

**NEW HOPE COMMUNITY
SERVICES**

[UEN: T04SS0026C]

[IPC No.: IPC000037]

[Registered under the Societies Act]

(Chapter 311) in the Republic of Singapore]

**AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2016**

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Fiducia LLP

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Public Accountants and

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STATEMENT BY THE MANAGEMENT COMMITTEE

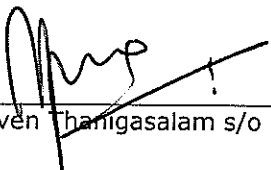
In the opinion of the Management Committee, the accompanying financial statements set out on pages 6 to 35 are drawn up so as to give a true and fair view of the state of affairs of the Society as at 31 December 2016 and of its results, the changes in funds and cash flows of the Society for the year then ended.

At the date of this statement, there are reasonable grounds to believe that the Society will be able to pay its debts as and when they fall due.

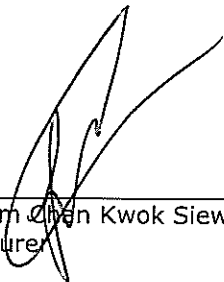
The Management Committee, comprising the following, authorised the issue of these financial statements on
17 APR 2017

President	Pastor Steven Thanigasalam s/o Kannan	
Vice-President	Lim Bak Chim	
Secretary	Lee Khai Mun	
Treasurer	William Chan Kwok Siew	
Committee Member	Derek Pak Gek Kwee	
Committee Member	Eddie Liew Wai Leong	
Committee Member	Hilda Tan Boon Kim Hilda	
Committee Member	Pauline Tan	Appointed on 28 March 2017
Committee Member	Edna Leong Lai Yee	Appointed on 28 March 2017

For and on behalf of the Management Committee,



Pastor Steven Thanigasalam s/o Kannan
President



William Chan Kwok Siew
Treasurer

Singapore, 17 APR 2017

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Independent auditor's report to the members of:

NEW HOPE COMMUNITY SERVICES

[UEN: T04SS0026C]

[IPC No.: IPC000037]

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Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **New Hope Community Services** (the "Society"), which comprise the statement of financial position as at 31 December 2016, and the statement of financial activities, statement of changes in 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 Charities Accounting Standard in Singapore ("CAS") so as to present fairly, in all material respects, the state of affairs of the Society as at 31 December 2016 and the results, changes in funds and cash flows of the Society 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 Society 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 Management Committee set out on page 2 but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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(CONT'D)

Independent auditor's report to the members of:

NEW HOPE COMMUNITY SERVICES

[UEN: T04SS0026C]

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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 Societies Act, the Charities Act and Regulations and CAS, 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 Society'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 Society or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Society'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 Society'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 Society'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 Society to cease to continue as a going concern.

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(CONT'D)

Independent auditor's report to the members of:

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

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

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

Report on Other Legal and Regulatory Requirements

In our opinion:

- the accounting and other records required to be kept by the Society have been properly kept in accordance with the provisions of the Societies Regulations enacted under the Societies Act, the Charities Act and Regulations; and
- the fund-raising appeal held during the period 4 March 2016 to 31 May 2016 has been carried out in accordance with Regulation 6 of the Societies Regulations issued under the Societies Act and proper accounts and other records have been kept of the fund-raising appeal.

During the course of our audit, nothing has come to our attention that causes us to believe that during the year:

