



ANNUAL REPORT

For Year Ended 31 December 2020

Introduction

Di Zang Lin was first founded in 1997 and registered as a legal Society in October 2002. Di Zang Lin was then registered under the Charities Act in May 2011 (Unique Entity Number: T02SS0181A). Till date of this report, there are no other entities affiliated to Di Zang Lin.

Di Zang Lin registered Address is at 469 Macpherson Road #03-01, Gnoh Hock Building, Singapore 368186. There are no branch temple or any other addresses associated with Di Zang Lin.

Management Committee

The Management Committee is responsible for the affairs of the Charity and to ensure the Charity operates in accordance with the Constitution. The following are the committee members correct as at 31 December 2020:

Lee Siew Hoong (Venerable Shi You Wei) President Buddhist Monk	
Ng Kim Kiat Vice President Retiree	
Huang Weixiong Wilson Secretary Project Manager	Ang Wei Xiang Asst. Secretary Engineer
Low Junsheng Johnson Treasurer Asst Manager	Tan Ching Leng Bobby Asst. Treasurer Accountant
Ng Chin Choong General Affairs Self-employed	
Seah Geok Huay Member (Charity Affairs – Bursary) Self-employed	Tan Mee Ley Member (Charity Affairs – FD) House Holder
Ng Xin Yi Member (Charity Affairs – FD) IT Systems Engineer	Goh Lay Ling Member (Charity Affairs – Nursing Home) Asst Manager



Audit Details

Banker: UOB Bank Ltd

Auditor: SSKM Practice PAC

Vision

The Charity aims to be a Mahayana temple with a difference, by actualising the teachings of the Buddha through emulating the Ksitigarbha Bodhisattva's aspirations by active involvement in charitable community works.

Mission and Objectives

The Charity's mission is to promote the teachings of the Buddha and impart Buddhist moral ethics. It aims to achieve this via the below areas:

- » Promote the Buddhist Teachings and moral education through participation in the various religious activities such as rituals and courses.
- » Cultivate the Teachings through active involvement in charitable works.

Policies

Funding Sources

The Charity is financially supported by donations from members and devotees. It is also supplemented by revenues generated from the various religious activities that the Charity conducts.

Memberships

Applications for ordinary membership is open to the public in general and specifically, Buddhist friends and family of the current members. Members are entitled to vote at the general meetings of the Charity and given priority in registration for the various charitable activities that the Charity conducts.

Review of 2020 Covid Induced Initiatives

Owing to the global Covid-19 pandemic, majority of the events planned for 2020 were either totally cancelled or scaled down significantly. Immediately after the Lunar New Year events, Di Zang Lin went into a self-imposed lockdown. Announcements were also made on 08 February 2020 to cease Volunteer's visit to Nursing Home due to safe management measures to curb the spread of Covid-19.

Due to the rapidly evolving nature of the pandemic and to enable Di Zang Lin to continue serving the Buddhist stakeholders, the whole dynamics of running Di Zang Lin had to be re-thought and reorganized. Below is a list of the initiatives and projects Di Zang Lin did in the year 2020.

1. Launching of Dove Customer Management System (CMS) on 1 Jan 2020. Di Zang Lin first CMS system – Sparrows was due for extensive overhaul and maintenance since its inception in 2010. After careful assessment of the extent of works and sustainability in the future, we decided to retire Sparrows and develop a new CMS system. Dove, which was developed on the Microsoft Dynamics platform was identified as a suitable platform for the new CMS. CCC was an accredited vendor which collaborated with the local governmental agencies for the development of Dove.

After months of development, extensive testing and porting over of the existing databases, DZL Dove was launched on 1 Jan 2020. Dove now houses almost all of our administrative processes and is linked seamlessly across Microsoft office, Teams and across users. Receipts for donations, puja registrations, prayer liturgies and tablets are all produced from Dove. Since inception, Dove has been constantly upgraded and its functions enhanced. By end January 2020, we no longer use Sparrows and the Sparrows server was used to run enhanced functions of Dove. Sending of reminders, birthday greetings are all managed by this server. The main Dove functions are running off Microsoft cloud platforms. This enables any authorised user to access information anywhere even via the mobile phones.

Power app, a volunteer management system was also incorporated into Dove to manage volunteer attendance and involvement in our charity projects. Power app was launched in June 2020.

Dove enhancements are slated to continue in 2021. Do look out for more new functions coming in 2021.

2. Launching of Facebook Live Streaming on 12 February 2020 for pujas and prayers. DZL is probably the first temple in Singapore to live stream our prayers.

www.facebook.com/dizanglin

3. Di Zang Lin YouTube Channel was first setup on 10 February 2020. We reached 1000 subscribers in April 2020 (all within a record of two days) and Live Streaming on YouTube began on 22 April 2020. The channel also hosts videos of past pilgrimages and events.

www.youtube.com/c/DiZangLin/featured

4. Di Zang Lin Official Website was launched on 21 June 2020 and throughout 2020, it underwent massive enhancements and is now laden with a huge array of functions (i.e. E-shop, Events calendar, Puja registration with online payment mode and online appointment system with SMS authentication. DZL website is proud to be one of the most comprehensive temple sites in Singapore.

The uniqueness of the DZL website and all its functions is the absence of a log in function. There is no need for users to set up log in credentials to access the website or its functions. Hence there is no need to remember passwords or login details – this is especially convenient for seniors using the website. Despite the lack of the need to login, the system will identify a unique user through his email or mobile contact number and will consolidate transaction details to the user's Devotee account. The website is digitally secured and is served by two online payment portals: Stripe and 2c2p. Through these, we can accept donations and payment via 10 different modes.

The other important function of the website is the Puja Registration System. Through this function, users can register for pujas items online via the system. Users do not need to mail in written forms and cheque payments anymore. This is a huge enhancement as it eliminates the need for manual keying of registration details and saves about 60% of man-hours. Registration details are consolidated to each devotee's unique account for easy tracking of devotees' participation details.

DZL is proud to host one of the most comprehensive Puja Registration System in Singapore and perhaps in Asia. We are the only temple who enables users to register for ancestral dedication prayers through a self-service automated system. The intelligent system recognizes ancestral relationships and enables users to easily register ancestral details for prayers.



DZL Eshop – Ling Yang Ya Si (LYYS for short), was launched in September 2020. LYYS is an online portal to enable users to donate to the various charitable causes. LYYS also has a merchandise section where we sell unique Buddhist merchandise. The main theme of LYYS is to “gift the self” and all LYYS items aims to gift the users with immense merits. All proceeds of LYYS will be channeled to our charitable causes.

