewed, curated and updated the various initiatives and plans to transform its culture in **three focal areas**:

Enhanced Internal Communications and Engagement Efforts

- Leadership Communities of Practices (CoPs) to bring YRSG's leaders (EXCO and middle management) together to learn and support one another in their leadership journey.
- CoPs for new staff who are fresh graduates to facilitate assimilation into work life.
- HR Water Cooler Sessions with new joiners and returnees from secondment within their first three months of joining/returning to YRSG to check if they are settling into the role well.
- Lunch & Learn sessions allow staff to share and learn together, with support for staff to initiate sessions based on their areas of interest.
- Regular and routine one-to-one engagements between leadership and staff at all levels to ensure accessibility to YRSG's leaders and encourage open communication.
- Internal Communications Framework to guide effective information delivery and timely dissemination of messages, including the use of Workplace and YRSG Group WhatsApp Chat.

Alignment of Staff Management and Well-being Policies

- Appreciation Framework to recognise staff at both individual and team levels for exemplifying desired attributes, such as service excellence, innovation, and teamwork.
- Adoption of a Profiling Tool (Emergenetics) to increase staff's self-awareness, support leaders in managing teams, and enhance teamwork across the organisation.
- Refreshed Staff Welfare Benefits to ensure that the arrangements for marriage, newborns, hospitalisation and bereavement gifts remain relevant in today's context.

Rituals, Norms and Symbols

- First-name basis address is used for everyone, including YRSG's leaders.
- Organisational Wednesdays are preferred days for organisational-wide and wellness activities, allowing staff to better spend in-office time for connections and in-person collaborations.
- 'No Formal Meetings' Fridays are ring-fenced for self-reflection, learning and creative endeavours.
- Commemoration of YRSG's birthday in April every year.
- Launch of YRSG's vision marker (domino) to provide a shared symbol and common narrative for staff to articulate YRSG's vision and mission.
- Office redesign to enliven YRSG's office with vibrant colours and motivational quotes.

YRSG was also awarded the **Best Flexible Workplace Award (Gold)** at EngageRocket's Workplace of the Year Award 2022. This further affirms YRSG's commitment in creating a conducive and supportive workplace.

Culture Building

YRSG aims to work towards building an organisation that is

High Trust | Agile and Nimble | Fun and Vibrant

With this in mind, a series of culture building elements were introduced in YRSG.

Launch of YRSG Vision Marker at YRSG's 46th Birthday

- YRSG Vision Marker: The Domino Effect was launched on 8 April 2022, in conjunction with the celebration of YRSG's 46th birthday. The Vision Marker was developed after YRSG's Vision, Mission and Values exercise, with aims to work towards our desired culture. Each staff contributed a piece of domino to complete a symbolic domino set-up. The chain reaction was triggered when our CEO pushed the first piece.

Lunch & Learn Series

As part of culture building and encouraging teamwork across divisions, a Lunch & Learn series was piloted. The sessions aim to promote ground-up interest sharing and co-learning organised by staff, for staff.

- Wellness and Art Jamming - Inaugural Lunch & Learn session: wellness talk and an art jamming activity.
- Yoga: Arm Balance and Shoulder Stretch – A yoga session on arm balance and shoulder stretch was held physically. The session was conducted by a staff who was a certified yoga trainer.
- Staff work - Session with CEO on tips to improve staff work.
- Performance Management - Informal and open sessions with management.

IT Governance and Security

As part of culture building to enhance IT governance, security awareness and the ability to handle unexpected IT security issues, YRSG has participated in Cybersecurity Tabletop Exercises and IM8 Audits. At staff level, efforts were made to educate staff through sharing of the latest IT security threats, such as phishing emails and fake websites, as well as the conduct of IT security simulation exercises, initiated by the Ministry of Home Affairs or GovTech.

YR Otterly Amazing Awards

The "YR Otterly Amazing Awards" in 2022 was an example of how YRSG recognised and celebrated individuals and teams that embodied YRSG's desired culture in their day-to-day work. These awards included interesting categories such as the "I Got Your Back" Award, "Never Say Die" Award, "Energizer Bunny" Award, and the "Most Tokkong" Team Award.

YR Otterly Amazing Awards Winners

Nurturing Innovative Minds

Formation of Groundbreaker Squad

The **Groundbreaker Squad** was formed in May 2022 with the mission to enable and empower the pursuit of innovation at YRSG in order to achieve our lofty aspirations. Their role is to identify opportunities, solve problems and create value in new ways, ultimately making a difference in the way we work.

Challenge Shield

YRSG's annual hackathon-workshop brings our staff together in groups to deliberate on problem statements and come up with creative solutions to present to our management. This event provides a platform for cross-divisional collaboration, allowing us to explore new ways of resolving old problems.

Flexible Workplace

YRSG overcame the COVID-19 crisis and emerged stronger. Life has returned to a new normal at the workplace as YRSG retains some of the agile working arrangements from 2022.

- YRSG marks our official return to the office and the launch of our hybrid work arrangement with a snazzy Par-Tea! Hybrid work at YRSG entails three days of working in the office and two days of working from anywhere.
- YRSG won the Best Flexible Work Practices Gold Award in 2022.

YRSG CARES Activities

YRSG-YRI Family Day 2022

The YRSG-YRI Family Day 2022 was held on 23 June 2022. This event marked the first fully physical staff welfare event after the easing of COVID-19 restrictions. About 110 YRSG and YRI staff, along with their family members, including their pets, gathered together to watch the action-packed movie “Shang Chi and the Legend of the Ten Rings” under the stars at the open space at Keppel Bay Marina. Staff enjoyed bonding with their family members and colleagues while basking in the evening sea breeze. The children were thrilled with the free flow of popcorn, candy floss and the balloons they received from the roving balloon artist.

Mental Wellness Sharing and Activity

YRSG CARES officers conducted a Mental Health Talk that included a therapeutic art jamming as part of a Lunch & Learn Activity on 13 July 2022. Staff learnt about different types of mental health issues and how to cope with them, including useful resources where they could seek help when needed. The talk ended with an art jamming session, allowing staff to relieve stress, unwind and relax.

YRSG-YRI Staff Appreciation Night

YRSG-YRI Staff Appreciation Night was held on 11 November 2022 with the theme “Around the World”. This theme was derived from the concept of “Emerging Stronger, Forging Ahead as One”, and reflected the desire to travel and physically meet each other after more than two years of COVID-19 related restrictions. On that evening, officers from “around the world” came together to bond, emerging stronger and forging ahead as ONE (YRSG and YRI staff). It was a night filled with fun and enjoyment!

Selarang Halfway House

Building Self-Esteem and Resilience in Every Resident

At Selarang Halfway House (SHWH), we recognise the importance of having a safe and conducive environment to support the reintegration of every resident. We believe that through empowerment, residents can start to make positive changes for themselves.

The road to recovery for our residents is never easy. They may face challenges, such as negative influences from peers, difficulties in sustaining employment, and reconnecting with their families after incarceration. With each incarceration, it is a setback for the residents which may demotivate them and lead to a loss of hope and self-esteem. Hence, we actively engage our residents and collaborate with community partners and agencies to reignite their sense of hope, rebuild their self-esteem and enhance their resilience.

Engagement with Residents

Our Reintegration Mentors (RMs) and Case Managers (CMs) are integral in nurturing self-esteem and building resilience among our residents. As the frontliners at SHWH, both RMs and CMs regularly engage with our residents and provide guidance when they share their difficulties. This not only allows us to acknowledge their efforts and progress but also helps residents develop a positive self-image. CMs also work with residents to stabilise themselves before transitioning to the next phase (e.g., goals setting, securing accommodation and finding employment). Furthermore, RMs and CMs actively encourage residents to participate in support groups and activities that are helpful for their reintegration. Such engagements enable us to equip residents with strategies to overcome adversities that they may encounter along their journey.

Volunteering with SUN-DAC

SUN-DAC is the first Day Activity Centre (DAC) for Persons with Disabilities (PWD) located in the heartlands of Singapore. It aims to enhance the quality of life for PWDs and their caregivers by equipping them with daily-living and community-living skills to promote independence.

Since August 2022, our residents have been volunteering at SUN-DAC on a monthly basis. The volunteering opportunities include assisting the PWDs in their rehabilitation activities (e.g., physical exercises and games) and packing donated items at the warehouse. Through these engagements, it allows our residents to realise that there are others who also face various challenges and difficulties in their life journeys. It also provides them with an opportunity to contribute back to society and help those in need. This experience fosters a sense of hope and meaning in their life, boosting their self-esteem and motivation to change.

Resident A

> I feel like a different person. This is my first time volunteering and I find it very meaningful. It's the first time I feel helpful to society, that I can do something good. I want to continue volunteering.

ISCOS Men Support Group and NAMS Talk

While SHWH was exploring the idea of support groups, an idea struck – what better way to motivate and support our residents than to have ex-offenders conduct support groups with them? Building upon this idea, we established a partnership with the Industrial & Services Co-Operative Society Ltd (ISCOS) and the National Addiction Management Service (NAMS) by inviting their network of ex-offenders (ISCOS Titans) to share their life experiences and provide a support network for our residents. Furthermore, our residents have the opportunity to continue participating in this support network in the community after leaving SHWH.

Since January 2023, the ISCOS Titans have been conducting monthly peer-led support groups at SHWH. During these sessions, they offer emotional support to our residents on their reintegration journey. These support groups provide a safe space where our residents can take the initiative to share their experiences and receive encouragement from one another. Having positive social support networks is crucial for their reintegration, as it helps our residents in establishing a sense of belonging, fostering positive connections, and stability throughout the reintegration process.

Resident B

I felt that I was not alone. I heard other people's struggles and how they overcame it. I felt a bit more confident about my recovery journey.

In addition, since August 2022, NAMS has been facilitating quarterly sharing sessions at SHWH for residents. These sessions aim to equip residents with knowledge on stress management and an understanding of addictive behaviours. Inevitably, residents encounter stigma during their reintegration process, but it is important for them to realise that they are not alone. There are community partners and agencies that they can approach to seek support. This helps to strengthen their resilience and enables them to navigate life's challenges with greater confidence and adaptability.

Resident C

The speaker, he hears me. I feel he understands me because he walked the same path before.

Through constant support and encouragement, as well as the programmes offered at SHWH, we hope that residents can develop a pro-social identity and a sense of self-worth. These attributes are essential in overcoming their challenges and remaining crime-free in the long run.

Catherine DePasquale

Everyone needs a second chance. Some of us need a third or fourth chance.

YRI's Transformation Journey

Where It All Began

YR Industries Pte Ltd (YRI), a wholly owned subsidiary of YRSG, was incorporated on 29 August 2012 and became operational on 1 July 2016. This marked the formation of the first YRI Board and the transfer of laundry operations and staff from YRSG to YRI.

Subsequent key milestones include:

2017
The Selarang Halfway House commenced interim operations on 1 January 2017.

2019
The Bakery, Kitchen, and Business Outsourcing units were transferred from YRSG to YRI as part of the corporate restructuring.

2021
Following YRSG's transformation, YRI also started its transformation journey.

The Beginning of the Future

On 1 April 2023, YRI rebranded to Yellow Ribbon Industries Pte Ltd, aligning its vision with the parent company: "An inclusive society, a nation beyond second chances".

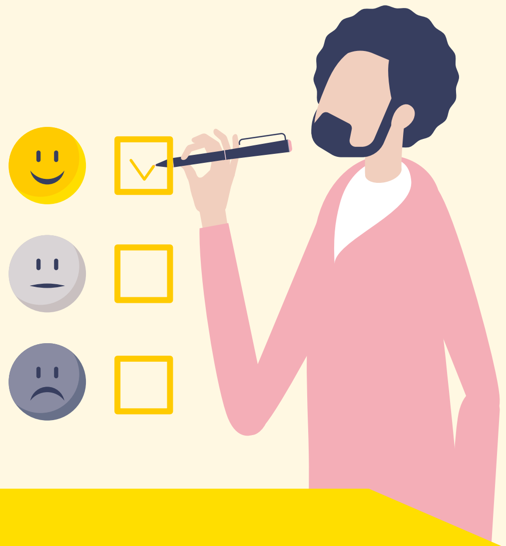
YRI's mission was crafted to reflect partnership and synergy with the parent company and commitment to running a business with a social cause – "We create hope and second chances through our products and services, uplifting ex-offenders and supporting their successful reintegration while building inclusive and cohesive communities".