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



Fiducia LLP

Public Accountants and
Chartered Accountants

Singapore, 7 APR 2017

Partner-in-charge: Lee Choon Keat
PAB. No.: 01721

STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

	UNRESTRICTED FUNDS				RESTRICTED FUNDS							Total Funds
	General Fund	HOPE Scheme Programme Fund	Building Fund (Designated Fund)	Capital Expenditure Fund	Transitional Shelter for Men-In-Crisis Fund (NCSS)	Transitional Shelter for Men-In-Crisis Fund (SCORE)	Transitional Shelter for Families in Crisis Fund	Character Building Fund	Office Building Fund	CAF Family Project	Care and Share Fund	
Note	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$
2016 INCOME												
Voluntary Income												
Active Enabler Project Grant	0	0	0	0	0	0	0	0	0	0	3,000	3,000
Clinical Supervision Consultancy Grant	0	0	0	0	0	0	5,340	0	0	0	0	5,340
Donations	85,256	0	0	0	0	0	3,734	0	0	258,784	102,113	347,774
Care and Share	0	0	0	0	0	0	0	0	0	0	0	102,113
MSF grant	0	184,226	0	0	0	0	1,264,325	0	0	0	0	1,448,551
NCSS grant	0	0	0	0	0	0	202,502	0	0	0	0	202,502
SCORE												
accommodation support funding	0	0	0	0	0	145,920	0	0	0	0	0	145,920
VCF funding	2,800	0	0	0	0	0	150	0	0	0	0	2,950
WDA funding	787	0	0	0	0	0	15,212	0	0	0	0	15,999
	88,843	184,226	0	0	0	145,920	1,491,263	0	0	258,784	105,113	2,274,149
Activity for Generating Funds												
Course fee	0	0	0	0	0	0	0	0	0	0	7,500	7,500
Co-Sharing Fee	0	0	0	0	0	0	0	0	0	0	10,137	10,137
Income												
Jumping on Trampolines	44,538	0	0	0	0	0	0	0	0	0	0	44,538
Makeover Magic	40,812	0	0	0	0	0	0	0	0	0	0	40,812
Sales of Trampoline Package	0	0	0	0	0	0	0	0	0	0	41,223	41,223
Sales of Jumping Package	0	0	0	0	0	0	0	0	0	0	9,840	9,840
Tote Board Funding	8,908	0	0	0	0	0	0	0	0	0	0	8,908
	94,258	0	0	0	0	0	0	0	0	0	68,700	162,958

STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016 (Cont'd)

	UNRESTRICTED FUNDS				RESTRICTED FUNDS						Total Funds	
	General Fund	HOPE Programme Fund	Building Fund (Designated Fund)	Capital Expenditure Fund	Transitional Shelter for Men-In-Crisis Fund (NCSS)	Transitional Shelter for Men-In-Crisis Fund (SCORE)	Transitional Shelter for Families in Crisis Fund	Character Building Fund	Office Building Fund	CAF Family Project		Care and Share Fund
Note	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$
2016 INCOME												
Investment Income												
Fixed deposits	49,203	0	0	0	0	0	0	0	0	0	0	49,203
Interest income	0	0	0	0	0	0	0	0	0	0	0	24,395
Rental of trampoline	49,203	0	0	0	0	0	0	0	0	0	0	73,598
Income from Charitable Activity												
Rental income (shelter fee)	0	0	0	0	4,151	4,151	30,586	0	0	0	0	34,737
	0	0	0	0	4,151	4,151	30,586	0	0	0	0	34,737
Other income												
Government-Paid Childcare Leave Scheme	324	0	0	0	0	0	0	0	0	0	0	324
Wage Credit Scheme	70,746	0	0	0	0	0	0	0	0	0	0	70,746
Miscellaneous income	0	0	0	0	0	0	0	0	0	0	18,765	18,765
	71,070	0	0	0	0	0	0	0	0	0	18,765	89,835
TOTAL INCOME	303,374	184,226	0	0	150,071	1,521,849	0	258,784	216,973	2,635,277		

STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016 (Cont'd)

	Note	UNRESTRICTED FUNDS				RESTRICTED FUNDS							Total Funds
		General Fund	HOPE Scheme Programme Fund	Building Fund (Designated Fund)	Capital Expenditure Fund	Transitional Shelter for Men-In-Crisis Fund (NCSS)	Transitional Shelter for Men-In-Crisis Fund (SCORE)	Transitional Shelter for Families In Crisis Fund	Character Building Fund	Office Building Fund	CAF Family Project	Care and Share Fund	
		S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$
2016													
LESS:													
EXPENDITURE													
Fundraising trading: cost of goods sold and other costs													
Cost of trampolines	9	0	0	0	0	0	0	0	0	0	0	0	4,092
Jumping on Trampolines		5,210	0	0	0	0	0	0	0	0	0	0	5,210
Makeover Magic		17,139	0	0	0	0	0	0	0	0	0	0	17,139
		22,349	0	0	0	0	0	0	0	0	0	0	26,441
Cost of Charitable Activities													
Allocation of support cost	25	(320,439)	35,570	0	0	47,424	225,588	0	0	11,857	0	0	0
Apparels		0	0	0	0	0	1,307	0	0	0	0	0	1,307
Awards and prizes		0	0	0	0	0	2,984	0	0	0	0	0	2,984
Catering and refreshment		2,583	522	0	0	403	21,732	0	0	493	1,361	0	27,094
Children recreation		0	0	0	0	0	1,723	0	0	0	0	0	1,723
Emcee/ performers		0	0	0	0	0	1,000	0	0	0	0	0	1,000
Excursion expenses		696	0	0	0	0	3,330	0	0	0	0	0	4,026
Gifts and souvenirs		0	0	0	0	0	731	0	0	1,830	0	0	2,561
Helper allowance		0	720	0	0	0	30	0	0	0	0	0	3,328
Household Item		253	0	0	0	538	6,468	0	0	0	314	0	7,573
Insurance		1,257	707	0	0	562	4,724	0	0	566	0	0	7,816
Instructor allowance		0	0	0	0	0	0	0	0	0	24,254	0	24,254
Balance c/f		(315,650)	37,519	0	0	48,927	269,617	0	0	14,746	28,507	0	83,666

STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016 (Cont'd)

	Note	UNRESTRICTED FUNDS				RESTRICTED FUNDS							Total Funds
		General Fund	HOPE Scheme Programme Fund	Building Fund (Designated Fund)	Capital Expenditure Fund	Transitional Shelter for Men-In-Crisis Fund (NCSS)	Transitional Shelter for Men-In-Crisis Fund (SCORE)	Transitional Shelter for Families In Crisis Fund	Character Building Fund	Office Building Fund	CAF Family Project	Care and Share Fund	
		S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$
2016													
LESS:													
EXPENDITURE													
Cost of Charitable Activities													
Balance b/f		(315,650)	37,519	0	0	0	48,927	269,617	0	0	14,746	28,507	83,666
IT and computer expenses		6,572	0	0	0	0	1,671	3,611	0	0	1,061	293	13,208
License fee		0	0	0	0	0	0	0	0	0	0	3,032	3,032
Life skill training for residents		0	0	0	0	0	0	2,100	0	0	0	0	2,100
Office equipment expenses		12	0	0	0	0	2,878	5,848	0	0	280	957	9,975
Photography/ Videography		0	0	0	0	0	0	400	0	0	0	85	485
Relocation funding		0	0	0	0	0	0	200	0	0	0	0	200
Rental of equipment		4,778	0	0	0	0	0	2,952	0	0	0	0	7,730
Rental of facilities		0	0	0	0	0	0	1,456	0	0	0	0	1,456
Rental of premises		6,741	0	0	0	0	48,600	50,952	0	0	35,310	0	141,603
Repair and maintenance		6,535	484	0	0	0	5,125	15,128	0	0	680	96	28,048
Resident welfare		0	0	0	0	0	1,936	10,241	0	0	0	0	12,177
Sports equipment and accessories		0	0	0	0	0	0	0	0	0	0	17	17
Service and Conservancy charges		265	0	0	0	0	3,900	31,947	0	0	3,338	0	39,450
Shelter equipment expenses		0	0	0	0	0	0	323	0	0	0	0	323
Staff costs	6	331,529	166,198	0	0	0	98,493	1,017,836	0	0	21,391	6,646	1,642,093
Balance c/f		40,782	204,201	0	0	0	211,530	1,412,611	0	0	76,806	39,633	1,985,563

STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016 (Cont'd)