The DZL statue adoption system was launch in October 2020. This is yet another initiative to make temple functions available online. This adoption system is built mainly for the yearly “Medicine Buddha Lamp” and the “Gold Ksitigarbha” adoption. The intelligent system allocates adoption items based on current status and will avoid duplicate adoption. Once transacted, all data will be consolidated to each user’s devotee account for ease of tracking and communication. An electronic receipt will also be sent to the user via email. The system will also process renewals for subsequent years automatically with minimal human monitoring. This system is developed on Dove but interfaces on the website. This is a surreal collaboration between the two teams of programmers.

www.Dizanglin.org

5. Launching DZL Puja Appointment System on 23 July 2020 for devotees to perform health declarations and make individual appointments to attend prayer sessions via the DZL website. The Puja Appointment System main purpose is to track and trace attendance of all our pujas and congregations. The system is also able to alter the upper limits of attendees according to prevailing government pandemic measures.

www.dizanglin.org/attendpuja

6. An Original Musical Short Film Series - “Ksitigarbha Bodhisattva 360°” had its World Premiere on 16 September 2020. This series is produced by Di Zang Lin in collaboration with Asian Musical Productions from Malaysia. Proposed by Abbot, it is an effort to maintain communications with devotees using the Ullambana as a backdrop and the Ksitigarbha Bodhisattva as the main lead. The musical tells the story and vows of the Ksitigarbha Bodhisattva based on the Ksitigarbha Sutra. Through this production, we also help fellow artiste stay afloat. The arts scene is one of the most badly affected sectors during this pandemic.

Episode one “The Buddha & Ksitigarbha” was launched on the Ksitigarbha Bodhisattva anniversary, with one new episode premiering monthly thereafter. The series took a hiatus during the Lunar New year with a climatic episode 5. A special lunar new year song video was also produced to bring some joy tidings to devotees.

The musical is hugely popular in Singapore, Malaysia, and Taiwan with the highest viewership of 74,000 for a single episode.



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Puja Appointment

Activities

The Charity conducted the following events for calendar year 2020:

ACTIVITY	DURATION	DESCRIPTION
Marine Parade Food Distribution	Weekly	Distributing Dinner Bento and Groceries in Marine Parade
Bursary Awards Presentation	29 May 2020	Bursary Recipients: 14 Pri Sch students 15 Sec Sch students 9 Tertiary students
Annual General Meeting	17 October 2020	19 th Annual General Meeting

Calendar of Events

The Charity held the following prayer for calendar year 2020:

EVENT	DATE
Weekly Congregation (Online)	Weekly
Ksitigarbha Repentance (Online)	Monthly
Thanksgiving Puja	1 January
Maitreya Buddha Puja / New Year Blessing	25 January
Offering to Grand Duke Puja	5 February
Lunar New Year Offering to Buddha and Devas	8 February
New Year Blessing	12 February
Spring Remembrance Prayers (Online)	11 April
Bathing of Prince Siddhartha (Online)	7 May
Vesak Puja - Light and Food offering (Online)	7 May
Ksitigarbha Ullambana Puja – Invitation of Soul (Online)	19 August
Ksitigarbha Sutra (Online)	22/23/30 Aug, 2/5/6 Sep
Ullambana Puja I (Online)	2 September
Ullambana Puja II (Online)	9 September
Ullambana Final Puja (Online)	13 September
Founder's Memorial Puja (Online)	11 November
Medicine Buddha Puja (Online)	15 November

Review of Financial State and Explanation of Major Financial Transactions

Di Zang Lin financial position for 2020 was greatly affected by the Covid19 pandemic. There were major restrictions on visits to religions organisations especially during the “Circuit Breaker” period. Even after the restrictions were lifted, attendance was capped at 50 to 100 per puja session. Di Zang Lin’s limited floor space means that at any time, less than 100 attendees could be present on site.

With reduced physical participation, our donation boxes registered one of the lowest amounts since founding. Selling of offering items on site was also suspended due to the lack of human traffic.

Considering the above factors, Di Zang Lin was looking at a huge deficit in its income statement for FY 2020. To ensure that it did not have to dip into the reserves to sustain operations, Di Zang Lin adopted a couple of strategies to help tide over the pandemic:

(i) Di Zang Lin drew down on approximately all of its unencumbered cash to enhance its existing IT infrastructure. The technological procurements cost approximately \$290,000, which are detailed in the paragraphs below. Di Zang Lin’s traditional methods of collecting donations via in-person walk-ins and cheque mail-ins are not effective in a circuit breaker situation hence the internet was used as an additional tool to reach out to the public to finance Di Zang Lin’s charitable works. For FY 2020, approximately 34% of the donations collected for its charity works came from the online platform. The online platform was subsequently enhanced to enable registration for pujas and prayers, of which a small but growing number of devotees are switching over instead of the traditional methods as highlighted above.

(ii) Di Zang Lin tried to reduce its fixed costs, such as calling on the landlord to share in the pain by rebating the rental beyond what the government has regulated. The Abbot also voluntarily donated the majority of the honorarium offered to him back to Di Zang Lin.

(iii) Di Zang Lin was forced to cancel or scale down the various pujas and celebrations during the circuit breaker period up to the Ullambana prayers, partly due to the restrictions enforced by the government, and partly due to the lukewarm response on the puja registrations. The preparations for these pujas and celebrations are time consuming and require the collective effort of all the volunteers, however due to the above, the Abbot had to do most of the preparatory work and chanting on his own, which resulted in smaller scale celebrations. This indirectly led to some cost savings as the expense outlay was reduced. The biggest expenditure heavy event is the reunion dinner, and because of the scaled-down version in FY 2020, Di Zang Lin was able to largely avoid the huge cost outlay from hosting the dinner.

Taking the above factors, Di Zang Lin was able to report an accounting surplus of approximately \$200,000.

Despite facing tough challenges in 2020, Di Zang Lin has decisively adopted technology to enable us adapt to the new normal.

New Equipment and Services Procured to Mitigate Future Challenges:

1. Temperature Scanning Devices (Indoor and Outdoor capabilities)

- a. These were acquired when the first community cases appeared in Singapore in January 2020. DZL was already on the alert in case of community outbreak. By Lunar New Year, all visitors were already screened for fever and other flu-like symptoms.
- b. Visitors' particulars were also recorded for Lunar New Year Pujas
- c. By February 2020, attendees of Pujas were all issued masks to be worn during Pujas and all communal dining were suspended.
- d. DZL closed temple doors from 6 February for prevention against community outbreak.

2. Temperature Scanning Devices with timestamping capabilities

- a. These were acquired in May 2020 in anticipation for gradual reopening after the Circuit Breaker.
- b. These Temperature Scanning Devices has facial recognition capability, time and date stamping function and are able to recognize if the visitor is wearing a face mask.
- c. This scanner is used to compliment the original scanner we had to cover both levels which DZL occupies.

3. Overhaul and revamp of CMS system to Microsoft Dynamics Dove

- a. This has been first discussed since 2018 when we had difficulties with getting the Sparrows engineers to respond to our technical maintenance requests.
- b. DZL assessed that Sparrows will be limited and unable to be "future-proof".
- c. DZL collaborated with CCC on this project with few other considerations such as the stability and reputability of the Microsoft Dynamics platform. Maintenance and further enhancements would be more accountable with a professional team in place.
- d. After using Sparrows for 8 years, DZL had more experience with using a CRM and we knew what features DZL needs to have to streamline our operations.
- e. Dove is capable of all counter transactions and the user interfaces are more intuitive and easy to use. All data are stored in the Microsoft cloud with enhanced digital security. All business functions and Puja printout requirements are built into Dove with the possibility of future expansion.
- f. DZL, CCC partnered Xero to link all processes to the backend accounting system. All incomes would be capture in Xero and Xero would provide the relevant reports needed for financial reporting
- g. The entire Dove migration process took the whole of 2019 and Dove was launched on 1 January 2020.