With a holistic transformation plan in place, YRI will embark on a journey to enhance its products and services, as well as stakeholders' experience. This will be done through a series of new initiatives implemented across domains such as culture, risk management, business development, human resources, technology, training, engagement, and welfare.

Mission-focused Business

Presently, YRI operates:
- Linen Management with two purpose-built laundry plants located at Changi Prison Complex and Loyang Way. Both laundries provide a total linen management service to our customers throughout the year;
- YRI Food and Business Solutions Division, which manages three businesses (Business Outsourcing, Bakery, and Kitchen units) within Changi Prison Complex; and
- Selarang Halfway House, a secular residential step-down facility that offers a transitional residential programme as part of the Mandatory Aftercare Scheme.

With a structured dividends policy in place, profits generated from YRI's operations will be channelled to support YRSG's reintegration efforts and fund initiatives and programmes for ex-offenders and their families through the Yellow Ribbon Fund and CARE Network agencies.



Values-driven Culture

YRI embraced ACE values to represent our team's DNA and the motivational drivers that fuel our service excellence.

AGILE

We are nimble and adaptive.

COMMITTED

We are committed to creating second chances.

EMPOWERED

We are empowered to excel at every level.

"YRI's transformation is not just about big machinery or technology. It was an emotional process that involved sacrifices, embracing changes, experimentations and pushing boundaries. This accomplishment amidst the pandemic, is the first of many for YRI to build an inclusive society, a nation beyond second chances. This would not be possible without the staff's dedication and perseverance. I'm honoured to be part of this process. Congratulations YRI!"

Mr Leslie Jin

(YRI Transformation Project Lead),
Deputy Director, Skills@YR,
YRSG Reintegration Group

Leadership Development

YRSG has implemented an integrated Talent and Leadership Development Programme, which aligns with the Leadership Competencies laid out in the Whole-of-Government (WOG) Our Core Competencies (OCC) and PSD's Leadership Competency Framework for directors and middle management. In addition, YRSG curates development programmes for each officer in the leadership and talent pool regularly.

New Initiatives:

- **360-Degree Feedback** to enhance leaders' self-awareness of their leadership strengths and competency gaps. Follow-up coaching is provided to support officers to take concrete steps to address their development needs.
- **Mentoring Framework and Guide** to equip leaders with the knowledge and skills needed to mentor and groom the next generation of leaders.

Digital Transformation

The Digitalisation and Technology Advisory Group was formed in December 2021 with the following objectives:

- To advise YRSG in the execution of YRSG's Digital Transformation Masterplan and development of YRSG's core capabilities;
- To look at and propose recommendations for digital upskilling of inmates to empower them to remain relevant in the workforce; and
- To explore new business opportunities for YRI through technology and digitalisation.

The group consists of Mr Benjamin Goh from Kuaishou Technology as well as YRSG's Board members, Mr Carlos Nicholas Fernandes and Ms Shirley Wong Swee Ping.

YRSG also embarked on a journey of Robotic Process Automation (RPA) to help automate manual work processes. As of March 2023, we have deployed 13 active bots with another six bots under development. In FY2022, we saved an estimated 227 man-days through these automation efforts.

"We broke down the whole process into mini processes, then worked on the bot development for each of the mini processes. The internet and forums are also very helpful for finding solutions."

Elizabeth Tan

Senior Manager (Finance), Corporate Services@YR

"Doing the programming was fun, but the error prompts were frustrating. However, I knew that a successful bot would lessen the administrative load and enable us to focus on other tasks. Now, we can churn referral letters over lunch!"

Huzair Hyder

Assistant Director, Careers@YR

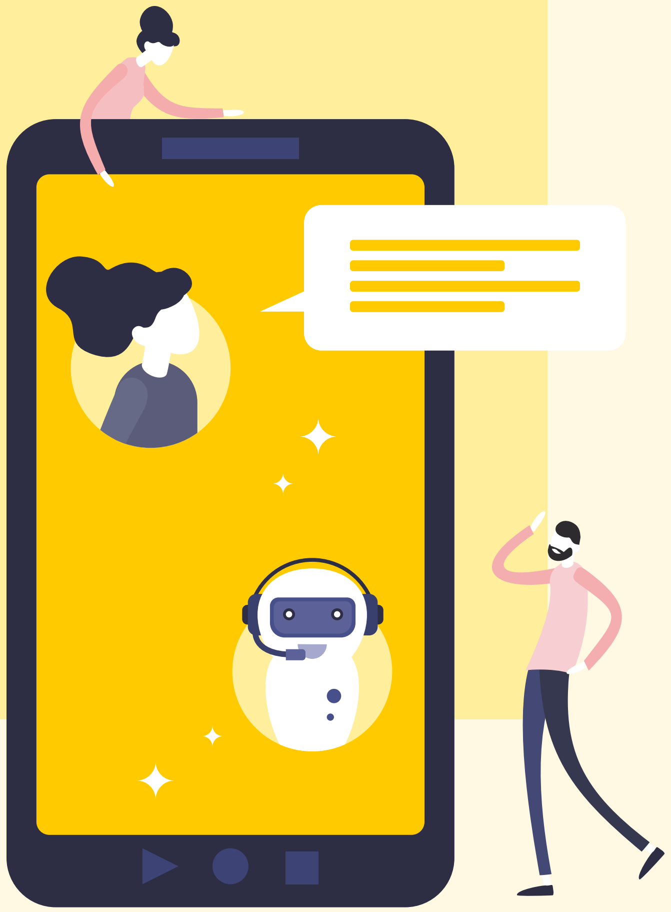
Integration of RPA Bots in the Daily Work of Career Specialists and Career Coaches

Career specialists need to generate more than 200 referral letters per month, totalling about 2,500 referral letters per year. Previously, the Mail Merge function in Microsoft Word was used to generate these referral letters, consuming several hours each day for generation and manual verification. The use of RPA bots has significantly reduced the time required for generating referral letters. After feeding the necessary information via an Excel template, staff can continue with other work while the RPA bots generate the referral letters in the background. The use of RPA bots has also significantly reduced errors in referral letters, minimising the need for manual checking and corrections.

Career coaches also utilise RPA bots for their quarterly statistics submissions. Previously, Career Coaches manually updated and verified the retention status of their clients. With RPA bots, Career coaches now update an Excel sheet, and the RPA bots extract the updated employment status of all clients, generating the data required for the statistics submission. This data is then used to generate reports presented at various meeting platforms for monitoring and review. The RPA bots have thus significantly reduced man-hours spent on compiling statistics, minimised errors, and enhanced accuracy. With the time saved, Career coaches can focus on more meaningful work in managing and engaging their clients.

Launch of Tableau Server

YRSG has also launched Tableau Server to provide a centralised platform for users to view the latest statistics. Tableau encourages officers to harness the power of data visualisation and analytics to gain valuable insights, make data-driven decisions, and provide more efficient reporting and communication. It facilitates collaboration and data sharing among users through interactive dashboards and reports. As of March 2023, there are six dashboards created.



"With Tableau, generating the monthly KPI report and insightful charts is a breeze. With the time saved, I can now use it on other important work or engage in leisure activities after work."

Paul Teng

Senior Assistant Director, Careers@YR

"Tableau has left a positive impact in making our work process way faster than usual while also avoiding human error! I am very pleased with how it has helped our team so far!"

Siti Aishah Nussin

Assistant Director, Careers@YR

Our Corporate Social Responsibility

- YRSG and YRI staff conducted a donation drive and successfully raised **$25,750**, exceeding the target of **$10,000**, for SUN-DAC.
- YRSG and YRI jointly sponsored assorted pastries from Yellow Ribbon Bakery and birthday cakes for SUN-DAC to organise monthly birthday celebrations at its Bedok Centre from September 2022 to March 2023. A Chinese New Year celebration was also organised with SUN-DAC beneficiaries and staff at Bedok Centre on 27 January 2023.
- YRSG's Reintegration Group, Corporate Development Group and Assurance team also volunteered separately at SUN-DAC's Thomson Centre, engaging in activities with the SUN-DAC beneficiaries.

Organisation Excellence

YRSG has been ISO 45001:2018-certified since 21 August 2020. Concurrently, YRSG is also certified under bizSAFE STAR.

The bizSAFE STAR is the highest level of accreditation in the bizSAFE journey and recognises organisations with a Workplace Safety and Health (WSH) Management System that identifies, manages and controls workplace risks or hazards in compliance with the WSH Act and international standards.

Awards & Accolades 2022

EXTERNAL AWARDS

National Day Award

- The Public Administration Medal (Bronze):
  Jason Ng Woon Ming
- The Commendation Medal:
  Chong Kok Loon Marc
- The Efficiency Medal:
  Ng Wei Wei
- The Long Service Medal:
  Ng Huey Ling
  Lee Ngee Chew Kenny

National Day Award for Home Team Volunteers

- David Toh Seng Hong (YRSG Board Member)

Minister For Home Affairs National Day Award (Individual)

- Puah Ping Hui

Home Team Achievement Award (HTAA)

- TAP & Grow Initiative for Inmates and Ex-offenders

Operational Excellence (OE) Award

- Inaugural CARE Network Summit

Long Service Award

5 Years

- Ho Wei Ping Carol
- How Wen Kai Bryan
- Muhammad Alif Hakim Bin Kamriwah
- Nur Ashikin Binte Abd Karim
- Waida Binte Jumaat

10 Years

- Alvin Tan Aik Beng
- Nelson Ong Chee Keong
- Nur Izzati Binte Salleh

15 Years

- Kuganathan A/L K. Narayanasamy
- Teo Buck Chai Richard

30 Years

- Shamshulbahri Bin Ismail

40 Years

- Shariffa Bagham d/o Abdul Razak

Retirement Award

- Lee Geok Buay

HT Innova Award

- Elric Toh

MHA Star Service Award

- Chen Yingli
- Noor Aieni Tohari

INTERNAL AWARDS

HOPE Award

- J Raathiga
- Sebastian Sim
- Tan Irene

Special Commendation Award

- Alyshah Kumar
- Amir Abu Bakar
- Angeline Seow
- Angela Swee
- Cherie Lin
- Denise Chow
- Liaw Li Qing
- Muhd Taufiq Jumaat
- Nelson Ong
- Raudhah Rahmat
- Yuzil Binte Mohd Yusoff

Extra Miles, Extra Smiles

- Angel Seah
- Chen Yingli
- Dazhini Raja Naran
- Faezah Radiman
- Joseph Yeo
- Julie Watt
- Lavanya Ganeson
- Noor Aieni Tohari
- Syafiqah Sudarmo

Out-of-Box Champion

- Elizabeth Tan
- Elric Toh
- Gladys Png
- Huzair Hyder
- Leslie Jin
- Naseerah D/O Hajee Mohamed
- Sebastian Sim
- Syahmi Sinin
- Tan Yick Loong

YRSG Challenge Shield

'A' Team

- Elizabeth Tan
- Laura Teo
- Wu Chenghui

YR Couch

- Cherie Lin
- Gladys Png
- Mindy Tang

Keyboard Warriors

- Nicholas Chan Li-En
- Sarika Nishain
- Tan Yick Loong

Ok? Can!