	UNRESTRICTED FUNDS					RESTRICTED FUNDS					Total Funds	
	General Fund	HOPE Scheme Programme Fund	Building Fund (Designated Fund)	Capital Expenditure Fund	Transitional Shelter for Men-In-Crisis Fund (NCSS) S\$	Transitional Shelter for Men-In-Crisis Fund (SCORE) S\$	Transitional Shelter for Families In Crisis Fund S\$	Character Building Fund	Office Building Fund	CAF Family Project		Care and Share Fund
2016												
LESS:												
EXPENDITURE												
Cost of Charitable Activities												
Balance b/f	40,782	204,201	0	0	0	211,530	1,412,611	0	0	76,806	39,633	1,985,563
Stamp duty	0	0	0	0	0	100	264	0	0	440	0	804
Storage charges	0	0	0	0	0	0	0	0	0	0	4,079	4,079
Teaching allowance	0	637	0	0	0	0	102	0	0	0	0	739
Telecommunication	4,777	1,923	0	0	2,490	0	17,152	0	0	1,453	86	27,881
Transportation	0	160	0	0	70	0	1,118	0	0	0	2,227	3,575
Upkeep of motor vehicles	0	0	0	0	0	41	19,905	0	0	0	0	19,946
Utilities	7,745	0	0	0	0	4,311	74,265	0	0	2,038	0	88,359
Volunteer expenses	2,019	215	0	0	0	0	0	0	0	0	1,235	3,469
	55,323	207,136	0	0	218,542	1,525,417	0	0	0	80,737	47,260	2,134,415
Governance and Administrative Costs												
Accounting fees	6,600	2,783	0	0	0	4,093	24,556	0	0	1,310	0	39,342
Audit fee	6,000	0	0	0	0	0	0	0	0	0	0	6,000
- Current year	0	0	0	0	0	0	0	0	0	0	0	0
- Prior year	24	59	0	0	87	0	2,521	0	0	52	0	2,743
Association liability	1,869	0	0	0	0	0	1,297	0	0	0	250	3,416
Bank charges	3,207	0	0	0	0	0	0	0	0	0	0	3,207
Board expenses	6,340	0	0	0	0	0	2,010	0	0	507	200	9,057
Cleaning expenses	0	0	0	0	0	0	0	0	0	0	56	56
Commission paid	0	0	0	0	0	0	0	0	0	0	0	0
Balance c/f	24,040	2,842	0	0	4,180	30,384	0	0	1,869	506	63,821	

STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016 (Cont'd)

	UNRESTRICTED FUNDS					RESTRICTED FUNDS					Total Funds	
	General Fund	HOPE Scheme Programme Fund	Building Fund (Designated Fund)	Capital Expenditure Fund	Transitional Shelter for Men-In-Crisis Fund (NCSS)	Transitional Shelter for Men-In-Crisis Fund (SCORE)	Transitional Shelter for Families In Crisis Fund	Character Building Fund	Office Building Fund	CAF Family Project		Care and Share Fund
Note	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$
2016												
LESS:												
EXPENDITURE												
Governance and Administrative												
Costs												
Balance b/f	24,040	2,842	0	0	0	4,180	30,384	0	0	1,869	506	63,821
Congratulations and condolences benefits	177	164	0	0	0	0	242	0	0	0	80	663
Depreciation of property, plant and equipment	25,255	608	0	0	0	260	9,935	0	145,790	179,304	0	361,152
General expense	488	25	0	0	0	25	360	0	0	1,521	2,074	4,493
Marketing, advertising and publicity	0	0	0	0	0	0	151	0	0	1,026	0	1,177
Medical supplies	7	0	0	0	0	321	0	0	0	0	0	328
Membership fees	125	0	0	0	0	0	180	0	0	0	97	402
Online donation portal fees	140	0	0	0	0	0	0	0	0	0	0	140
Payroll services	2,978	1,258	0	0	0	1,348	6,405	0	0	270	0	12,259
Postage and courier charges	185	0	0	0	0	0	243	0	0	0	0	428
Printing and stationery	6,410	111	0	0	0	210	982	0	0	388	359	8,460
Professional fees	7,000	510	0	0	0	136	1,811	0	0	2,100	0	11,557
Referral fee	0	0	0	0	0	0	0	0	0	0	434	434
Travelling and accommodation	0	0	0	0	0	0	0	0	0	0	5,965	5,965
	66,805	5,518	0	0	0	6,480	50,693	0	145,790	186,478	9,515	471,279

STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016 (Cont'd)

	UNRESTRICTED FUNDS				RESTRICTED FUNDS							Total Funds
	General Fund	HOPE Programme Fund	Building Fund (Designated Fund)	Capital Expenditure Fund	Transitional Shelter for Men-In-Crisis Fund (NCSS)	Transitional Shelter for Men-In-Crisis Fund (SCORE)	Transitional Shelter for Families In Crisis Fund	Character Building Fund	Office Building Fund	CAF Family Project	Care and Share Fund	
Note	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$
2016 TOTAL EXPENDITURE	144,477	212,654	0	0	0	225,022	1,576,110	0	145,790	267,215	60,867	2,632,135
Net income/ (expenditure) For the year	158,897	(28,428)	0	0	0	(74,951)	(54,261)	0	(145,790)	(8,431)	156,106	3,142
Total funds brought forward	1,225,356	82,940	1,400,000	41,000	(123,178)	(10,058)	804,570	13,768	145,790	0	832,205	4,412,393
Transfers between funds	(216,618)	0	0	0	123,178	85,009	0	0	0	8,431	0	0
Total funds carried forward	1,167,635	54,512	1,400,000	41,000	0	0	750,309	13,768	0	0	988,311	4,415,535