- h. Dove was later merged with our website to enable devotees sign up for Puja events via this online portal. Dove would capture the relevant data and merge with existing devotee information to provide a one stop information bank. Puja print outs would also be generated from Dove. DZL was one of the first temple in Singapore to be able to streamline web functions with its in house business functions without having to manually port over data.
 - i. DZL is also the only temple to be able to provide ancestral dedication registration via the web without missing “traditional” bits of information such as the ancestral relationship. Other similar website requires the devotee to key in relationships, ancestor’s names and the name of the devotee. DZL Dove, enable devotee to select ancestral relationships from a comprehensive drop down menu and intelligently links a couple counterpart relationship automatically. Till date (June 2021) DZL is still the only temple to be able to do this.
4. Website development and continual enhancements (i.e. e-shop, online appointment)
- a. Building a website has always been on DZL agenda since 2010. However, due to the lack of staff and other more imperative issues on our mind, this project has been postponed once and again.
 - b. Due to the COVID-19 situation, Abbot found that this project could no longer be pushed back and the DZL website could probably be the only link between DZL and our stakeholders.
 - c. In February 2020, Abbot reignited the process with a discussion with several vendors and eventually DZL signed an agreement with Elveslab.
 - d. DZL had approached Elveslab in 2010 for an initial assessment and they had left good ratings on our vendor assessment checklist.
 - e. DZL drafted the sitemap and went on to developing the website with the requirement that the webpage must have a easy to use interface and with refreshing aesthetics.
 - f. After UAT was completed in May 2020, the webpage was launch in June 2020. This initial framework already contained online donation and payment possibility. The online payment portal used was Stripe.
 - g. Prior to the official launch of the website, there were plans to already enhance the site’s capability with other features. The first feature was an online appointment making system for devotees to book appointment slots for congregations and pujas. Through this, DZL is able to track and trace attendees if there is a need for contact tracing. This Appointment System was launched in end July 2020 in anticipation of temple reopening for its National Day Puja in August. This system was subsequently improved to allow for group check-in via the Safe entry system in December 2020.
 - h. DZL launched its E-shop “Ling Yang Ya Si” in August 2020. The E-shop was facility for devotees to “Gift Themselves” providing avenues for adoption of charitable items to be donated to our MPFD project.



5. Online payment capabilities

- a. During the course of 2020, DZL has two main payment portals: 2c2p and Stripe.
- b. Both these payment portals offer a wide range of payment choices and are fully integrated into DZL webpage.
- c. All payments are automatically directed and all receipts are emailed automatically to the payer.

6. Professional Live Streaming Broadcast systems (audio, visual and lighting equipment)

- a. Since March 2020, DZL decided to procure a full set of broadcast equipment, including cameras, professional lightings, transmitter-receiver sets, and two PC to run the live stream broadcasts.
- b. Abbot envision this to be a long term trend and DZL will live-stream all Puja events to enable anyone who is interested in joining the puja online to be able to do that.
- c. This will benefit more Buddhists, even though they might not be from Singapore.

7. Large format LED projection screens (on level 4 for remote participation)

- a. Due to the pandemic and in consideration for long term use of Level 4 as a remote location for pujas, lectures and meeting area, DZL decided to purchase and install two large format LED video wall.
- b. These are owned by DZL and maintained by DZL.
- c. With these screens we can host events with a better audio-visual experience.
- d. During festive celebrations, the LED video walls, can also provide entertainment.

8. 65 " LED Television Screens for live stream broadcast

- a. Due to the pandemic and in consideration for long term use of Level 4 as a remote

9. Musical production (alternative approach to Dharma propagation)

- a. The arts and entertainment industry is one of the greatest industries to be affected by the pandemic. Abbot has plans to bring and present a musical live show in December 2020. However, this had to be shelved indefinitely.
- b. Rather than a live show, DZL collaborated with AMP to produce a totally new musical video series with the Ksitigarbha Bodhisattva as the main icon to educate people about the vows of the Bodhisattva.
- c. Through this series, DZL aims to educate and propagate the Buddha Dharma in an alternative medium to adapt to the new norm evolving from the pandemic.
- d. Each episode runs for about ten minutes or so and has a different theme. These themes are drawn from the Ksitigarbha Sutra.
- e. All musical pieces and dialogues are original and are copyrighted to DZL.
- f. The musicals are streamed via Youtube. Special live-stream segments are produced for the world premier of each episode. These are streamed on Facebook and Youtube. The first world premier was in September 2020.
- g. The musical tracks are also available on Spotify, Deezer and all major streaming platforms.
- h. Till date, DZL is the only temple in Singapore to produce a full show during this covid pandemic. Viewership peaked at 47,000 for a single episode.
- i. The first series runs for 5 episodes and will end its run in CNY 2021. There are plans to produce a further 3 episodes in 2021.



Di Zang Lin Reserves Policy

1. Definition of Reserves

The Code of Governance for Charities and IPCs (Guideline 6.3.1) states that *“While all charities should maintain some level of reserves to ensure long-term financial sustainability, the charity should disclose its reserves policy in the annual report.”*

The term “Reserves” is used to describe that part of a charity’s income funds that is freely available for its operating purposes not subject to commitments, planned expenditure and spending limits. Reserves do not include endowment funds, restricted funds, and designated funds.

2. Why do we need a reserves policy?

- a. Having a reserves policy helps inform the way in which a charity manages its cash, liquid assets and debt, that is, its treasury management approach.
- b. A comprehensive reserves policy will assist charities when planning and explaining their approach to stakeholders. It contributes significantly to the Board’s ability to balance the needs of current and future beneficiaries, to provide stakeholders with assurances that the charity is well managed and that it has, where appropriate, a strategy for building up reserves.
- c. Without a reserves policy, the Board cannot be confident that their reserves level matches the charity’s needs at the time. The charity could be holding reserves that are too high or too low for its needs.