- Faezah Radiman
- Nah Khim Cheng
- Simon Ng

YR Otterly Amazing Award

'I Got Your Back' Award

- Cherie Lin
- Chong Kok Loon
- Faith Yu
- Freddy Low
- Grace Chan
- Huzair Hyder
- J Raathiga
- Karen Tan
- Laura Teo
- Leslie Jin
- Liaw Liqing
- Mohd Taufiq Jumaat
- Soh Yen Li
- Tan Wee Zi
- Tan Yick Loong

'Never Say Die' Award

- Alyshah Kumar
- Angela Swee
- Ashish Ben
- Carol Ho
- Gladys Png
- Huzair Hyder
- Mindy Tang
- Nicholas Chan Li-En
- Nikole Xu
- Noor Aieni Tohari
- Tan Yick Loong
- Wu Chenghui

'Energizer Bunny' Award

- Amir Abu Bakar
- Denise Chow
- Gladys Png
- Mindy Tang
- Muhammad Hareez Bin Azmi
- Nicholas Chan Li-En
- Paul Teng
- Yuzil Binte Mohd Yusoff

'Most Tokkong Team' Award

- Aftercare@YR
- Career Specialist
- Procurement Team
- Skills@YR
- Skills and Careers Masterplan (SCM) 2.0 Workgroup
- Strategy@YR

YRSG in the News

Total Media Coverage 568

Social Media Coverage: 417

Mainstream Media Coverage: 151

Annual Report 2022

Working Committee

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Director, Partnership@YR

EDITOR

Jaz Siaw Yoke Har
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Angeline Soh
Head (Human Resources), Corporate Services
Yellow Ribbon Industries Pte Ltd

Financial Statements

Yellow Ribbon Singapore
(Established in Singapore. Unique Entity Number: T08GB0049F)
and its subsidiary

For the year ended 31 March 2023

Corporation information

Unique Entity number (UEN)	T08GB0049F
Registered office	980 Upper Changi Road North Singapore 507708
Board members	Phillip Tan Eng Seong (Chairman) Puah Kok Keong (Deputy Chairman) Shie Yong Lee (Member) Carlos Nicholas Fernandes (Member) David Toh Seng Hong (Member) Jason Leow Juan Thong (Member) Lim Teck Kiat (Member) Mable Chan (Member) Mayank Parekh (Member) Mohamed Fadzil Bin Mohamed Hamzah (Member) Shirley Wong Swee Ping (Member) Tham Loke Kheng (Member) Thomas Pek (Member) Wan Shung Ming (Member) Zhulkarnain Abdul Rahim (Member)
Bankers	DBS Bank Limited The Hongkong and Shanghai Banking Corporation Limited
Independent auditor	Foo Kon Tan LLP Public Accountants and Chartered Accountants 1 Raffles Place #04-61/62 One Raffles Place Tower 2 Singapore 048616

Yellow Ribbon Singapore and its subsidiary

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Yellow Ribbon Singapore and its subsidiary

Statement by the Board

for the financial year ended 31 March 2023

In our opinion,

(a) the accompanying consolidated financial statements of the Yellow Ribbon Singapore (the "Corporation") and its subsidiary (collectively known as the "Group"), which comprise the statements of the financial position of the Group and the Corporation as at 31 March 2023, the consolidated statement of comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flows of the Group for the year then ended, together with the notes thereon, are drawn up in accordance with the provisions of the Public Sector (Governance) Act 2018 (the Public Sector (Governance) Act), the Singapore Corporation of Rehabilitative Enterprises Act 1975 (the "Act") and Statutory Board Financial Reporting Standards so as to present fairly, in all material respects, the state of affairs of the Group and the Corporation as at 31 March 2023 and of the results, change in equity and cash flows of the Group for the year ended on that date;

(b) at the date of this statement, there are reasonable grounds to believe that the Corporation will be able to pay its debts as and when they fall due;

(c) proper accounting and other records have been kept, including records of all assets of the Corporation whether purchased, donated or otherwise; and

(d) the receipts, expenditure, investment of moneys and the acquisition and disposal of assets by the Corporation during the financial year have been in accordance with the provisions of the Public Sector (Governance) Act, the Act and the requirements of any other written law applicable to moneys of or managed by the Corporation.

The Board has, on the date of this statement, authorised these financial statements for issue.

On behalf of the Board

....

PHILLIP TAN ENG SEONG
Chairman

On behalf of the Board

....

DAVID TOH SENG HONG
Chairperson, Audit & Risk Management Committee

Dated: 22 August 2023

Independent Auditor's Report to the Board of Yellow Ribbon Singapore

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Yellow Ribbon Singapore (the "Corporation") and its subsidiary (the "Group"), which comprise the statements of financial position of the Group and the Corporation as at 31 March 2023, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Public Sector (Governance) Act 2018 (the "Public Sector (Governance) Act"), the Singapore Corporation of Rehabilitative Enterprises Act 1975 (the "Act") and Statutory Board Financial Reporting Standards ("SB-FRS") so as to present fairly, in all material respects, the financial position of the Group and the Corporation as at 31 March 2023 and the results, changes in equity and cash flows of the Group for the financial year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group 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 Annual Report and Statement by the Board but does not include the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this Auditor's Report.

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 identified above when it becomes available, 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. When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions in accordance with SSAs.

Independent Auditor's Report to the Board of Yellow Ribbon Singapore (Cont'd)

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the provisions of the Public Sector (Governance) Act, the Act and SB-FRS, and for such internal controls as management determines are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

A statutory board is constituted based on its Act and its dissolution requires Parliament's approval. In preparing the financial statements, management is responsible for assessing the Corporation'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 there is intention to wind up the Corporation or for the Corporation to cease operations.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- 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 Group'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 Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

Report on other legal and regulatory requirements

Opinion

In our opinion:

(a) the receipts, expenditure, investment of moneys and the acquisition and disposal of assets by the Corporation during the financial year are, in all material respects, in accordance with provisions of the Public Sector (Governance) Act, the Act and the requirement of any other written law applicable to moneys of or managed by the Corporation; and

(b) proper accounting and other records have been kept, including records of all assets of the Corporation whether purchased, donated or otherwise.

Basis for Opinion

We conducted our audit in accordance with SSAs. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Compliance Audit section of our report. We are independent of the Corporation in accordance with the 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 on management's compliance.

Responsibilities of Management for Compliance with Legal and Regulatory Requirements

The Corporation's management is responsible for ensuring that the receipts, expenditure, investment of moneys and the acquisition and disposal of assets, are in accordance with the provisions of the Public Sector (Governance) Act, the Act and the requirement of any other written law applicable to moneys of or managed by the Corporation. This responsibility includes implementing accounting and internal controls as management determines are necessary to enable compliance with the requirements.

Auditor's Responsibilities for the Compliance Audit

Our responsibility is to express an opinion on management's compliance based on our audit of the financial statements. We planned and performed the compliance audit to obtain reasonable assurance about whether the receipts, expenditure, investment of moneys and the acquisition and disposal of assets, are in accordance with the provisions of the Public Sector (Governance) Act, the Act and the requirements of any other written law applicable to moneys of or managed by the Corporation.

Our compliance audit includes obtaining an understanding of the internal controls relevant to the receipts, expenditure, investment of moneys and the acquisition and disposal of assets; and assessing the risks of material misstatement of the financial statements from non-compliance, if any, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal controls. Because of the inherent limitations in any accounting and internal control system, non-compliances may nevertheless occur and not be detected.

Foo Kon Tan LLP

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Foo Kon Tan LLP
Public Accountants and
Chartered Accountants

Singapore, 22 August 2023

Statements of financial position

as at 31 March 2023

	Note	The Group 31 March 2023 $	The Group 31 March 2022 $	The Corporation 31 March 2023 $	The Corporation 31 March 2022 $
Assets					
Non-Current					
Property, plant and equipment	3	**16,140,482**	15,762,879	**8,142,480**	8,525,314
Right-of-use assets	4	**6,875,979**	8,070,644	**1,849,775**	2,456,146
Intangible assets	5	**255,872**	198,636	**-**	-
Investment in a subsidiary	6	**-**	-	**20,789,813**	20,789,813
		23,272,333	24,032,159	**30,782,068**	31,771,273
Current assets					
Inventories		**285,085**	373,284	**-**	-
Trade and other receivables	7	**13,469,239**	11,743,713	**9,241,103**	8,654,495
Grants receivables	8	**13,742,107**	5,638,347	**13,742,107**	5,638,347
Cash and cash equivalents	9	**27,922,104**	26,688,974	**15,776,582**	16,317,692
		55,418,535	44,444,318	**38,759,792**	30,610,534
Total assets		**78,690,868**	68,476,477	**69,541,860**	62,381,807
Equity and Liabilities					
Capital and Reserves					
Capital account	10	**1,662,262**	1,662,262	**1,662,262**	1,662,262
Accumulated surplus		**48,233,894**	44,462,492	**39,534,112**	39,534,112
Total equity		**49,896,156**	46,124,754	**41,196,374**	41,196,374
Non-Current Liabilities					
Deferred tax liabilities	11	**1,674,631**	1,509,000	**-**	-
Term loan	12	**4,431,267**	4,843,188	**4,431,267**	4,843,188
Lease liabilities	13	**2,306,002**	3,953,931	**1,332,930**	1,939,920
		8,411,900	10,306,119	**5,764,197**	6,783,108
Current Liabilities					
Grants received in advance	8	**8,251,042**	1,923,872	**8,251,042**	1,923,872
Term loan	12	**413,659**	406,425	**413,659**	406,425
Lease liabilities	13	**1,686,647**	1,681,740	**627,163**	627,634
Trade and other payables	14	**9,370,486**	7,972,909	**13,289,425**	11,444,394
Provisions	15	**70,541**	60,658	**-**	-
Tax payable		**590,437**	-	**-**	-
		20,382,812	12,045,604	**22,581,289**	14,402,325
Total liabilities		**28,794,712**	22,351,723	**28,345,486**	21,185,433
Total equity and liabilities		**78,690,868**	68,476,477	**69,541,860**	62,381,807
Net assets of the Yellow Ribbon Fund	16	**7,847,372**	6,625,316	**7,847,372**	6,625,316

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

Consolidated Statement of comprehensive income

for the financial year ended 31 March 2023

	Note	Year ended 31 March 2023 $	Year ended 31 March 2022 $
Operating income	17	**51,509,241**	54,972,953
Other income	18	**344,796**	86,358
Expenses:			
• Depreciation of property, plant and equipment	3	**(2,281,325)**	(2,464,015)
• Depreciation of right-of-use assets	4	**(1,257,087)**	(1,246,512)
• Amortisation of intangible asset	5	**(127,936)**	-
• Distribution costs		**(1,401,519)**	(1,142,666)
• Finance costs	19	**(446,884)**	(436,114)
• General office expenses		**(4,480,563)**	(4,209,201)
• Inmate earnings		**(1,400,392)**	(1,431,757)
• Inmate training costs		**(2,651,659)**	(2,204,406)
• Maintenance of equipment and premises		**(2,146,743)**	(2,086,056)
• Manpower costs	20	**(25,630,016)**	(23,975,147)
• Material/production costs		**(17,208,579)**	(17,747,405)
• Utilities		**(4,366,766)**	(3,821,232)
• Others		**(6,414,421)**	(3,717,525)
Total expenses		**(69,813,890)**	(64,482,036)
Deficit before government grants		**(17,959,853)**	(9,422,725)
Government operating grants	8	**22,450,348**	11,175,577
Surplus before taxation		**4,490,495**	1,752,852
Taxation	21	**(719,093)**	(556,975)
Net surplus for the year, representing total comprehensive income for the year		**3,771,402**	1,195,877

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

Consolidated Statement of changes in equity

for the financial year ended 31 March 2023

The Group	Capital account $	Accumulated surplus $	Total equity $
At 1 April 2021	1,662,262	43,266,615	44,928,877
Total comprehensive income for the year	-	1,195,877	1,195,877
At 31 March 2022	**1,662,262**	**44,462,492**	**46,124,754**
Total comprehensive income for the year	**-**	**3,771,402**	**3,771,402**
At 31 March 2023	**1,662,262**	**48,233,894**	**49,896,156**