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

STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016 (Cont'd)

	Note	UNRESTRICTED FUNDS				RESTRICTED FUNDS						Total Funds
		General Fund	HOPE Scheme Programme Fund	Building Fund (Designated Fund)	Capital Expenditure Fund	Transitional Shelter for Men-In-Crisis Fund (NCSS)	Transitional Shelter for Men-In-Crisis Fund (SCORE)	Transitional Shelter for Families in Crisis Fund	Character Building Fund	Office Building Fund	Care and Share Fund	
		S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$
2015 INCOME												
Voluntary Income												
Donations	5	180,588	0	0	0	0	0	0	0	0	0	180,588
Care and Share		0	0	0	0	0	0	0	0	1,031,033	0	1,031,033
MSF grant		0	101,853	0	0	0	0	1,221,384	0	0	0	1,323,237
NCSS grant		0	0	0	86,311	0	0	194,865	0	0	0	281,176
SCORE accommodation support funding		0	0	0	0	29,184	0	0	0	0	0	29,184
Sponsorship Scheme		480	0	0	0	0	0	0	0	0	0	480
Tote Board funding		23,547	0	0	0	0	0	0	0	0	0	23,547
WDA funding		982	0	0	0	0	0	0	0	0	0	982
		205,597	101,853	0	0	86,311	29,184	1,416,249	0	0	1,031,033	2,870,227
Activity for Generating Funds												
Course fee		0	0	0	0	0	0	0	0	0	11,450	11,450
Sales of trampoline		0	0	0	0	0	0	0	0	0	8,461	8,461
Sales of jumping package		0	0	0	0	0	0	0	0	0	5,356	5,356
		0	0	0	0	0	0	0	0	0	25,267	25,267
Investment Income												
Fixed deposits interest		20,196	0	0	0	0	0	0	0	0	0	20,196
Income		0	0	0	0	0	0	0	0	0	3,050	3,050
Rental of trampoline		0	0	0	0	0	0	0	0	0	3,050	3,050
		20,196	0	0	0	0	0	0	0	0	3,050	23,246
Income from Charitable Activity												
Rental income (shelter fee)		0	0	0	0	8,700	100	32,760	0	0	0	41,560
		0	0	0	0	8,700	100	32,760	0	0	0	41,560

STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016 (Cont'd)

	UNRESTRICTED FUNDS				RESTRICTED FUNDS						Total Funds
	General Fund	HOPE Scheme Programme Fund	Building Fund (Designated Fund)	Capital Expenditure Fund	Transitional Shelter for Men-In-Crisis Fund (NCSS)	Transitional Shelter for Men-In-Crisis Fund (SCORE)	Transitional Shelter for Families in Crisis Fund	Character Building Fund	Office Building Fund	Care and Share Fund	
Note	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$
2015 INCOME											
Other Income											
Government-Paid Childcare	602	0	0	0	0	0	0	0	0	0	602
Leave Scheme	43,903	0	0	0	0	0	0	0	0	0	43,903
Wage Credit Scheme	11	0	0	0	0	0	0	0	0	0	458
Miscellaneous Income	44,516	0	0	0	0	0	0	0	0	447	44,963
TOTAL INCOME	270,309	101,853	0	0	95,011	29,284	1,449,009	0	0	1,059,797	3,005,263

STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016 (Cont'd)