3. Di Zang Lin reserves position

- a. The Charity’s reserve policy is to set aside a minimum of 2 years’ estimated expenditure for specific purposes, which includes recurring activities currently conducted by the Charity. As at 31 December 2020, the Charity has 4 reserve funds, as follows:

i. Building Reserve Fund

The Building Reserve Fund is to be used solely for the purposes of purchasing a permanent premise for the Charity.

ii. Bursary Reserve Fund

The Bursary Reserve Fund is the accumulated surplus of donations for the purpose of awarding bursaries to students from the less well-to-do families who have demonstrated academic excellence.

iii. Charity Reserve Fund

The Charity Reserve Fund was established to ensure the Charity can continue to service its charitable initiatives when the Charity is unable to source adequate funding for the year's ongoing expenses.

iv. Dharma Propagation Reserve Fund

The Dharma Propagation Reserve Fund is the surplus of donations from members and devotees for the propagation of the Buddha's teachings.

v. The below table shows the position of our reserves as of the end of 2020 and 2019

	2020	Ratio ¹	N/A	Ratio ¹	% Increase / (Decrease)
Restricted Funds					
Building Reserve Fund	1,672,454	N/A	1,605,723	N/A	4.16%
Bursary Reserve Fund	85,000	7.2:1	85,000	4.25:1	0%
Charity Reserve Fund	40,000	0.8:1	40,000	0.39:1	0%
Dharma Propagation Reserve Fund	80,000	1:1	80,000	1:1	0%
Restricted Funds					
- Accumulated Fund	366,780	0.58:1	146,600	0.29:1	150.19%
Total Funds	2,244,234		1,957,323		14.66%

Review and Changes in the Policies

There were no changes to the Constitution and Policies of the Charity for the year then ended and as of the date of this report.

Di Zang Lin's reserves position is less than desirable. The various reserve funds have actual reserves of about a year depending on the actual expenditure for the year. Our unrestricted funds have an estimated half a year worth of reserves. Di Zang Lin hopes to increase this to the standard of 2-5 years as proposed by Commissioner of Charities.

¹Ratio of Funds to annual expenditure

¹Total funds include unrestricted and restricted funds

Submission Form for Governance Evaluation Checklist (Intermediate Tier)

"Please note that this checklist is based on the Code of Governance (2017)."

Applicable to charities with annual gross annual receipts or total expenditure **from \$500,000 to less than \$10 million;**

And IPCs with gross annual annual receipts of **less than \$500,000.**

S/N	Code guideline	Code ID	Response (select whichever is applicable)	Explanation (if Code guideline is not complied with)
Board Governance				
1	Induction and orientation are provided to incoming governing board members upon joining the Board.	1.1.2		
	Are there governing board members holding staff1 appointments? (skip items 2 and 3 if "No")		Yes	
2	Staff does not chair the Board and does not comprise more than one third of the Board.	1.1.3	Not Complied	The President of the Board is a monastic (as stipulated in the Constitution). He is also an unpaid individual involved in the operations. This is disclosed in the AGM and approved by the members. He does not comprise more than 1/3 of the Board.
3	There are written job descriptions for the staff's executive functions and operational duties, which are distinct from the staff's Board role.	1.1.5	Complied	
4	The Treasurer of the charity (or any person holding an equivalent position in the charity, e.g. Finance Committee Chairman or a governing board member responsible for overseeing the finances of the charity) can only serve a maximum of 4 consecutive years.	1.1.7	Complied	
	If the charity has not appointed any governing board member to oversee its finances, it will be presumed that the Chairman oversees the finances of the charity.			
5	All governing board members must submit themselves for re-nomination and re-appointment , at least once every 3 years.	1.1.8	Complied	
6	There are documented terms of reference for the Board and each of its committees.	1.2.1	Complied	

Conflict of Interest			
7	There are documented procedures for governing board members and staff to declare actual or potential conflicts of interest to the Board at the earliest opportunity.	2.1	Complied
8	Governing board members do not vote or participate in decision making on matters where they have a conflict of interest.	2.4	Complied
Strategic Planning			
9	The Board periodically reviews and approves the strategic plan for the charity to ensure that the charity's activities are in line with the charity's objectives.	3.2.2	Complied
Human Resource and Volunteer ² Management			
10	The Board approves documented human resource policies for staff.	5.1	Complied
11	There is a documented Code of Conduct for governing board members, staff and volunteers (where applicable) which is approved by the Board.	5.3	Complied
12	There are processes for regular supervision, appraisal and professional development of staff.	5.5	Complied
Financial Management and Internal Controls			
13	There is a documented policy to seek the Board's approval for any loans, donations, grants or financial assistance provided by the charity which are not part of the charity's core charitable programmes.	6.1.1	Complied
14	The Board ensures that internal controls for financial matters in key areas are in place with documented procedures .	6.1.2	Complied
15	The Board ensures that reviews on the charity's internal controls, processes, key programmes and events are regularly conducted.	6.1.3	Complied
16	The Board ensures that there is a process to identify, and regularly monitor and review the charity's key risks .	6.1.4	Complied
17	The Board approves an annual budget for the charity's plans and regularly monitors the charity's expenditure.	6.2.1	
	Does the charity invest its reserves (e.g. in fixed deposits)? (skip item 18 if "No")		Yes
18	The charity has a documented investment policy approved by the Board.	6.4.3	Complied

Conflict of Interest			
7	There are documented procedures for governing board members and staff to declare actual or potential conflicts of interest to the Board at the earliest opportunity.	2.1	Complied
8	Governing board members do not vote or participate in decision making on matters where they have a conflict of interest.	2.4	Complied
Strategic Planning			
9	The Board periodically reviews and approves the strategic plan for the charity to ensure that the charity's activities are in line with the charity's objectives.	3.2.2	Complied
Human Resource and Volunteer ² Management			
10	The Board approves documented human resource policies for staff.	5.1	Complied
11	There is a documented Code of Conduct for governing board members, staff and volunteers (where applicable) which is approved by the Board.	5.3	Complied
12	There are processes for regular supervision, appraisal and professional development of staff.	5.5	Complied
Financial Management and Internal Controls			
13	There is a documented policy to seek the Board's approval for any loans, donations, grants or financial assistance provided by the charity which are not part of the charity's core charitable programmes.	6.1.1	Complied
14	The Board ensures that internal controls for financial matters in key areas are in place with documented procedures .	6.1.2	Complied
15	The Board ensures that reviews on the charity's internal controls, processes, key programmes and events are regularly conducted.	6.1.3	Complied
16	The Board ensures that there is a process to identify, and regularly monitor and review the charity's key risks .	6.1.4	Complied
17	The Board approves an annual budget for the charity's plans and regularly monitors the charity's expenditure.	6.2.1	
	Does the charity invest its reserves (e.g. in fixed deposits)? (skip item 18 if "No")		Yes
18	The charity has a documented investment policy approved by the Board.	6.4.3	Complied

Fundraising Practices				
	Did the charity receive cash donations (solicited or unsolicited) during the financial year? (skip item 19 if “No”)		Yes	
19	All collections received (solicited or unsolicited) are properly accounted for and promptly deposited by the charity.	7.2.2	Complied	
	Did the charity receive donations in kind during the financial year? (skip item 20 if “No”)		No	
20	All donations in kind received are properly recorded and accounted for by the charity.	7.2.3	Complied	
Disclosure and Transparency				
21	The charity discloses in its annual report — a. the number of Board meetings in the financial year; and b. the attendance of every governing board member at those meetings.	8.2	Not Complied	Minutes are taken at each board meeting and an attendance list is maintained.
	Are governing board members remunerated for their services to the Board? (skip items 22 and 23 if “No”)		No	
22	No governing board member is involved in setting his own remuneration.	2.2		
23	The charity discloses the exact remuneration and benefits received by each governing board member in its annual report. OR The charity discloses that no governing board member is remunerated.	8.3		
	Does the charity employ paid staff? (skip items 24 and 25 if “No”)		Yes	
24	No staff is involved in setting his own remuneration.	2.2	Complied	
25	The charity discloses in its annual report — a. the total annual remuneration for each of its 3 highest paid staff who each has received remuneration (including remuneration received from the charity's subsidiaries) exceeding \$100,000 during the financial year; and b. whether any of the 3 highest paid staff also serves as a governing board member of the charity. The information relating to the remuneration of the staff must be presented in bands of \$100,000. OR The charity discloses that none of its paid staff receives more than \$100,000 each in annual remuneration.	8.4	Not Complied	No staff received remuneration exceeding \$100,000

Notes **Declaration:** I declare that my charity's / IPC's governing Board has approved this Governance Evaluation Checklist and authorised me to submit on its behalf. All information given by me in this checklist submission is true to the best of my knowledge and I have not wilfully suppressed any material fact. The full responsibility for providing accurate and updated checklist information will rest with my charity's / IPC's governing Board.