Consolidated Statement of cash flows

for the financial year ended 31 March 2023

	Note	**Year ended 31 March 2023 $**	Year ended 31 March 2022 $
Cash Flows from Operating Activities			
Deficit before government grants		**(17,959,853)**	(9,422,725)
Adjustments for:			
Amortisation of intangible assets	5	**127,936**	-
Bad debts written off		**4,596**	-
Depreciation of property, plant and equipment	3	**2,281,325**	2,464,015
Depreciation of right-of-use assets	4	**1,257,087**	1,246,512
Finance costs	19	**446,884**	436,114
Interest income from bank deposits	18	**(230,265)**	(40,979)
Loss on disposal of property, plant and equipment		**51,634**	12,085
Provision made/(reversed), net	15	**9,883**	(259,602)
Operating deficit before working capital changes		**(14,010,773)**	(5,564,580)
Changes in trade and other receivables		**(1,576,081)**	(27,227)
Changes in inventories		**88,199**	(208,197)
Changes in trade and other payables		**1,397,577**	(1,163,621)
Cash flows used in operations		**(14,101,078)**	(6,963,625)
Tax refunded/(paid)		**36,975**	(36,975)
Government grants received, net	8	**20,673,758**	10,447,132
Net cash generated from operating activities		**6,609,655**	3,446,532
Cash Flows from Investing Activities			
Interest income received		**76,224**	42,046
Proceeds from disposal of property, plant and equipment		**4,000**	-
Purchase of intangible assets	5	**(185,172)**	(198,636)
Purchase of property, plant and equipment	3	**(2,714,562)**	(802,595)
Net cash used in investing activities		**(2,819,510)**	(959,185)
Cash Flows from Financing Activities			
Interest paid	Note A	**(446,884)**	(436,114)
Repayment of principal elements of lease liabilities	Note A	**(1,705,444)**	(1,674,150)
Repayment of term loan	Note A	**(404,687)**	(395,535)
Net cash used in financing activities		**(2,557,015)**	(2,505,799)
Net increase/(decrease) in cash and cash equivalents		**1,233,130**	(18,452)
Cash and cash equivalents at the beginning of year		**26,688,974**	26,707,426
Cash and cash equivalents at the end of year	9	**27,922,104**	26,688,974

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

Consolidated Statement of cash flows (Cont'd)

for the financial year ended 31 March 2023

Note A: Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

	Term loan $ (Note 12)	Lease liabilities $ (Note 13)	Total $
At 1 April 2021	5,645,148	7,309,821	12,954,969
Cash flows:			
- Repayment of term loan	(395,535)	-	(395,535)
- Interest paid	(220,570)	(215,544)	(436,114)
- Repayment of lease liabilities	-	(1,674,150)	(1,674,150)
	(616,105)	(1,889,694)	(2,505,799)
Non-cash changes:			
- Interest expense (Note 19)	220,570	215,544	436,114
At 31 March 2022	**5,249,613**	**5,635,671**	**10,885,284**
Cash flows:			
- Repayment of term loan	**(404,687)**	**-**	**(404,687)**
- Interest paid	**(250,402)**	**(196,482)**	**(446,884)**
- Repayment of lease liabilities	**-**	**(1,705,444)**	**(1,705,444)**
	(655,089)	**(1,901,926)**	**(2,557,015)**
Non-cash changes:			
- Interest expense (Note 19)	**250,402**	**196,482**	**446,884**
- New leases (Note 4)	**-**	**62,422**	**62,422**
	250,402	**258,904**	**509,306**
At 31 March 2023	**4,844,926**	**3,992,649**	**8,837,575**

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

Notes to the Financial Statements

for the financial year ended 31 March 2023

1 General information

Yellow Ribbon Singapore (the "Corporation") is a statutory board established under the Singapore Corporation of Rehabilitative Enterprises Act 1975. The address of its registered office is at 980 Upper Changi Road North, Singapore 507708.

The Corporation is under the purview of the Ministry of Home Affairs. As a statutory board, the Corporation is subject to the directions of the Minister for Home Affairs and is required to follow policies and instructions issued from time to time by the supervising ministry.

The principal activity of the Corporation is to rehabilitate and help reintegrate offenders to become responsible and contributing members of society.

The principal activities of the subsidiary is disclosed in Note 6 to the financial statements.

The financial statements of the Group and of the Corporation for the year ended 31 March 2023 were authorised for the issue in accordance with a resolution of the Board on the date of the Statement by Board.

2(a) Basis of preparation

The financial statements have been prepared in accordance with the provisions of the Public Sector (Governance) Act 2018, Singapore Corporation of Rehabilitative Enterprises Act 1975 and Statutory Board Financial Reporting Standards ("SB-FRS"), including Interpretations of SB-FRS ("INT SB-FRS") and Guidance Notes, as promulgated by the Accountant-General. The Accountant-General is appointed as the legal authority to prescribe accounting standards for statutory boards under the Accounting Standards Act 2007 (No. 39 of 2007) which came into effect on 1 November 2007.

The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The accounting policies used by the Group and the Corporation have been applied consistently to all periods presented in the financial statements.

The financial statements are presented in Singapore dollars ("SGD") which is the Corporation's functional currency. All financial information is presented in Singapore dollars, unless otherwise stated.

The preparation of the financial statements in conformity with SB-FRS requires the use of judgements, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

2(a) Basis of preparation (Cont'd)

Significant accounting estimates and judgements
In the process of applying the Group's and the Corporation's accounting policies, management has made the following judgements, apart from those involving estimations, which has the most significant effect on the amounts recognised in the consolidated financial statements:

(a) Significant judgement made in applying accounting policies

(i) Determination of cash generating unit ("CGU") (Note 3)

Assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups thereof. A CGU is identified consistently from period to period for the same type of assets, unless a change is justified. The identification of CGUs requires significant judgement and can be one of the most difficult areas of impairment accounting. Other than identification of independent cash inflows, management also takes into account other factors such as revenue or asset separation, i.e. whether the streams of revenue derived from the groups of assets are independent of one another or whether assets that operated together to such an extent that they do not generate independent revenue streams. Management has identified the laundry-related assets located at the Loyang and Changi premises as a single CGU.

(ii) Determination of the lease term of right-of-use assets (Note 4)

The Group and the Corporation lease land, office premises and plant and machinery from government agencies and third parties to operate its business. In determining the lease term of right-of-use assets, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Extension options (or period after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The lease term is reassessed if an option is actually exercised (or not exercised) or the Group and the Corporation become obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects the assessment, and that is within the control of the lessee.

For leases of land, office premises and plant and machinery, the following factors are normally the most relevant:

(a) If there are significant penalties to terminate (or not extend), the Group and the Corporation are typically reasonably to certain to extend (or not terminate);
(b) If the leasehold land and office premises are expected to have significant remaining values, the Group and the Corporation are typically reasonably certain to extend (or not to terminate);
(c) Otherwise, the Group and the Corporation consider other factors including historical lease durations and the costs and business disruption required to replace the leased assets.

(iii) Control over the Yellow Ribbon Fund

The Yellow Ribbon Fund (the "Fund") was established by the Corporation in June 2004 and is managed by the Main Committee, comprising volunteers and ex-officio appointments from the Ministry of Home Affairs ("MHA"), Singapore Prison Service and the Corporation, appointed by the MHA.

2(a) Basis of preparation (Cont'd)

Significant accounting estimates and judgements (Cont'd)

(a) Significant judgement made in applying accounting policies (Cont'd)

(iii) Control over the Yellow Ribbon Fund (Cont'd)

In assessing whether the Corporation is acting as a custodian or agent but does not exercise control over the Fund, management has considered the following:

1. The Fund is held in trust and/or managed by the Corporation as an agent;
2. The Corporation does not bear/enjoy majority of the risks and rewards incidental to the activities of the Fund;
3. The Fund can only be used for specified purposes determined by MHA; and
4. The Corporation does not have the right to decide how the residual amounts in the Fund are to be used after the closure of the Fund.

Accordingly, such Fund is not included in the primary statements of the Corporation. Instead, the net assets of the Fund are presented at the bottom of the statement of financial position with disclosures in the notes to the financial statements in accordance with SB-FRS Guidance Note 3 *Accounting and Disclosure for Trust Funds*. (See Note 16 for more details)

(b) Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below. The Group and the Corporation based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future development, however, may change due to market changes or circumstances arising beyond the control of the Group and the Corporation. Such changes are reflected in the assumptions when they occur.

(i) Depreciation of property, plant and equipment, right-of-use assets, and intangible assets (Notes 3, 4 and 5)

The costs of property, plant and equipment, right-of-use assets and intangible assets are depreciated on a straight-line basis over their estimated useful lives. Management estimates the useful lives of these property, plant and equipment, right-of-use assets and intangible assets to be ranging (a) from 3 years to 16 years, (b) from 2 to 14 years, and (c) 3 years, respectively. Management reviews annually the estimated useful lives of property, plant and equipment, right-of-use assets and intangible assets based on factors that include asset utilisation, internal technical evaluation, technological changes and anticipated use of the assets. It is possible that future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned.

A decrease/increase in the estimated useful lives of property, plant and equipment, right-of-use assets, and intangible assets would increase/decrease the depreciation expense of the Group's property, plant and equipment, right-of-use assets and intangible assets by $297,000, $169,000 and $32,000 (2022 - $97,000, $122,000 and Nil); and $141,000, $122,000 and $64,000 (2022 - $202,000, $149,000 and Nil), respectively.

2(a) Basis of preparation (Cont'd)

Significant accounting estimates and judgements (Cont'd)

(b) Key sources of estimation uncertainty (Cont'd)

(ii) Impairment of the Group's non-financial assets (Notes 3 and 4)

At the end of each reporting period, management assesses whether there are any indications of impairment for the Group's non-financial assets comprising property, plant and equipment and right-of-use assets. These non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable.

An impairment exists when the carrying value of an asset or cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value-in-use. When value-in-use calculation is undertaken, management estimates the expected future cash flows from the asset of cash-generating unit by applying a suitable discount rate to calculate the present value of those cash flows. When fair value less costs to sell is used, it is determined by making reference to either a recent sale transaction or replacement cost method.

The carrying amount of the Group's non-financial assets are disclosed in Notes 3 and 4, respectively. As at the balance sheet date, management has identified indicators that the Group's laundry-related assets may be impaired. The recoverable amounts of the Group's laundry-related assets are determined using fair value less costs to sell. At the balance sheet date, a decrease of 10% in the fair value less costs to sell of the Group's laundry-related assets will reduce the Group's surplus for the year by $311,000 (2022 - $750,000).

(iii) Estimation of variable consideration for laundry sales (Note 15)

The contracts for the laundry sale include gas rebates and liquidated damages on lost/damaged linen that give rise to variable considerations. These variable considerations are determined under the sales agreement.

Estimation of gas rebate and liquidated damages are sensitive to changes in circumstances and the Group's past experiences regarding the gas rebate and liquidated damages on lost/damaged linen may not be representative of customer's actual claim. As at 31 March 2023, the provision of gas rebate and linen loss was $71,000 (2022 - $61,000).

(iv) Income tax (Note 21)

Significant judgement is involved in determining the provision for income tax. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

2(b) Adoption of new and revised standards

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Group has adopted all the new and revised SB-FRs, INT SB-FRS and SB-FRS Guidance Notes that are relevant to its operations and are effective for annual financial periods beginning on or after 1 April 2022.

The adoption of these standards did not have any material effect on the financial performance or position of the Group and the Corporation.

2(c) Standards issued but not yet effective

At the date of authorisation of these financial statements, the Group has not adopted the new and revised SB-FRS, INT SB-FRS and amendments to SB-FRS that have been issued but are not yet effective to them. Management anticipates that the adoption of these new and revised SB-FRS pronouncements in future periods will not have a material impact on the Group's financial statements in the period of their initial application, as discussed below.

2(d) Summary of significant accounting policies

Consolidation

The consolidated financial statements comprise the financial statements of the Corporation and its subsidiary at the end of the reporting period. The financial statements of the subsidiary used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Corporation. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control and continue to be consolidated until the date that such control ceases.

Subsidiary

A subsidiary is an investee that is controlled by the Corporation. The Corporation controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Thus, the Corporation controls an investee if, and only if, the Corporation has all of the following:

(i) power over the investee;
(ii) exposure, or rights or variable returns from its involvement with the investee; and
(iii) the ability to use its power over the investee to affect its returns

The Corporation reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

The Corporation considers all relevant facts and circumstances in assessing whether the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of the voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant authorities at the time that decisions need to be made including voting patterns at previous shareholders' meetings.