	Note	UNRESTRICTED FUNDS				RESTRICTED FUNDS						Total Funds	
		General Fund	HOPE Scheme Programme Fund	Building Fund (Designated Fund)	Capital Expenditure Fund	Transitional Shelter for Men-In-Crisis Fund (NCSS)	Transitional Shelter for Men-In-Crisis Fund (SCORE)	Transitional Shelter for Families In Crisis Fund	Character Building Fund	Office Building Fund	Care and Share Fund		
		S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$
2015													
LESS: EXPENDITURE													
Fundraising trading: cost of goods sold and other costs													
Cost of trampolines	9	0	0	0	0	0	0	0	0	0	0	0	15,323
		0	0	0	0	0	0	0	0	0	0	0	15,323
Cost of Charitable Activities													
Allocation of support costs	25	(56,310)	4,786	0	0	3,992	3,047	42,232	0	0	0	0	2,253
Awards and prizes		427	80	0	0	0	0	180	0	0	0	0	0
Catering and refreshment		6,056	1,338	0	0	235	0	8,848	0	0	0	994	17,471
Children recreation		0	125	0	0	0	0	295	0	0	0	0	420
Counselling fee		0	0	0	0	0	0	2,400	0	0	0	0	2,400
Excursion expenses		0	0	0	0	0	0	2,227	0	0	0	0	2,227
Financial assistance to client		0	0	0	0	0	0	250	0	0	0	0	250
Gifts and souvenirs		0	0	0	0	0	0	530	0	0	0	0	530
Helper allowance		32	0	0	0	52	0	1,275	0	0	0	683	2,042
Household item		223	0	0	0	1,071	669	7,917	0	0	0	196	10,076
Insurance		595	0	0	0	0	0	0	0	0	0	83	678
Instructor allowance		0	200	0	0	0	0	0	0	0	0	1,500	1,700
IT and computer expenses		3,322	0	0	0	145	0	18	0	0	0	947	4,432
License fee		0	0	0	0	0	0	0	0	0	0	2,029	2,029
Life skill training for residents		0	0	0	0	300	0	0	0	0	0	0	300
Office equipment expenses		963	0	0	0	0	0	0	0	0	0	1,946	2,909
Photography/ Videography Service		0	0	0	0	0	0	0	0	0	0	1,600	1,600
Balance c/f		(44,692)	6,529	0	0	5,795	3,716	66,172	0	0	0	12,231	49,751

STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016 (Cont'd)

	UNRESTRICTED FUNDS				RESTRICTED FUNDS						Total Funds
	General Fund	HOPE Scheme Programme Fund	Building Fund (Designated Fund)	Capital Expenditure Fund	Transitional Shelter for Men-In-Crisis Fund (NCSS)	Transitional Shelter for Men-In-Crisis Fund (SCORE)	Transitional Shelter for Families In Crisis Fund	Character Building Fund	Office Building Fund	Care and Share Fund	
Note	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$
2015											
LESS: EXPENDITURE											
Cost of Charitable Activities											
Balance b/f	(44,692)	6,529	0	0	5,795	3,716	66,172	0	0	12,231	49,751
Relocation funding	0	0	0	0	0	0	2,453	0	0	0	2,453
Rental of equipment	6,218	0	0	0	0	0	896	0	0	0	7,114
Rental of facilities	300	80	0	0	0	0	4,804	0	0	5,207	10,391
Rental of premises	8,325	0	0	0	23,945	8,960	49,632	0	0	33,384	124,246
Repair and maintenance	7,014	100	0	0	259	592	26,006	0	0	738	34,709
Resident welfare	0	0	0	0	82	0	10,018	0	0	0	10,100
Service and conservancy charges	1,042	0	0	0	3,378	0	31,302	0	0	3,287	39,009
Shelter equipment expenses	0	0	0	0	0	0	836	0	0	0	836
Shelter expenses	915	0	0	0	0	1,210	3,950	0	0	38	6,113
Staff costs	3,115	128,352	0	0	75,856	24,288	1,087,960	0	0	57,643	1,377,214
Stamp duty	0	0	0	0	305	0	388	0	0	0	693
Storage charges	0	0	0	0	0	0	0	0	0	1,305	1,305
Upkeep of motor vehicles	0	0	0	0	0	0	16,521	0	0	0	16,521
Telecommunication	7,626	1,177	0	0	1,255	0	12,038	0	0	1,234	23,330
Transportation	0	298	0	0	1,280	0	3,241	0	0	2,929	7,748
Utilities	10,137	0	0	0	5,414	576	84,290	0	0	1,686	102,103
	0	136,536	0	0	117,569	39,342	1,400,507	0	0	119,682	1,813,636

STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016 (Cont'd)