地藏林

DI ZANG LIN

(Registered under Charities Act, Chapter 37 and Societies Act, Chapter 311)

ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

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DI ZANG LIN

(Registered under Charities Act, Chapter 37 and Societies Act, Chapter 311)

STATEMENT BY THE MEMBERS OF THE EXECUTIVE COMMITTEE

We, LEE SIEW HOONG @ SHI FA CHENG, HUANG WEIXIONG WILSON and LOW JUNSHENG JOHNSON, being the President, Hon. Secretary and Hon. Treasurer respectively of DI ZANG LIN (the "Charity") do hereby state that in the opinion of the Executive Committee, the accompanying financial statements are properly drawn up so as to give a true and fair view of the financial position of the Charity as at 31 December 2020 and of the financial performance, changes in funds and cash flows for the year ended.

On behalf of the Executive Committee



LEE SIEW HOONG @ SHI FA CHENG
President (2020/2022)



HUANG WEIXIONG WILSON
Hon. Secretary (2020/2022)



LOWJUNSHENG JOHNSON
Hon. Treasurer (2020/2022)

16 June 2021
SINGAPORE

SSKM PRACTICE PAC

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Directors:

Lim Siong Sheng	FCA	林双盛
Ng Kuan Mei	FCA	伍锦美

INDEPENDENT AUDITOR'S REPORT TO THE EXECUTIVE COMMITTEE MEMBERS OF DI ZANG LIN

(Registered under Charities Act, Chapter 37 and Societies Act, Chapter 311)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of DI ZANG LI (the "Charity"), which comprise the balance sheet as at 31 December 2020, and the statement of comprehensive income, statement of changes in accumulated and miscellaneous funds and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Societies Act, Chapter 311 (the Societies Act), the Charities Act, Chapter 37 and other relevant regulations (the Charities Act and Regulations) and Financial Reporting Standards in Singapore (FRSs) so as to give a true and fair view of the financial position of the Charity as at 31 December 2020 and of the financial performance, changes in funds and cash flows of the Charity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Charity 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 Statement by the Executive Committee but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not and will 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 and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Executive Committee for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the provisions of the Societies Act, the Charities Act and Regulations and FRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Charity or to cease operations, or has no realistic alternative but to do so.

The Executive Committee Members' responsibilities include overseeing the Charity'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 Charity's internal control.
- 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 Charity'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 Charity to cease to continue as a going concern.

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

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

Report on Other Legal and Regulatory Requirements

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

During the course of our audit, nothing has come to our attention that causes us to believe that during the year the Charity has not complied with the requirements of Regulation 7 of the Charities (Fund-Raising Appeals for Local and Foreign Charitable Purposes) Regulations 2012.



SSKM PRACTICE PAC
Public Accountants and Chartered Accountants

16 June 2021
SINGAPORE
mn/lc/dh

DI ZANG LIN

(Registered under Charities Act, Chapter 37 and Societies Act, Chapter 311)

BALANCE SHEET AS AT 31 DECEMBER 2020

	<u>Note</u>	<u>2020</u> S\$	<u>2019</u> S\$
NON-CURRENT ASSET			
Property, plant and equipment	3	827,154	142,204
CURRENT ASSETS			
Trade and other receivables	4	70,490	195,245
Cash and cash equivalents	5	2,152,610	1,903,614
		2,223,100	2,098,859
LESS: CURRENT LIABILITIES			
Other payables	6	241,752	247,046
Lease liabilities	7	183,812	36,694
		425,564	283,740
NET CURRENT ASSETS		1,797,536	1,815,119
NON-CURRENT LIABILITY			
Lease liabilities	7	(380,456)	-
NET ASSETS		2,244,234	1,957,323
TOTAL FUNDS			
<u>Unrestricted fund</u>			
Accumulated fund		366,780	146,600
<u>Restricted funds</u>			
Building reserve fund		1,672,454	1,605,723
Bursary reserve fund		85,000	85,000
Charity reserve fund		40,000	40,000
Dharma propagation reserve fund		80,000	80,000
	8	1,877,454	1,810,723
		2,244,234	1,957,323

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

DI ZANG LIN

(Registered under Charities Act, Chapter 37 and Societies Act, Chapter 311)

STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL
YEAR ENDED 31 DECEMBER 2020

INCOME	<u>Note</u>	Unrestricted	Unrestricted
		Fund <u>2020</u> S\$	Fund <u>2019</u> S\$
Members entrance fees received		210	110
Members subscription fees received		6,948	7,992
Donation received		264,833	163,238
Event fees collected - Bursary fund		25,945	18,350
Event fees collected - Charity meals and groceries		81,993	164,832
Event fees collected - Festival activities		464,656	463,397
Event fees collected - Gold Ksitigarbha		119,200	110,300
Event fees collected - Medicine Buddha lamp		39,900	38,600
Event fees collected - Pilgrimage tours		-	154,550
Event fees collected - Printing of dharma materials		6,080	-
Event fees collected - Reunion dinner		18,228	82,592
Fixed deposit interest received		9,538	9,175
Lease payment waived		29,700	-
Other income		158	195
		<u>1,067,389</u>	<u>1,213,331</u>
LESS : EXPENDITURE	9	847,209	1,246,851
Surplus / (Deficit) before income tax		<u>220,180</u>	<u>(33,520)</u>
Income tax	10	-	-
Surplus / (Deficit) after income tax for the year		<u><u>220,180</u></u>	<u><u>(33,520)</u></u>

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

DI ZANG LIN

(Registered under Charities Act, Chapter 37 and Societies Act, Chapter 311)

STATEMENT OF CHANGES IN ACCUMULATED AND MISCELLANEOUS FUNDS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

	Unrestricted fund	Restricted funds					Total fund
	Accumulated fund	Building reserve fund	Bursary reserve fund	Charity reserve fund	Dharma propagation reserve fund	Total	
	S\$	S\$	S\$	S\$	S\$	S\$	S\$
At 1.1.2019	180,120	920,000	85,000	40,000	80,000	1,125,000	1,305,120
Fund received	-	685,723	-	-	-	685,723	685,723
Deficit for the year	(33,520)	-	-	-	-	-	(33,520)
At 31.12.2019	146,600	1,605,723	85,000	40,000	80,000	1,810,723	1,957,323
Fund received	-	66,731	-	-	-	66,731	66,731
Surplus for the year	220,180	-	-	-	-	-	220,180
At 31.12.2020	366,780	1,672,454	85,000	40,000	80,000	1,877,454	2,244,234