2(d) Summary of significant accounting policies (Cont'd)

Consolidation (Cont'd)

Subsidiary (Cont'd)

Loss of control

When the Corporation loses control of a subsidiary, a gain or loss is recognised in the consolidated statement of comprehensive income and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interest. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Corporation had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable SB-FRSs).

The fair value of any investment retained in the former subsidiary at the date when the control is lost is regarded as the fair value on the initial recognition for subsequent accounting under SB-FRS 109 or the cost on initial recognition of an investment in an associate or a joint venture, when applicable.

Property, plant and equipment and depreciation

Property, plant and equipment are recognised at cost less accumulated depreciation and accumulated impairment losses, if any.

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

	Useful lives
Leasehold building	Over the remaining lease term of 13.5 years
Plant, equipment and machinery	3 - 15 years
Furniture, fixture and fittings	8 years
Renovation	10 years

Assets under construction are not depreciated.

The cost of property, plant and equipment includes expenditure that is directly attributable to the acquisition of the items. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset.

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset when it is probable that future economic benefits in excess of the standard of performance of the asset before that expenditure was made will flow to the Group and the Corporation and the cost can be reliably measured. Other subsequent expenditure is recognised as an expense during the financial year in which it is incurred.

For acquisition and disposals during the financial period, depreciation is provided from the month of acquisition and to the month before disposal, respectively. Fully depreciated property, plant and equipment are retained in the books of accounts until they are no longer in use.

2(d) Summary of significant accounting policies (Cont'd)

Property, plant and equipment and depreciation (Cont'd)

The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognised in the statement of comprehensive income.

Depreciation methods, useful lives and residual values are reviewed, and adjusted as appropriate, at each reporting date as a change in estimates.

Leases

The Group and the Corporation as lessees

The Group and the Corporation assess whether a contract is or contains a lease at inception of the contract. The Group and the Corporation recognise a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of twelve months or less) and leases of low value assets.

For these leases, the Group and the Corporation recognise the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

(a) Lease liabilities

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group and the Corporation use the incremental borrowing rate specific to the lessee. The incremental borrowing rate is defined as the rate of interest that the lessee would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

Variable lease payments that are not based on an index or a rate are not included as part of the measurement and initial recognition of the lease liability. The Group and the Corporation shall recognise those lease payments in the consolidated statement of comprehensive income in the periods that trigger those lease payments.

For all contracts that contain both lease and non-lease components, the Group and the Corporation have elected to not separate lease and non-lease components and account these as one single lease component. The lease liabilities are presented as a separate line item in the statement of financial position.

2(d) Summary of significant accounting policies (Cont'd)

Leases (Cont'd)

The Group and the Corporation as lessees (Cont'd)

(a) Lease liabilities (Cont'd)

The lease liability is subsequently measured at amortised cost, by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group and the Corporation remeasure the lease liability (with a corresponding adjustment to the related right-of-use asset or to the statement of comprehensive income if the carrying amount of the right-of-use asset has already been reduced to nil) whenever:

- the lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used); or
- a lease contract is modified, and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

(b) Right-of-use assets

The right-of-use asset comprises the initial measurement of the corresponding lease liability, lease payments made at or before the commencement date, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group and the Corporation incur an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under SB-FRS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Depreciation on right-of-use assets is calculated using the straight-line method to allocate their depreciable amounts over the shorter period of lease term and useful life of the underlying asset, as follows:

Leasehold land:	Over the remaining lease term of 13.5 years
Office premises:	Over the remaining lease term of 2.25 years
Plant and machinery:	Over the lease term of 3 to 5.5 years

If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group and the Corporation expect to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

2(d) Summary of significant accounting policies (Cont'd)

Leases (Cont'd)

The Group and the Corporation as lessees (Cont'd)

(b) Right-of-use assets (Cont'd)

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

The Group and the Corporation apply SB-FRS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss.

The Group and the Corporationas lessors

When the Group and the Corporation act as a lessor, they determine at lease inception whether each lease is a finance or an operating lease.

To classify each lease, the Group and the Corporation make an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group and the Corporation consider certain indicators such as whether the lease is for the major part of the economic life of the asset.

At inception or on modification of a contract that contains a lease component, the Group and the Corporation allocate the consideration in the contract to each lease component on the basis of their relative stand-alone prices. If an arrangement contains lease and non-lease components, then the Group and the Corporation apply SB-FRS 115 to allocate the consideration in the contract.

The Group and the Corporation apply the derecognition and impairment requirements in SB-FRS 109 to the net investment in the lease. The Group and the Corporation further regularly review estimated unguaranteed residual values used in calculating the gross investment in the lease.

Intangible assets

Computer software

Computer software are initially recognised at cost. Such costs include the purchase price, net of any discounts and rebates, and other directly attributable cost at preparing the assets for their intended use. Subsequent to initial recognition, computer software is carried at cost less accumulated amortisation and impairment losses. These costs are amortised to the statement of comprehensive income using a straight-line method over the estimated useful lives of 3 years.

Computer software under implementation is not amortised.

Investment in a subsidiary

In the Corporation's separate financial statements, the investment in a subsidiary is carried at cost less accumulated impairment losses.

2(d) Summary of significant accounting policies (Cont'd)

Impairment of non-financial assets

As at each reporting date, the Group and the Corporation review the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group and the Corporation estimate the recoverable amount of the cash-generating unit to which the asset belongs.

Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value-in-use. In assessing 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 which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of comprehensive income, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of comprehensive income, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Inventories

Linen inventories are valued at the lower of cost and net realisable value. Cost is determined on a weighted average basis and includes all costs in bringing the inventories to their present location and condition. Allowance is made, where necessary, for obsolete, slow-moving and defective inventories.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs necessary to make the sale.

Financial instruments

Financial instruments carried on the statements of financial position include financial assets and financial liabilities. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item. These are recognised on the Group's and the Corporation's statement of financial position when the Group and the Corporation become a party to the contractual provisions of the instrument. Disclosures of the Group's and the Corporation's financial risk management objectives and policies are provided in Note 23.

Financial assets and finance liabilities are offset and the net amount presented on the statement of financial position when, and only when, the Group and the Corporation currently has a legally enforceable right to set off the recognised amounts, and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

2(d) Summary of significant accounting policies (Cont'd)

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI"), and fair value through profit or loss ("FVTPL").

The Group's and the Corporations' financial assets at amortised cost comprise trade and other receivables and cash and cash equivalents.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's and the Corporation's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group and the Corporation have applied the practical expedient, the Group and the Corporation initially measure a financial asset at its fair value plus, in the case of financial asset not at fair value through profit or loss, transaction costs.

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

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments);
- Financial assets at FVOCI with recycling of cumulative gains and losses (debt instruments);
- Financial assets designated at FVOCI with no recycling of cumulative gains and losses upon derecognition (equity instruments); or
- Financial assets at FVTPL

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

The Group and the Corporation do not hold any financial assets at FVOCI or FVTPL.

Derecognition

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

Impairment of financial assets

The Group and the Corporation assess on a forward-looking basis, the expected credit losses ("ECLs") associated with its debt instrument assets carried at amortised cost and FVOCI. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group and the Corporation expect to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

2(d) Summary of significant accounting policies (Cont'd)

Financial assets (Cont'd)

Impairment of financial assets (Cont'd)

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

For trade receivables, the Group and the Corporation measure the loss allowance at an amount equal to lifetime ECLs. Therefore, the Group and the Corporation do not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at the end of each reporting period. The Group and the Corporation have established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For all other receivables, the Group and the Corporation recognise lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Group and the Corporation measure the loss allowance for that financial instrument at an amount equal to 12-month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increase in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

The Group and the Corporation consider a financial asset to be in default when internal or external information indicates that the Group and the Corporation are unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group and the Corporation.

At the end of each reporting period, the Group and the Corporation assess whether financial assets carried at amortised cost are credit-impaired. A financial asset is "credit-impaired" when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Group and the Corporation on terms that the Group and the Corporation would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of these assets. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and fixed deposits and are subject to an insignificant risk of changes in value. For purpose of presentation in the statement of cash flows, cash and cash equivalents include cash at bank and deposits held with Accountant-General's Department.

2(d) Summary of significant accounting policies (Cont'd)

Capital account

The Corporation's capital account represents capital injections by the Ministry of Finance, a body corporate incorporated by the Minister for Finance (Incorporation) Act 1959, in its capacity as a shareholder under the debt-equity framework for statutory boards implemented with effect from 1 September 2004. Under this framework, capital projects will be partially funded by the Ministry of Finance as equity injection and remaining through general funds of the Corporation.

Financial liabilities

The Group's and the Corporation's financial liabilities include borrowings lease liabilities and trade and other payables.

Initial recognition and measurement

The Group and the Corporation determine the classification of its financial liabilities at initial recognition.

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

Borrowings to be settled within the Group's and the Corporation's normal operating cycle are considered as "current". Other borrowings due to be settled more than 12 months after the reporting date are included in "non-current" borrowings in the statement of financial position. Borrowings are recognised initially at fair value of proceeds received less attributable transaction costs, if any. Borrowings are subsequently stated at amortised cost which is the initial fair value less any principal repayments. Any difference between the proceeds (net of transaction costs) and the redemption value is taken to the statement of comprehensive income over the period of the borrowings using the effective interest method. The interest expense is chargeable on the amortised cost over the period of borrowing using the effective interest method.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at FVTPL are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in the statement of comprehensive income when the liabilities are derecognised, and through the amortisation process.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the statement of comprehensive income.

Provisions

Provisions are recognised when the Group and the Corporation have 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.

2(d) Summary of significant accounting policies (Cont'd)

Provisions (Cont'd)

Management reviews the provisions annually and where in his opinion, the provision is inadequate or excessive, due adjustment is made.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of the time is recognised as finance costs.

Trust fund

Trust funds are set up to account for funds held in trust where Yellow Ribbon Fund is not the owner and beneficiary of the funds received from the Government and other organisations. The receipts and expenditure in respect of fund are taken directly to the funds accounts and the net assets relating to the funds are shown as a separate line item in the statement of financial position. Trust fund are accounted for on the accrual basis.

Yellow Ribbon Fund administers the funds on behalf of the holders of these funds. Upon dissolution of these funds, the remaining moneys in these funds shall be donated to an Institution of Public Character with similar objectives in Singapore which is or are registered under the Charities Act as the members of the Fund may determine.

Employee benefits

Short-term employee benefits

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

Pension obligations

The Group and the Corporation contribute to the Central Provident Fund ("CPF"), a defined contribution plan regulated and managed by the Government of Singapore, which applies to the majority of the employees.

The Group's and the Corporation's contributions to CPF are charged to the statement of comprehensive income in the year to which the contributions relate.

Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. Accrual is made for the unconsumed leave as a result of services rendered by employees up to the end of the reporting year.

Revenue

Revenue is recognised when the Group and the Corporation satisfy a performance obligation by transferring a promised good or extending a service to the customer, which is when the customer obtains control of the good or derive benefits from the usage of the service. A performance obligation may be satisfied at a point in time or over time. If a performance obligation is satisfied over time, the revenue is recognised based on the percentage of completion reflecting the progress towards complete satisfaction of that performance obligation. The amount of revenue recognised is the amount allocated to the satisfied performance obligation. Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

2(d) Summary of significant accounting policies (Cont'd)

Revenue (Cont'd)

(a) Leasing income

The Group provides Industrial Space Leasing which includes (i) a fixed monthly management fee for the use of industrial space under the Private Sector Participation Scheme; (ii) utilisation fees arising from inmate services rendered to third parties; and (iii) utility charges. Revenue from management fee is recognised over time, whilst revenue from utilisation fees and utility charges are recognised upon the satisfaction of the performance obligations at a point in time.

(b) Business outsourcing

The Group provides labour intensive service to multinational corporations as well as small and medium enterprises.

The amount of revenue recognised is based on the transaction price. Revenue from business outsourcing is recognised upon the satisfaction of the performance obligation at the point of time.

(c) Rendering of services

The Group sells standard kitchen meals, bread and catering services, and provides laundry, dry cleaning services and other residential care services.

The transaction price is allocated to the services based on their relative standalone selling prices. Revenue from rendering of services is recognised upon the satisfaction of the performance obligation at the point of time.