	UNRESTRICTED FUNDS				RESTRICTED FUNDS						Total Funds
	General Fund	HOPE Scheme Programme Fund	Building Fund (Designated Fund)	Capital Expenditure Fund	Transitional Shelter for Men-In-Crisis Fund (NCSS)	Transitional Shelter for Men-In-Crisis Fund (SCORE)	Transitional Shelter for Families in Crisis Fund	Character Building Fund	Office Building Fund	Care and Share Fund	
Note	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$
2015											
LESS: EXPENDITURE											
Governance and Administrative Costs											
Ambulance stand by services	278	0	0	0	0	0	0	0	0	0	278
Accounting fees	43,656	0	0	0	0	0	0	0	0	0	43,656
Allocation of support costs	(89,929)	7,644	0	0	11,241	0	67,447	0	0	3,597	0
Audit fee											
- Current year	5,350	0	0	0	0	0	0	0	0	0	5,350
- Prior year	27	0	0	0	0	0	0	0	0	0	27
Association liability	2,864	0	0	0	0	0	0	0	0	29	2,893
Bank charges	1,022	0	0	0	0	0	0	0	0	0	1,022
Board expenses	2,128	0	0	0	0	0	0	0	0	0	2,128
Cleaning expenses	6,220	0	0	0	0	0	0	0	0	540	6,760
Congratulations and condolences benefits	677	0	0	0	0	0	0	0	0	0	677
Depreciation of property, plant and equipment	7,231	0	0	0	0	0	0	168,903	0	42,865	218,999
Facilities improvement	11,178	0	0	0	0	0	0	0	0	16,050	27,228
General expense	2,125	0	0	0	434	0	170	0	0	2,044	4,773
Medical supplies	67	0	0	0	3	0	0	0	0	20	90
Membership fees	125	0	0	0	0	0	0	0	0	135	260
Newspaper and periodicals	58	0	0	0	0	0	0	0	0	0	58
Online donation portal fees	269	0	0	0	0	0	0	0	0	0	269
Payroll services	2,202	1,079	0	0	1,106	0	7,758	0	0	449	12,594
Postage and courier charges	224	0	0	0	0	0	0	0	0	0	224
Printing and stationery	6,297	145	0	0	88	0	3,087	0	0	2,415	12,032
Professional fees	0	739	0	0	0	0	5,861	0	0	23,263	29,863
Signboard expenses	398	0	0	0	0	0	161	0	0	1,180	1,739
	2,467	9,607	0	0	12,872	0	84,484	168,903	0	92,587	370,920

STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016 (Cont'd)

	UNRESTRICTED FUNDS				RESTRICTED FUNDS						Total Funds
	General Fund	HOPE Scheme Programme Fund	Building Fund (Designated Fund)	Capital Expenditure Fund	Transitional Shelter for Men-In-Crisis Fund (NCCS)	Transitional Shelter for Men-In-Crisis Fund (SCORE)	Transitional Shelter for Families in Crisis Fund	Character Building Fund	Office Building Fund	Care and Share Fund	
Note	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$
2015											
TOTAL EXPENDITURE	2,467	146,143	0	0	130,441	39,342	1,484,991	0	168,903	227,592	2,199,879
Net income/ (expenditure) for the year	267,842	(44,290)	0	0	(35,430)	(10,058)	(35,982)	0	(168,903)	832,205	805,384
Total funds brought forward	1,077,244	214,295	1,400,000	41,000	0	0	546,009	13,768	314,693	0	3,607,009
Transfers between funds	(119,730)	(87,065)	0	0	(87,748)	0	294,543	0	0	0	0
Total funds carried forward	1,225,356	82,940	1,400,000	41,000	(123,178)	(10,058)	804,570	13,768	145,790	832,205	4,412,393