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

DI ZANG LIN

(Registered under Charities Act, Chapter 37 and Societies Act, Chapter 311)

STATEMENTS OF CASH FLOWS FOR THE FINANCIAL
YEAR ENDED 31 DECEMBER 2020

	<u>2020</u> S\$	<u>2019</u> S\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Surplus / (Deficit) before income tax	220,180	(33,520)
Adjustment for:		
Depreciation of property, plant and equipment	326,281	298,182
Interest expenses on lease liabilities	7,755	7,056
Fixed deposit interest received	(9,538)	(9,175)
	544,678	262,543
(Increase)/Decrease in working capital:-		
Inventories	-	2,544
Trade and other receivables	124,755	152,150
Other payables	(5,294)	(103,875)
Cash generated from operations	664,139	313,362
Net cash inflow from operating activities	664,139	313,362
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(291,912)	(11,701)
Payment of principal portion of lease liabilities	(191,745)	(178,944)
Proceeds from building reserve fund	66,731	685,723
Interest expenses on lease liabilities paid	(7,755)	(7,056)
Fixed deposit interest received	9,538	9,175
Net cash inflow/(outflow) from investing activities	(415,143)	497,197
Net increase in cash and cash equivalents	248,996	810,559
Cash and cash equivalents at beginning of year	1,903,614	1,093,055
Cash and cash equivalents at end of year (Note 5)	2,152,610	1,903,614

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

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2020

These notes form an integral part of the accompanying financial statements.

1. GENERAL

The Charity (UEN T02SS0181A) is set up to promote the spiritualism of Lord Buddha and to propagate and study the teachings of Buddha and carry out charitable and religious activities.

The Charity's registered office and the principal place of business is at 469 Macpherson Road #03-01, Gnoh Hock Building, Singapore 368186.

The financial statements of the Charity for the financial year ended 31 December 2020 were authorised for issue by the Executive Committee on 16 June 2021.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following are the significant accounting policies adopted in the preparation of these financial statements:

a. Basis of preparation

The financial statements have been prepared in accordance with the provisions of the Societies Act, Charities Act and Regulations and Singapore Financial Reporting Standards (FRS).

The financial statements are presented in Singapore Dollars, which is the functional currency of the Charity.

The financial statements have been prepared on a historical cost basis except as disclosed in the accounting policies below.

In the current financial year, the Charity had adopted all the new and revised FRSs and Interpretations of FRSs ("INT FRSs") issued by the Accounting Standards Council that are relevant to its operations and effective for the current financial year. The adoption of these new/revised FRSs and INT FRSs has no material effect on the financial statements except as otherwise disclosed in Notes to the financial statements.

The management do not anticipate that the adoption in future periods of FRSs, INT FRSs and amendment to FRSs that were issued at the date of authorization of these financial statements but not yet effective, to have a material impact on these financial statements in the period of their initial adoption.

b. Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2020

Property, plant and equipment are depreciated on a straight line basis so as to write off their cost over the estimated useful lives as follows:-

	<u>Numbers of years</u>
Leasehold buildings	Remaining lease period
Furniture and fittings	5
Office equipment	5
Computer & software	3
Air conditioners	5
Motor vehicle	5
Renovation	3

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

Fully depreciated assets are retained in the accounts until they are no longer in use.

c. Receivables

Receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment, if any.

d. Cash and cash equivalents

Cash and cash equivalents comprise cash balances and bank deposits. For the purpose of the statement of cash flows, cash and cash equivalents form an integral part of the Charity's cash management.

e. Impairment of assets

An assessment is made at each balance sheet date to determine whether there is objective evidence that an asset may be impaired. If such evidence exists, the estimated recoverable amount of that asset is determined and any impairment loss is included in the income statement.

f. Payables

Payables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method.

g. Leases

(i) When the Charity is the lessee:

At the inception of the contract, the Charity assesses if the contract contains a lease. A contract contains a lease if the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2020

(aa) Right-of-use assets

The Charity recognised a right-of-use asset and lease liability at the date which the underlying asset is available for use. Right-of-use assets are measured at cost which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement date and lease incentive received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

These right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Right-of-use asset (except for those which meets the definition of an investment property) are presented within "Property, plant and equipment".

(bb) Lease liabilities

The initial measurement of lease liability is measured at the present value of the lease payments discounted using the implicit rate in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Charity shall use its incremental borrowing rate.

Lease payments include the following:

- (i) Fixed payment (including in-substance fixed payments), less any lease incentives receivables;
- (ii) Variable lease payment that are based on an index or rate, initially measured using the index or rate as at the commencement date;
- (iii) Amount expected to be payable under residual value guarantees;
- (iv) The exercise price of a purchase option if is reasonably certain to exercise the option; and
- (v) payment of penalties for terminating the lease, if the lease term reflects the Charity exercising that option.

For contract that contain both lease and non-lease components, the Charity allocates the consideration to each lease component on the basis of the relative stand-alone price of the lease and non-lease component. The Charity has elected to not separate lease and non-lease component for property leases and account these as one single lease component.

Lease liability is measured at amortised cost using the effective interest method. Lease liability shall be remeasured when:

- (i) There is a change in future lease payments arising from changes in an index or rate;
- (ii) There is a changes in the Charity's assessment of whether it will exercise an extension option; or
- (iii) There are modification in the scope or the consideration of the lease that was not part of the original term.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2020

Lease liability is remeasured with a corresponding adjustment to the right-of-use asset, or is recorded in the income statement if the carrying amount of the right-of-use asset has been reduced to zero.

(cc) Short term and low value leases

The Charity applies the short term lease recognition exemption to its short-term leases that have lease terms of 12 months or less and the low value assets recognition exemption to leases of assets that are considered to be low value. Lease payments relating to these leases are expensed to the income statement on a straight-line basis over the lease term.

(dd) Variable lease payments

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 Charity shall recognise those lease payments in the income statement in the periods that triggered those lease payments.

(ii) When the Charity is the lessor:

(aa) Finance leases

Leases where the Charity has transferred substantially all risks and rewards incidental to ownership of the leased assets to the lessees, are classified as finance leases.

The leased asset is derecognised and the present value of the lease receivable is recognised on the balance sheet and included in "trade and other receivables". The difference between the gross receivable and the present value of the lease receivable is recognised as unearned finance income.

Each lease payment received is applied against the gross investment in the finance lease receivable to reduce both the principal and the unearned finance income. The finance income is recognised in the income statement on a basis that reflects a constant periodic rate of return on the net investment in the finance lease receivable.

Initial direct costs incurred by the Charity in negotiating and arranging finance leases are added to finance lease receivables and recognised as an expense in the income statement over the lease term on the same basis as the lease income.