(d) Halfway house management fee

Pursuant to the Memorandum of Understanding dated 2 June 2014, the Singapore Prison Service ("SPS") and the Corporation entered into an Implementation Agreement for the Group to manage and provide rehabilitative and aftercare services to the residents, residing at Selarang Halfway House before and after discharge from custody.

The management fee includes (i) a pre-agreed Furniture and Equipment Fee received annually; (ii) 92% Per Capita Fee and (iii) the remaining 8% Per Capita Fee annually, payable when the agreed key performance indicators are met.

Management fee income on Furniture and Equipment Fee and the 92% Per Capita Fee are recognised over time, whilst the 8% Per Capita Fee is recognised upon the satisfaction of key performance indicators, i.e. at a point in time.

(e) Interest income

Interest income arising from bank deposits and investment securities are recognised on an accrual basis.

2(d) Summary of significant accounting policies (Cont'd)

Government grants

Government grants received in advance are recognised on the Group's and the Corporation's statement of financial position upon receipt of the grant funds from the Government.

Grants from the Government are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Group and the Corporation will comply with all attached conditions. Government grants are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis.

Government grants relating to assets are deducted against the carrying amount of the assets.

Related parties

The Corporation is established as a statutory board and is an entity related to the Government of Singapore. The Group's and the Corporation's related parties refer to Government-related entities including Ministries, Organs of State and other Statutory Boards. The Group and the Corporation apply the exemption in Paragraph 25 of SB-FRS 24 *Related Party Disclosures* such that required disclosures are limited to the following information to enable users of the Group's and the Corporation's financial statements to understand the effect of related party transactions on the financial statements:

(a) the nature and amount of each individually significant transaction with Ministries, Organs of State and other Statutory Boards; and

(b) for other transactions with Ministries, Organs of State and other Statutory Boards that are collectively but not individually significant, a qualitative or quantitative indication of their extent.

Key management personnel

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

Income taxes

The Corporation is a tax-exempted institution under the provisions of the Statutory Income Tax Act 1947. The subsidiary of the Corporation is subject to local income tax legislation.

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of reporting period.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

2(d) Summary of significant accounting policies (Cont'd)

Income taxes (Cont'd)

Deferred income tax is measured:

(i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the date of the financial position; and

(ii) based on the tax consequence that will follow from the manner in which the Group expects, at the end of reporting period, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred income taxes are recognised as income or expense in statement of comprehensive income, except to the extent that the tax arises from a business combination or a transaction which is recognised either in other comprehensive income or directly in equity.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same fiscal authority.

Functional currencies

Functional and presentation currency

Items included in the financial statements of the Group and the Corporation are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements of the Group and the Corporation are presented in Singapore Dollars, which is also the functional currency of the Group and the Corporation.

Conversion of foreign currencies

Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency translation differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the reporting date are recognised in the statement of comprehensive income.

Foreign exchange gains and losses that relate to borrowings are presented in the statement of comprehensive income within "other expenses". Foreign currency gains and losses are reported on a net basis as either other income or other operating expense depending on whether foreign currency movements are in a net gain or net loss position. Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

3 Property, plant and equipment

The Group	Leasehold building	Plant, equipment and machinery	Furniture, fixtures and fittings	Renovation	Assets under construction	Total
Cost	$	$	$	$	$	$
At 1 April 2021	11,839,600	25,266,814	2,761,949	4,637,537	544,540	45,050,440
Transfer	-	544,540	-	-	(544,540)	-
Additions	-	697,775	104,820	-	-	802,595
Disposal/written off	-	(104,328)	(1)	-	-	(104,329)
At 31 March 2022	**11,839,600**	**26,404,801**	**2,866,768**	**4,637,537**	**-**	**45,748,706**
Additions	**-**	**1,110,039**	**-**	**-**	**1,604,523**	**2,714,562**
Disposal/written off	**-**	**(874,382)**	**(10,666)**	**-**	**-**	**(885,048)**
At 31 March 2023	**11,839,600**	**26,640,458**	**2,856,102**	**4,637,537**	**1,604,523**	**47,578,220**
Accumulated depreciation						
At 1 April 2021	3,655,265	19,434,333	2,521,839	2,002,619	-	27,614,056
Depreciation for the year	593,624	1,288,763	59,976	521,652	-	2,464,015
Disposal/written off	-	(92,243)	(1)	-	-	(92,244)
At 31 March 2022	**4,248,889**	**20,630,853**	**2,581,814**	**2,524,271**	**-**	**29,985,827**
Depreciation for the year	**572,884**	**1,181,174**	**63,512**	**463,755**	**-**	**2,281,325**
Disposal/written off	**-**	**(820,970)**	**(8,444)**	**-**	**-**	**(829,414)**
At 31 March 2023	**4,821,773**	**20,991,057**	**2,636,882**	**2,988,026**	**-**	**31,437,738**
Carrying amount						
At 31 March 2023	**7,017,827**	**5,649,401**	**219,220**	**1,649,511**	**1,604,523**	**16,140,482**
At 31 March 2022	**7,590,711**	**5,773,948**	**284,954**	**2,113,266**	**-**	**15,762,879**

3 Property, plant and equipment (Cont'd)

The Corporation

Cost	Leasehold building $	Plant, equipment and machinery $	Furniture, fixtures and fittings $	Total $
At 1 April 2021	11,839,600	3,076,841	287,790	15,204,231
Additions	-	196,440	104,800	301,240
Disposal/written off	-	(90,726)	-	(90,726)
At 31 March 2022	**11,839,600**	**3,182,555**	**392,590**	**15,414,745**
Additions	-	**749,639**	-	**749,639**
Disposal/written off	-	**(784,772)**	**(10,666)**	**(795,438)**
At 31 March 2023	**11,839,600**	**3,147,422**	**381,924**	**15,368,946**
Accumulated depreciation				
At 1 April 2021	3,655,265	1,973,201	148,607	5,777,073
Depreciation for the year	593,624	565,981	39,136	1,198,741
Disposal/written off	-	(86,383)	-	(86,383)
At 31 March 2022	**4,248,889**	**2,452,799**	**187,743**	**6,889,431**
Depreciation for the year	**572,884**	**500,010**	**43,407**	**1,116,301**
Disposal/written off	-	**(770,822)**	**(8,444)**	**(779,266)**
At 31 March 2023	**4,821,773**	**2,181,987**	**222,706**	**7,226,466**
Carrying amount				
At 31 March 2023	**7,017,827**	**965,435**	**159,218**	**8,142,480**
At 31 March 2022	7,590,711	729,756	204,847	8,525,314

Assets under construction relate to the installation of bakery equipment as at the reporting date.

The Group's and the Corporation's leasehold building with a carrying amount of $7,017,827 (2022 - $7,590,711) is mortgaged to a financial institution to secure the Group's and the Corporation's term loan as disclosed in Note 12 to the financial statements.

4 Right-of-use assets

The Group

Cost	Leasehold Land $	Office premises and other equipment $	Plant and equipment $	Total $
At 1 April 2021 and 31 March 2022	1,779,486	2,696,636	8,750,451	13,226,573
New leases	-	**62,422**	-	**62,422**
At 31 March 2023	**1,779,486**	**2,759,058**	**8,750,451**	**13,288,995**
Accumulated depreciation				
At 1 April 2021	203,899	1,140,521	2,564,997	3,909,417
Depreciation for the year	111,218	542,307	592,987	1,246,512
At 31 March 2022	315,117	1,682,828	3,157,984	5,155,929
Depreciation for the year	**111,218**	**554,392**	**591,477**	**1,257,087**
At 31 March 2023	**426,335**	**2,237,220**	**3,749,461**	**6,413,016**

4 Right-of-use assets (Cont'd)

The Group

Carrying amount	Leasehold land $	Office premises and other equipment $	Plant and equipment $	Total $
At 31 March 2023	**1,353,151**	**521,838**	**5,000,990**	**6,875,979**
At 31 March 2022	1,464,369	1,013,808	5,592,467	8,070,644

The Corporation

Cost	Leasehold land $	Office premises $	Total $
At 1 April 2021 and 31 March 2022	1,779,486	2,596,694	4,376,180
New leases	-	34,892	34,892
31 March 2023	**1,779,486**	**2,631,586**	**4,411,072**
Accumulated depreciation			
At 1 April 2021	203,899	1,089,826	1,293,725
Depreciation for the year	111,218	515,091	626,309
At 31 March 2022	**315,117**	**1,604,917**	**1,920,034**
Depreciation for the year	**111,218**	**530,045**	**641,263**
At 31 March 2023	**426,335**	**2,134,962**	**2,561,297**
Carrying amount			
At 31 March 2023	**1,353,151**	**496,624**	**1,849,775**
At 31 March 2022	1,464,369	991,777	2,456,146

The right-of-use assets are secured against lease liabilities (refer to Note 13).

Assets under hire purchase agreements
As at 31 March 2023, the Group leases plant and equipment with a carrying amount of $5.0 million (2022 - $5.6 million) under a number of hire purchase agreements

The consolidated statement of comprehensive income shows the following amounts relating to leases:

The Group	**2023** **$**	2022 $
Interest expense on lease liabilities (Note 19)	**196,482**	215,544
Rental expense of plant and equipment on short-term leases	**144,298**	149,890

5 Intangible assets

The Group	Software	Software under implementation	Total
Cost	$	$	$
At 1 April 2021	-	-	-
Additions	-	198,636	198,636
At 31 March 2022	-	198,636	198,636
Additions	**185,172**	**-**	**185,172**
Transfers	**198,636**	**(198,636)**	**-**
At 31 March 2023	**383,808**	**-**	**383,808**
Accumulated depreciation			
At 1 April 2021 and 31 March 2022	-	-	-
Depreciation for the year	127,936	-	127,936
At 31 March 2023	**127,936**	**-**	**127,936**
Carrying amount			
At 31 March 2023	**255,872**	**-**	**255,872**
At 31 March 2022	-	198,636	198,636

6 Investment in subsidiary

The Corporation	31 March 2023 $	31 March 2022 $
Unquoted equity shares, at cost	**20,789,813**	20,789,813

Details of the subsidiary are as follows:

Name of subsidiary	Country of incorporation/principal place of business	Proportion of ownership interest 31 March 2023	Proportion of ownership interest 31 March 2022	Principal activities
Yellow Ribbon Industries Pte. Ltd. (formerly known as YR Industries Pte. Ltd)[1]	Singapore	**100%**	100%	Laundry and dry cleaning services except self-operated laundries and residential care services for ex-offenders, cooked food, manufacturing of bakery products and management of a halfway house.

[1] Audited by Foo Kon Tan LLP

7 Trade and other receivables

	The Group 31 March 2023 $	The Group 31 March 2022 $	The Corporation 31 March 2023 $	The Corporation 31 March 2022 $
Trade receivables	**9,342,134**	6,051,652	**6,941,860**	3,750,808
Amount due from subsidiary (trade)	**-**	-	**599,840**	2,068,364
Accrued receivables	**2,434,807**	4,404,214	**1,182,969**	2,601,156
	11,776,941	10,455,866	**8,724,669**	8,420,328
Interest receivable	**179,303**	25,262	**179,303**	25,262
Other recoverable	**524,127**	585,231	**-**	-
Refundable deposits	**210,190**	18,390	**33,120**	-
Financial assets at amortised cost	**12,690,561**	11,084,749	**8,937,092**	8,445,590
Prepayments	**778,678**	658,964	**304,011**	208,905
	13,469,239	11,743,713	**9,241,103**	8,654,495

Trade receivables are unsecured, non-interest bearing and are generally on 30 to 60 days' terms (2022 - 30 to 60 days).

Trade and other receivables are denominated in Singapore Dollars.

The Group's and the Corporation's exposure to credit risk is disclosed in Note 23 to the financial statements.

8 Grants receivable/(Grants received in advance)

	31 March 2023 $	31 March 2022 $
The Group		
At beginning of year	**3,714,475**	2,986,030
Unutilised grants returned in respect of previous financial years	**732,350**	-
Grants received in respect of the previous financial year	**(4,592,885)**	(3,299,850)
Grants received in respect of the current financial year	**(16,813,223)**	(7,147,282)
Government grants received, net	**(20,673,758)**	(10,447,132)
Government grant recognised as income in the consolidated statement of comprehensive income	**22,450,348**	11,175,577
At end of year	**5,491,065**	3,714,475
The Corporation		
At beginning of year	**3,714,475**	2,986,030
Unutilised grants returned in respect of previous financial years	**732,350**	-
Grants received in respect of the previous financial year	**(4,592,885)**	(3,299,850)
Grants received in respect of the current financial year	**(16,576,643)**	(6,725,104)
Government grants received, net	**(20,437,178)**	(10,024,954)
Government grant recognised as income in the Corporation's statement of comprehensive income	**22,213,768**	10,753,399
At end of year	**5,491,065**	3,714,475

8 Grants receivable/(Grants received in advance) (Cont'd)

The Group and the Corporation	31 March 2023 $	31 March 2022 $
Comprises:		
Grants receivables	**13,742,107**	5,638,347
Grants received in advance	**(8,251,042)**	(1,923,872)
	5,491,065	3,714,475

9 Cash and cash equivalents

	The Group		The Corporation	
	31 March 2023 $	31 March 2022 $	**31 March 2023 $**	31 March 2022 $
Cash maintained with the Accountant-General's Department ("AGD")	**15,776,582**	16,317,692	**15,776,582**	16,317,692
Cash at Bank	**12,145,522**	10,371,282	**-**	-
	27,922,104	26,688,974	**15,776,582**	16,317,692

At the reporting date, the carrying amounts of cash and cash equivalents are denominated in Singapore Dollars.

Cash maintained with the AGD are centrally managed under the Centralised Liquidity Management Framework ("CLM") based on the directive set out in the Accountant-General Circular's No. 4/2009. These are short-term deposits earning interest ranging from 0.49% to 2.85% (2022 - 0.21% to 1.09%) per annum.

10 Capital account

The Group and The Corporation	31 March 2023 $	31 March 2022 $
Value of assets taken over from former Prison Industries	**1,443,262**	1,443,262
Capital grants from Singapore Government	**218,000**	218,000
Capital injection from Ministry of Finance	**1,000**	1,000
	1,662,262	1,662,262

At the balance sheet date, the Corporation's share capital comprises fully paid-up 1,000 ordinary shares. The shares represent the capital injections by the Ministry of Finance, a body corporate incorporated by the Minister for Finance (Incorporation) Act 1959, in its capacity as a shareholder under the debt-equity framework for statutory boards implemented with effect from 1 September 2004. Under this framework, capital projects will be partially funded by the Ministry of Finance as equity injection and remaining through general funds of the Corporation.

Dividends
The Ministry of Finance is entitled to receive dividends annually, computed based on the cost of equity applied to the Corporation's equity base and it is capped at the statutory board's annual accounting surplus.

11 Deferred tax liabilities

The movement in liabilities are as follows:

The Group	$
At 1 April 2021	989,000
Charged to the statement of comprehensive income (Note 21)	520,000
At 31 March 2022	**1,509,000**
Charged to the statement of comprehensive income (Note 21)	**165,631**
At 31 March 2023	**1,674,631**

Deferred tax assets are recognised for unutilised tax losses and unutilised deductible temporary differences carried forward to the extent that realisation of the related tax benefits through future taxable profits is probable. At the reporting date, deferred tax liabilities arose from timing differences between the subsidiary's accounting and tax bases on qualifying plant and equipment and right-of-use assets acquired under hire purchase agreements.

Tax losses of the subsidiary may be carried forward indefinitely subject to the conditions imposed by law including the retention of majority shareholders as defined.

12 Term loan

The Group and The Corporation	31 March 2023 $	31 March 2022 $
Within one year	**413,659**	406,425
Later than one year but not later than five years	**1,950,852**	1,818,869
Later than five years	**2,480,415**	3,024,319
	4,431,267	4,843,188
	4,844,926	5,249,613

The Singapore dollars denominated term loan is secured by a legal mortgage over the Group's and the Corporation's leasehold building with net carrying value of $7,017,827 (2022 - $7,590,711) (Note 3).

The details of the term loan are as follows:

Term loan	Principal sum $	Effective interest rate % p.a.	Repayment terms
Term loan #1	6,574,712	3.25% p.a. below the prevailing Enterprise Base Rate for the first year 3.15% p.a. below the prevailing Enterprise Base Rate for the second year 2% p.a. below the prevailing Enterprise Base Rate for the third year 1.4% p.a. below the prevailing Enterprise Base Rate thereafter	Monthly instalment shall be computed based on the principal loan outstanding and remaining loan period as at the date of conversion and is subject to variation in accordance with the interest rate.

13 Lease liabilities

	The Group		The Corporation	
	31 March 2023 $	31 March 2022 $	31 March 2023 $	31 March 2022 $
Undiscounted lease payments due:				
Due not later than one year	**1,862,749**	1,877,054	**679,864**	699,594
Due later than one year but not later than five years	**1,654,982**	3,447,799	**567,095**	1,084,665
Due later than five years	**1,016,045**	1,157,819	**1,016,045**	1,157,819
	4,533,776	6,482,672	**2,263,004**	2,942,078
Less: Unearned interest cost	**(541,127)**	(847,001)	**(302,911)**	(374,524)
Present value of minimum lease payments	**3,992,649**	5,635,671	**1,960,093**	2,567,554
Presented as:				
Non-current	**2,306,002**	3,953,931	**1,332,930**	1,939,920
Current	**1,686,647**	1,681,740	**627,163**	627,634
	3,992,649	5,635,671	**1,960,093**	2,567,554

Interest expense on lease liabilities amounting to $196,482 (2022 - $215,544) (refer to Note 19). Total cashflows for all leases in the current financial year amounting to $2,046,224 (2022 - $2,039,584), including short-term leases of $144,298 (2022 – $149,890) (refer to Note 4).

The lease liabilities are secured by the Group's and the Corporation's title to right-of-use assets (Note 4).

Lease liabilities are denominated in Singapore Dollars.

14 Trade and other payables

	The Group		The Corporation	
	31 March 2023 $	31 March 2022 $	31 March 2023 $	31 March 2022 $
Trade payables	**3,197,785**	2,261,666	**637,075**	259,478
Amounts due to a subsidiary (trade)	**-**	-	**7,690,662**	8,301,667
Accrued Food and Business Solutions cost	**171,833**	418,541	**-**	-
Accrued Laundry costs	**158,538**	122,297	**-**	-
Accrued bonuses, manpower and related costs	**2,162,495**	2,843,285	**1,247,568**	1,189,172
Accrued utilities	**55,619**	349,687	**-**	-
Accrued expenses	**2,704,600**	1,050,792	**2,623,188**	687,490
Other payables	**426,571**	367,988	**401,476**	360,539
Financial liabilities at amortised cost	**8,877,441**	7,414,256	**12,599,969**	10,798,346
Output GST payables, net	**493,045**	558,653	**689,456**	646,048
	9,370,486	7,972,909	**13,289,425**	11,444,394

Trade payables are non-interest bearing and are generally on 30 - 90 days credit terms (2022 – 30 - 90 days).

Trade and other payables are denominated in Singapore Dollars.

15 Provisions

The Group	Linen loss $	Gas rebate $	Total $
At 1 April 2021	86,169	234,091	320,260
Provision made during the year	150,960	34,000	184,960
Utilisation	(158,543)	(188,001)	(346,544)
Provision no longer required	(17,928)	(80,090)	(98,018)
	(25,511)	(234,091)	(259,602)
At 31 March 2022	**60,658**	-	**60,658**
Provision made during the year	**150,960**	-	**150,960**
Provision no longer required	**(141,077)**	-	**(141,077)**
	9,883	-	**9,883**
At 31 March 2023	**70,541**	-	**70,541**

The provision of linen loss pertains to the compensation for lost or damaged linen.

16 Net assets of the Yellow Ribbon Fund

The Corporation established Yellow Ribbon Fund (the "Fund") in 2004 as one of the Community Action for the Rehabilitation of Ex-offenders ("CARE") Network's key initiative. The project seeks to engage the community in accepting ex-offenders and their families, giving them a second chance at life and to inspire a ripple effect of concerted community action to support ex-offenders and their families.

The Fund administers funding to the development and implementation of reintegration programmes for inmates and ex-offenders as well as family support programmes to strengthen family ties of inmates and ex-offenders.

Proceeds from the various fund-raising activities will go towards funding a variety of rehabilitation and reintegration programmes as well as family support programmes which are in line with the vision of CARE Network to their family members.

The Yellow Ribbon Fund was granted Institute of Public Character (IPC) status since August 2004. Its Charity Registration Number is 01808.

The statement of financial activities of the Fund is as follows:

	Year ended 31 March 2023 $	Year ended 31 March 2022 $
Income		
Donation income	**1,081,300**	948,119
Events income	**1,391,416**	908,124
Grants and bursaries	**483,194**	756,374
Total income	**2,955,910**	2,612,617
Less: General expenditure		
Fund raising expenses	**181,453**	134,125
General and miscellaneous expenses	**50,993**	131,948
Manpower costs	**585,736**	414,943
Total general expenditure	**818,182**	681,016
Operating surplus for the year	**2,137,728**	1,931,601

16 Net assets of the Yellow Ribbon Fund (Cont'd)

	Year ended 31 March 2023 $	Year ended 31 March 2022 $
Operating surplus for the year	**2,137,728**	1,931,601
Add/(less): Other income/(expenditure)		
Disbursement of funds	**(936,322)**	(1,896,459)
Interest income	**20,650**	4,432
	(915,672)	(1,892,027)
Surplus for the year	**1,222,056**	39,574

The statement of financial position of the Fund are as follows:

	31 March 2023 $	31 March 2022 $
Current assets:		
Other receivables	**23,882**	290,000
Cash and bank balances	**8,091,536**	6,724,119
	8,115,418	7,014,119
Current liabilities:		
Other payables	**268,046**	388,803
Net assets	**7,847,372**	6,625,316

17 Operating income

The Group	Year ended 31 March 2023 $	Year ended 31 March 2022 $
Business outsourcing, at a point in time	-	1,374,900
Halfway house management fee:		
- At a point in time	-	382,239
- Over time	**6,692,013**	7,241,968
	6,692,013	7,624,207
Leasing income:		
- At a point in time	**1,771,849**	1,829,374
- Over time	**539,590**	539,020
	2,311,439	2,368,394
Rendering of services, at a point in time	**42,505,789**	43,605,452
	51,509,241	54,972,953

18 Other income

The Group	Year ended 31 March 2023 $	Year ended 31 March 2022 $
Interest income from bank deposits	**230,265**	40,979
Others	**114,531**	45,379
	344,796	86,358

19 Finance costs

The Group	Year ended 31 March 2023 $	Year ended 31 March 2022 $
Interest expenses on:		
- Term loan	**250,402**	220,570
- Lease liabilities	**196,482**	215,544
	446,884	436,114

20 Manpower costs

The Group	Year ended 31 March 2023 $	Year ended 31 March 2022 $
Salaries and related costs	**20,067,594**	19,755,921
Contributions to Central Provident Fund	**2,803,356**	2,703,091
	22,870,950	22,459,012
Seconded staff	**2,759,066**	1,516,135
	25,630,016	23,975,147

Compensation of key management personnel

The key management personnel compensation comprises:

The Group	Year ended 31 March 2023 $	Year ended 31 March 2022 $
Board members' allowance	**140,625**	145,110
Directors' fees of a subsidiary	**57,273**	41,892
Other key management members' remuneration:		
- Short-term employee benefits	**2,843,973**	1,885,532
- contribution to defined contribution plans	**231,833**	179,531
	3,075,806	2,065,063
	3,273,704	2,252,065

21 Taxation

	Year ended 31 March 2023 $	Year ended 31 March 2022 $
Current tax expense		
- Current year	**590,437**	36,975
- Over-provision in respect of prior year	**(36,975)**	-
	553,462	36,975
Deferred tax expense		
- Origination and reversal of temporary differences, net (Note 11)	**165,631**	520,000
	719,093	556,975

21 Taxation (Cont'd)

The tax expense on the results of the financial year varies from the amount of income tax determined by applying the applicable tax rate on profit before tax as a result of the following:

	Year ended 31 March 2023 $	Year ended 31 March 2022 $
Surplus before taxation	**4,490,495**	1,752,852
Tax at applicable tax rates of 17% (2022 - 17%)	**763,384**	297,985
Tax effect on the Corporation's deficit not carried forward	**-**	401,111
Tax exemption	**(17,425)**	-
Tax effect on non-taxable income	**-**	(23,879)
Tax effect on non-deductible expenses	**365,233**	287,718
Utilisation of deferred tax assets previously not recognised	**(355,124)**	(405,960)
Over-provision in respect of prior year	**(36,975)**	-
	719,093	556,975

Non-taxable income mainly comprises government grant income of the subsidiary. Non-deductible expenses mainly comprise non-capitalised assets, depreciation charge, interest on lease liabilities and provisions made for the financial year/period.