(bb) Operating leases

Leases where the Charity retains substantially all risks and rewards incidental to ownership are classified as operating leases. Rental income from operating leases (net of any incentives given to the lessees) is recognised in the income statement on a straight-line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2020

Initial direct costs incurred by the Charity in negotiating and arranging operating leases are added to the carrying amount of the leased assets and recognised as an expense in the income statement over the lease term on the same basis as the lease income.

Contingent rents are recognised as income in the income statement when earned.

h. Income tax

The Charity is exempt from income tax on income and gains under the Income Tax Act to the extent that these are applied to its charitable objects.

i. Revenue recognition

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

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

- (i) Entrance and subscription fees received are recognised on cash basis.
- (ii) Donation received are recognised on cash basis.
- (iii) Interest income is recognised using the effective interest method.

j. Employee benefits

(i) Defined contribution plan

As required by law, the Charity makes contributions to the Central Provident Fund (CPF). CPF contributions are recognised as expenses in the same period as the employment that give rise to the contribution.

(ii) Employee leave entitlement

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

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2020

k. Funds

(i) Unrestricted fund

Income and expenditure relating to the main activities of the Charity are accounted for through the Accumulated Fund.

(ii) Restricted funds

Income and expenditure relating to funds set up for contributions received and expenditure incurred for specific purposes are accounted for through the Restricted Funds.

l. Fair value of financial assets and liabilities

The carrying amounts of current financial assets and financial liabilities approximate their respective fair values due to the relatively short-term maturity of these financial instruments. The fair values of other classes of financial assets and financial liabilities are disclosed in the respective notes to the financial statements.

DI ZANG LIN

(Registered under Charities Act, Chapter 37 and Societies Act, Chapter 311)

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2020

3. PROPERTY, PLANT AND EQUIPMENT

<u>Cost</u>	<u>Leasehold buildings</u> S\$	<u>Furniture & fittings</u> S\$	<u>Office equipment</u> S\$	<u>Computer & software</u> S\$	<u>Air- conditioners</u> S\$	<u>Motor vehicle</u> S\$	<u>Renovation</u> S\$	<u>Total</u> S\$
At 1.1.2020	215,638	271,349	90,509	43,982	44,885	96,020	676,199	1,438,582
Additions	719,319	1,541	47,147	243,224	-	-	-	1,011,231
Derecognised	(215,638)	-	-	-	-	-	-	(215,638)
At 31.12.2020	719,319	272,890	137,656	287,206	44,885	96,020	676,199	2,234,175
<u>Accumulated depreciation</u>								
At 1.1.2020	179,880	232,026	83,459	41,948	44,458	38,408	676,199	1,296,378
Charge for the year	193,963	17,855	11,723	83,109	427	19,204	-	326,281
Derecognised	(215,638)	-	-	-	-	-	-	(215,638)
At 31.12.2020	158,205	249,881	95,182	125,057	44,885	57,612	676,199	1,407,021
<u>Net book value</u>								
At 31.12.2020	561,114	23,009	42,474	162,149	-	38,408	-	827,154

DI ZANG LIN

(Registered under Charities Act, Chapter 37 and Societies Act, Chapter 311)

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2020

3. PROPERTY, PLANT AND EQUIPMENT

<u>Cost</u>	<u>Leasehold buildings</u> S\$	<u>Furniture & fittings</u> S\$	<u>Office equipment</u> S\$	<u>Computer & software</u> S\$	<u>Air-conditioners</u> S\$	<u>Motor vehicle</u> S\$	<u>Renovation</u> S\$	<u>Total</u> S\$
At 1.1.2019	-	265,146	85,011	43,982	44,885	96,020	676,199	1,211,243
Adoption of FRS 116	215,638	-	-	-	-	-	-	215,638
At 1.1.2019 (restated)	215,638	265,146	85,011	43,982	44,885	96,020	676,199	1,426,881
Additions	-	6,203	5,498	-	-	-	-	11,701
At 31.12.2019	215,638	271,349	90,509	43,982	44,885	96,020	676,199	1,438,582

Accumulated depreciation

At 1.1.2019	-	214,068	78,942	39,093	43,730	19,204	603,159	998,196
Charge for the year	179,880	17,958	4,517	2,855	728	19,204	73,040	298,182
At 31.12.2019	179,880	232,026	83,459	41,948	44,458	38,408	676,199	1,296,378

Net book value

At 31.12.2019	35,758	39,323	7,050	2,034	427	57,612	-	142,204
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Right-of-use assets acquired under leasing arrangements are presented together with the owned assets of the same class. Details of such leased assets are disclosed in Note 7.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2020

4. TRADE AND OTHER RECEIVABLES	<u>2020</u>	<u>2019</u>
	S\$	S\$
<i>Trade receivables</i>		
Event fees receivables	5,604	-
<i>Other receivables</i>		
Deposits	63,273	55,723
Prepayments	1,613	139,522
	<u>64,886</u>	<u>195,245</u>
	<u>70,490</u>	<u>195,245</u>

Trade receivables are non-interest bearing and are generally on cash term.

The carrying amounts of trade and other receivables approximate their fair values.

5. CASH AND CASH EQUIVALENTS	<u>2020</u>	<u>2019</u>
	S\$	S\$
Cash and bank balances	1,632,817	975,358
Fixed deposits	519,793	928,256
	<u>2,152,610</u>	<u>1,903,614</u>

The fixed deposits with a maturity term 12 months bear interest at rates ranging from 0.75% to 1.35% (2019: 0.75% to 1.31%) per annum.

The carrying amounts of cash and cash equivalents approximate their fair values.

6. OTHER PAYABLES	<u>2020</u>	<u>2019</u>
	S\$	S\$
Members subscription fees received in advance	5,400	5,832
Event fees collected in advance - Bursary fund	14,500	23,240
Event fees collected in advance - Charity meals and groceries	10,980	-
Event fees collected in advance - Festival activities	1,342	56,596
Event fees collected in advance - Gold Ksitigarbha	114,700	87,750
Event fees collected in advance - Medicine Buddha lamp	41,500	39,700
Event fees collected in advance - Pilgrimage tours	44,430	10,700
Event fees collected in advance - Reunion dinner	-	18,228
Accrued operating expenses	8,900	5,000
	<u>241,752</u>	<u>247,046</u>

The carrying amounts of other payables approximate their fair values.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2020

7. LEASES

The Charity has lease contracts for office units with lease terms ranging from 12 to 60 months.

(a) Carrying amount of right-of-use assets classified within property, plant and equipment

	Leasehold buildings S\$
At 1.1.2019	-
Adoption of FRS 116	215,638
Depreciation	(179,880)
At 31.12.2019	35,758
Additions	719,319
Depreciation	(193,963)
At 31.12.2020	<u>561,114</u>

(b) Lease liabilities

The carrying amounts of lease liabilities and the movements during the year:

	2020 S\$	2019 S\$
At beginning of year	36,694	-
Adoption of FRS 116	-	215,638
Additions	719,319	-
Non-cash flows changes		
- Accretion of interests	7,755	7,056
Cash flows		
- Payments	(199,500)	(186,000)
At end of year	<u>564,268</u>	<u>36,694</u>
Current liabilities		
Within 1 year	183,812	36,694
Non-current liabilities		
After 1 year but within 5 years	380,456	-
	<u>564,268</u>	<u>36,694</u>

The effective interest rate on lease liabilities is 5.25% (2019: 5.25%) per annum.

The carrying amounts of lease liabilities approximate their fair values.

(c) <u>Amounts recognised in profit or loss</u>	2020 S\$	2019 S\$
Depreciation on right-of-use assets	193,963	179,880
Interest expense on lease liabilities	7,755	7,056
Expenses relating to short term leases	1,592	1,640
	<u>203,310</u>	<u>188,576</u>

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NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2020

(d) Total cash flows

The Charity had total cash outflows for leases of S\$201,092 (2019: S\$187,640) during the year. The Charity also had non-cash additions of right-of-use assets and lease liabilities of S\$719,319 (2019: S\$215,638).

8. RESTRICTED FUNDS

	Building reserve fund	Bursary reserve fund	Charity reserve fund	Dharma propagation reserve fund	Total
<u>2020</u>	S\$	S\$	S\$	S\$	S\$
At the beginning	1,605,723	85,000	40,000	80,000	1,810,723
Fund received	66,731	-	-	-	66,731
At the end	1,672,454	85,000	40,000	80,000	1,877,454

	Building reserve fund	Bursary reserve fund	Charity reserve fund	Dharma propagation reserve fund	Total
<u>2019</u>	S\$	S\$	S\$	S\$	S\$
At the beginning	920,000	85,000	40,000	80,000	1,125,000
Fund received	685,723	-	-	-	685,723
At the end	1,605,723	85,000	40,000	80,000	1,810,723

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NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2020

9. EXPENDITURE	2020	2019
	S\$	S\$
Accountancy fees	1,200	800
Audit fees	5,300	4,200
Bank charges	225	239
Depreciation of property, plant and equipment	326,281	298,182
Dharma propagation production	66,491	-
Donations	15,910	3,888
Entertainment and refreshment	-	2,273
Event expenses		
- Bursary	11,800	19,982
- Charity meals and groceries	49,903	102,953
- Festival activities	90,222	214,452
- Pilgrimage tours	7,748	159,740
- Reunion dinner	20,613	179,173
Expenses relating to short term leases	1,592	1,640
Freight charges	4,292	3,823
General expenses	45,235	48,810
Honorarium	20,000	31,200
Interest expense on lease liabilities	7,755	7,056
Inventories written off	-	2,544
Medical fees	59	-
Motor vehicle expenses	2,656	2,868
Prayers offering expenses	36,117	36,311
Printing and stationery	22,659	11,533
Professional fees	18,712	500
Purchase of statues	7,061	27,691
Repair and maintenance	33,515	19,588
Salaries	24,436	33,200
Service charges for collections	5,284	2,327
Telephone and postages	10,459	7,744
Transport and travelling	-	8,749
Volunteers welfare	2,272	2,741
Water and electricity	9,412	12,644
	<u>847,209</u>	<u>1,246,851</u>

10. INCOME TAX EXPENSES

DI ZANG LIN is registered as a Charity on 30 May 2011. With effect from the Year of Assessment 2008, all registered charities will enjoy automatic income tax exemption and do not need to file income tax returns.

11. STAFF COSTS	2020	2019
	S\$	S\$
Salaries, bonus and other costs	24,436	33,200
Defined contribution benefits	-	-
	<u>24,436</u>	<u>33,200</u>

There is no staff member earn above S\$100,000 for the year (2019: S\$NIL).

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2020

12. TOTAL FUNDS

(a) Unrestricted fund

The income and expenditure relating to the main activities of the Charity will be accounted for in the "Accumulated Fund".

(b) Restricted funds

Restricted Funds are set up to account for contribution received and expenditure incurred for specific purposes comprise of the following:

<u>Name of Fund</u>	<u>Purpose</u>
(i) Building reserve fund	Fund is set up mainly towards the purchase of a permanent place when a suitable location is found.
(ii) Bursary reserve fund	Fund is set up to provide support for the bursary events organised by the Charity.
(iii) Charity reserve fund	Fund is set up to contribute towards charitable events where the Charity is invited to participate.
(iv) Dharma propagation reserve fund	Fund is set up mainly towards on defraying the costs of printing Buddhist sutras or other Buddhist publications for free distribution.

13. FINANCIAL RISK MANAGEMENT

The main risks arising from the Charity's financial instruments are interest rate risk, credit risk and liquidity risk and they are summarised below:

a. Interest rate risk

The Charity's exposure to interest rate risk relates primarily to fixed deposits. The effective interest rate for fixed deposits at the end of year ranged from 0.75% to 1.35% (2019: 0.75% to 1.31%) per annum.

b. Credit risk

The maximum extent of the Charity's credit exposure is represented by the carrying amounts of fixed deposit and bank balance. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Cash and fixed deposits are placed with reputable banks.

c. Liquidity risk

In the management of liquidity risk, the Charity's monitors and maintains a level of cash and bank balances deemed adequate to finance the Charity's operations.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2020

14. CLASSIFICATION OF FINANCIAL INSTRUMENTS

Comparisons by category of carrying amounts of the Charity's financial instruments that are carried in the financial statements are as follows:

<u>At 31.12.2020</u>	Financial assets at amortised cost S\$	Non- financial assets S\$	Total S\$
<u>Assets</u>			
Property, plant and equipment	-	827,154	827,154
Trade and other receivables	68,877	1,613	70,490
Cash and cash equivalents	2,152,610	-	2,152,610
	<u>2,221,487</u>	<u>828,767</u>	<u>3,050,254</u>
	Financial liabilities at amortised cost S\$	Non- financial liabilities S\$	Total S\$
<u>Liabilities</u>			
Other payables	241,752	-	241,752
Lease liabilities	564,268	-	564,268
	<u>806,020</u>	<u>-</u>	<u>806,020</u>

<u>At 31.12.2019</u>	Financial assets at amortised cost S\$	Non- financial assets S\$	Total S\$
<u>Assets</u>			
Property, plant and equipment	-	142,204	142,204
Trade and other receivables	55,723	139,522	195,245
Cash and cash equivalents	1,903,614	-	1,903,614
	<u>1,959,337</u>	<u>281,726</u>	<u>2,241,063</u>
	Financial liabilities at amortised cost S\$	Non- financial liabilities S\$	Total S\$
<u>Liabilities</u>			
Other payables	247,046	-	247,046
Lease liabilities	36,694	-	36,694
	<u>283,740</u>	<u>-</u>	<u>283,740</u>

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2020

15. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is defined as the amount of which the instrument could be exchanged in a current transaction between knowledgeable willing parties in an arm's length transaction, other than in a forced or liquidation sale. Fair values are obtained from quoted market prices, discounted cash flow models and option pricing models as appropriate.

16. FAIR VALUE HIERARCHY

Set out below is an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: 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); and

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at balance sheet date, the Charity has no financial instruments measured using the above techniques.