As at 31 March 2023 and 2022, the Group has unutilised donations of Nil (2022 - $2,000) which can be carried forward and used to offset against future taxable income subject to meeting certain statutory requirements. The comparatives have been changed to reflect the revised unutilised losses after the finalisation of open years of assessment.

22 Related party transactions

Some of the Group's transactions and arrangements are with related parties and the effect of these on the basis determined between the parties is reflected in these financial statements. The balances are unsecured, interest-free and repayable on demand unless otherwise stated.

The Group and the Corporation entered into the following significant transactions with its parent Ministry - Ministry of Home Affairs, Singapore Prison Service ("SPS") and other related parties during the year, which are reimbursable in full:

The Group	**Year ended 31 March 2023 $**	Year ended 31 March 2022 $
YRSG's transactions with subsidiary		
Rental income	**1,379,508**	1,407,228
Management Fee	**1,542**	(29,604,787)
Billings on behalf of a subsidiary	**(30,021,702)**	-
Purchase of meals and festive goodies	**(37,376)**	(26,505)
Expenses paid on behalf	**(1,418,395)**	(9,083,224)
Ministry of Home Affairs		
Sales proceeds received on behalf of subsidiary	**121,192**	120,446
Expenses paid on behalf	**(57,076)**	(97,762)
Singapore Prison Service		
Sales proceeds received on behalf of subsidiary	**33,661,917**	34,482,823
Other Ministries and Statutory Boards		
Expenses paid on behalf	**(147,538)**	(52,300)

22 Related party transactions (Cont'd)

The Group	**Year ended 31 March 2023 $**	Year ended 31 March 2022 $
Yellow Ribbon Fund		
Expenses paid on behalf	**(474,334)**	(503,073)

23 Financial risk management objectives and policies

The Group and the Corporation maintain documented financial risk management policies. These policies set out the Group's and the Corporation's overall business strategies and its risk management philosophy. The Group and the Corporation are exposed to similar financial risks arising from its operations and the use of financial instruments. The key financial risks included credit risk, liquidity risk and market risk (including currency risk, interest rate risk and price risk). The Group's and the Corporation's overall risk management programme focus on the unpredictability of financial markets and seeks to minimise adverse effects from the unpredictability of financial markets on the Group's and the Corporation's financial performance.

The Group and the Corporation does not hold or issue derivative financial instruments for trading purposes or to hedge against fluctuations, if any, in interest rates and foreign exchange.

Credit risk

Credit risk is the risk of financial loss to the Group and the Corporation if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The Group's and the Corporation's exposure to credit risk arises primarily from trade and other receivables. For other financial assets, the Company minimises credit risk by dealing exclusively with high credit rating counterparties.

The Group and the Corporation have adopted a policy of only dealing with creditworthy counterparties. The Group and the Corporation perform ongoing credit evaluation of its counterparties' financial condition and generally do not require a collateral.

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

The Group and the Corporation have determined the default event on a financial asset to be when internal and/or external information indicates that the financial asset is unlikely to be received, which could include default of contractual payments.

To minimise credit risk, the Group and the Corporation have developed and maintained the Group's and the Corporation's credit risk gradings to categorise exposures according to their degree of risk of default. The credit rating information is supplied by publicly available financial information and the Group's and the Corporation's own trading records to rate its major customers and other debtors.

23 Financial risk management objectives and policies (Cont'd)

Credit risk (Cont'd)

The Group and the Corporation consider available reasonable and supportive forward-looking information which includes the following indicators:

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

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 to 60 days past due in making contractual payment.

The Group and the Corporation determined that its financial assets are credit-impaired when:

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

The Group and the Corporation categorised a receivable for potential write-off when a debtor fails to make contractual payments more than 180 days past due. Financial assets are written off when there is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery.

The Group's and the Corporation's current credit risk grading framework comprises the following categories:

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

23 Financial risk management objectives and policies (Cont'd)

Credit risk (Cont'd)

Credit risk concentration profile

The Group and the Corporation determine concentrations of credit risk by monitoring the business segment profile of its trade receivables on an on-going basis. The credit risk concentration profile of the Group's and the Corporation's trade receivables by business segments at the reporting date is as follows:

	The Group		The Corporation	
	31 March 2023	31 March 2022	**31 March 2023**	31 March 2022
	$	$	**$**	$
By business segments:				
Private Partnership Scheme	**398,012**	304,085	**398,012**	304,085
Business Outsourcing	**102,438**	133,382	**-**	-
Bakery	**130,126**	107,647	**-**	-
Central Kitchens	**7,006,276**	2,129,803	**6,958,993**	2,111,069
Laundry	**3,272,519**	2,031,926	**-**	-
Others	**867,570**	5,749,023	**1,367,664**	6,005,174
	11,776,941	10,455,866	**8,724,669**	8,420,328

Trade receivables

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

As at the end of the reporting period, the age analysis of trade receivables past due but not impaired was as follows:

The Group	**31 March 2023**	31 March 2022
	$	$
Past due less than 1 month	**229,723**	211,226
Past due 1 to 2 months	**31,681**	67,948
Past due over 2 to 3 months	**-**	-
Past due over 3 months	**-**	24,700

Excessive risk concentration

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

Exposure to credit risk

As at 31 March 2023, the Group and the Corporation have significant concentration in credit risk from a government agency. The Group and the Corporation have credit policies and procedures in place to minimise and mitigate its credit risk exposure.

23 Financial risk management objectives and policies (Cont'd)

Credit risk (Cont'd)

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

Market risk

Price risk
At the balance sheet date, the Group and the Corporation do not have any exposure to price risk following the maturity of the quoted financial assets measured at amortised cost.

Interest rate risk
Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Corporation's financial instruments will fluctuate because of changes in market interest rate. The Group and the Corporation are minimally exposed to interest rate risk on its term loan with a financial institution and interest-bearing bank deposits. The Group and the Corporation have cash balances placed with reputable banks and financial institutions which generate interest income for the Group and the Corporation. The Group and the Corporation manage its interest rate risks by placing such balances on varying maturities and interest rate terms.

Interest rates on the Group's and the Corporation's lease liabilities as disclosed in Note 13 are fixed at the contract date, and thus does not expose the Group and the Corporation to interest rate risk. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

Sensitivity analysis for interest rate risk
A 1% change in interest rate on the term loan with a financial institution would not have a material impact on the Group's and the Corporation's net surplus for the financial years ended 31 March 2023 and 31 March 2022.

Liquidity risk

Liquidity or funding risk is the risk that an enterprise will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Group's and the Corporation's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's and the Corporation's reputation. The Corporation regularly reviews its liquidity reserves, comprising cash flows from its operations and government grants, to ensure sufficient liquidity is maintained at all times.

23 Financial risk management objectives and policies (Cont'd)

Liquidity risk (Cont'd)

Contractual maturity analysis
The following are the contractual maturities of financial liabilities. The amounts are gross and undiscounted, and include contractual interest payments and exclude impact of netting agreements:

		------------------Contractual undiscounted cash flows------------------			
The Group	Carrying amount	Total	Less than 1 year	Between 2 and 5 years	Over 5 years
As at 31 March 2023	$	$	$	$	$
Financial liabilities					
Term loan (Note 12)	**4,844,926**	**6,398,430**	**716,456**	**2,865,826**	**2,816,148**
Lease liabilities (Note 13)	**3,992,649**	**4,533,776**	**1,862,749**	**1,654,982**	**1,016,045**
Trade and other payables (Note 14)	**8,877,441**	**8,877,441**	**8,877,441**	**-**	**-**
	17,715,016	**19,809,647**	**11,526,605**	**4,450,849**	**3,832,193**
As at 31 March 2022					
Financial liabilities					
Term loan (Note 12)	5,249,613	6,581,713	631,844	2,527,378	3,422,491
Lease liabilities (Note 13)	5,635,671	6,482,672	1,877,054	3,447,799	1,157,819
Trade and other payables (Note 14)	7,414,256	7,414,256	7,414,256	-	-
	18,299,540	20,478,641	9,923,154	5,975,177	4,580,310
The Corporation					
As at 31 March 2023					
Financial liabilities					
Term loan (Note 12)	**4,844,926**	**6,398,430**	**716,456**	**2,865,826**	**2,816,148**
Lease liabilities (Note 13)	**1,960,093**	**2,263,004**	**679,864**	**567,095**	**1,016,045**
Trade and other payables (Note 14)	**12,599,969**	**12,599,969**	**12,599,969**	**-**	**-**
	19,404,988	**21,261,403**	**13,996,289**	**3,432,921**	**3,832,193**
As at 31 March 2022					
Financial liabilities					
Term loan (Note 12)	5,249,613	6,581,713	631,844	2,527,378	3,422,491
Lease liabilities (Note 13)	2,567,554	2,942,078	699,594	1,084,665	1,157,819
Trade and other payables (Note 14)	10,798,346	10,798,346	10,798,346	-	-
	18,615,513	20,322,137	12,129,784	3,612,043	4,580,310

24 Financial instruments

Fair values
The carrying amounts of the financial assets and liabilities with a maturity of less than one year are assumed to approximate their fair values.

However, the Group and the Corporation does not anticipate that the carrying amounts recorded at end of the reporting period would be significantly different from the values that would eventually be received or settled.

24 Financial instruments (Cont'd)

Accounting classification of financial assets and financial liabilities

The carrying amounts of financial assets and financial liabilities at the reporting date by categories are as follows:

	The Group		The Corporation	
	31 March 2023 $	31 March 2022 $	**31 March 2023 $**	31 March 2022 $
Financial assets measured at amortised cost				
Trade and other receivables (Note 7)	**12,690,561**	11,084,749	**8,937,092**	8,445,590
Grant receivables (Note 8)	**13,742,107**	5,638,347	**13,742,107**	5,638,347
Cash and bank balances (Note 9)	**27,922,104**	26,688,974	**15,776,582**	16,317,692
	54,354,772	43,412,070	**38,455,781**	30,401,629
Financial liabilities measured at amortised cost				
Term loan (Note 12)	**4,844,926**	5,249,613	**4,844,926**	5,249,613
Lease liabilities (Note 13)	**3,992,649**	5,635,671	**1,960,093**	2,567,554
Trade and other payables (Note 14)	**8,877,441**	7,414,256	**12,599,969**	10,798,346
	17,715,016	18,299,540	**19,404,988**	18,615,513

25 Capital management

The Group and the Corporation define "capital" to include capital account and reserves. The Group's and the Corporation's policy is to maintain a strong capital base to safeguard the ability to meet its long-term needs and to maintain creditor and market confidence. The Group and the Corporation are not subject to externally imposed capital requirements and there were no changes to the Group's and the Corporation's approach to capital management during the financial year.

26 Fair value measurement

Definition of fair value
SB-FRSs define fair value as 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.

Fair value hierarchy
Financial assets and liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1 - those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 - those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3 - those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs)

26 Fair value measurement (Cont'd)

Fair value hierarchy (Cont'd)
Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Fair value measurement of financial assets
The carrying amounts of the Group's and the Corporations' other financial assets and liabilities with a maturity of less than one year are assumed to approximate their fair values.

The Group and the Corporation do not anticipate that the carrying amounts recorded at end of the reporting period would be significantly different from the values that would eventually be received or settled.

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