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

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2016

	Note	2016 S\$	2015 S\$
ASSETS			
Current assets			
Cash and cash equivalents	7	3,917,258	3,815,441
Other receivables	8	262,903	214,414
Inventories	9	112,272	69,395
		<u>4,292,433</u>	<u>4,099,250</u>
Non-current asset			
Property, plant and equipment	10	<u>469,238</u>	<u>833,809</u>
Total assets		<u>4,761,671</u>	<u>4,933,059</u>
LIABILITY			
Current liability			
Other payables	11	<u>346,136</u>	<u>520,666</u>
Total liability		<u>346,136</u>	<u>520,666</u>
NET ASSETS		<u>4,415,535</u>	<u>4,412,393</u>
FUNDS			
UNRESTRICTED FUNDS			
General Fund	12	1,167,635	1,225,356
HOPE Scheme Programme Fund	13	54,512	82,940
Designated Fund			
Building Fund	14	<u>1,400,000</u>	<u>1,400,000</u>
		<u>2,622,147</u>	<u>2,708,296</u>
RESTRICTED FUNDS			
Capital Expenditure Fund	15	41,000	41,000
Transitional Shelter for Men-In-Crisis Fund (NCSS)	16	0	(123,178)
Transitional Shelter for Men-In-Crisis Fund (SCORE)	16	0	(10,058)
Transitional Shelter for Families in Crisis Fund	17	750,309	804,570
Character Building Fund	18	13,768	13,768
Office Building Fund	19	0	145,790
CAF Family Project	20	0	0
Care and Share Fund	21	988,311	832,205
		<u>1,793,388</u>	<u>1,704,097</u>
TOTAL FUNDS		<u>4,415,535</u>	<u>4,412,393</u>

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

STATEMENT OF CHANGES IN FUNDS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

	Note	Balance at beginning of year S\$	Net income/ (expenditure) for the year S\$	Transfers between funds S\$	Balance at end of year S\$
2016					
UNRESTRICTED FUNDS					
General Fund	12	1,225,356	158,897	(216,618)	1,167,635
HOPE Scheme Programme Fund	13	82,940	(28,428)	0	54,512
	14	1,400,000	0	0	1,400,000
Designated Fund					
Building Fund		2,708,296	130,469	(216,618)	2,622,147
RESTRICTED FUNDS					
Capital Expenditure Fund	15	41,000	0	0	41,000
Transitional Shelter for Men-In-Crisis Fund (NCSS)	16	(123,178)	0	123,178	0
Transitional Shelter for Men-In-Crisis Fund (SCORE)	16	(10,058)	(74,951)	85,009	0
Transitional Shelter for Families in Crisis Fund	17	804,570	(54,261)	0	750,309
Character Building Fund	18	13,768	0	0	13,768
Office Building Fund	19	145,790	(145,790)	0	0
CAF Family Project	20		(8,431)	8,431	0
Care and Share Fund	21	832,205	156,106	0	988,311
		1,704,097	(127,327)	216,618	1,793,388
TOTAL FUNDS		4,412,393	3,142	0	4,415,535

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

STATEMENT OF CHANGES IN FUNDS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

	Note	Balance at beginning of year S\$	Net income/ (expenditure) for the year S\$	Transfers between funds S\$	Balance at end of year S\$
2015					
UNRESTRICTED FUNDS					
General Fund	12	1,077,244	267,842	(119,730)	1,225,356
HOPE Scheme Programme Fund	13	214,295	(44,290)	(87,065)	82,940
		1,400,000	0	0	1,400,000
Designated Fund	14	2,691,539	223,552	(206,795)	2,708,296
Building Fund					
RESTRICTED FUNDS					
Capital Expenditure Fund	15	41,000	0	0	41,000
Transitional Shelter for Men-In-Crisis Fund (NCSS)	16	0	(35,430)	(87,748)	(123,178)
Transitional Shelter for Men-In-Crisis Fund (SCORE)	16	0	(10,058)	0	(10,058)
Transitional Shelter for Families in Crisis Fund	17	546,009	(35,982)	294,543	804,570
Character Building Fund	18	13,768	0	0	13,768
Office Building Fund	19	314,693	(168,903)	0	145,790
Care and Share Fund	21	0	832,205	0	832,205
		915,470	581,832	206,795	1,704,097
TOTAL FUNDS		3,607,009	805,384	0	4,412,393

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

STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

	Note	2016 S\$	2015 S\$
Cash flows from operating activities			
Net income for the year		3,142	805,384
Adjustments for:			
- Depreciation of property, plant and equipment	10	361,152	218,999
- Fixed deposits interest income		(49,203)	(20,196)
Operating cash flow before working capital changes		<u>315,091</u>	<u>1,004,187</u>
Changes in operating assets and liabilities			
- Other receivables		(45,641)	193,875
- Inventories		(42,877)	(69,395)
- Other payables		(174,530)	216,856
Net cash provided by operating activities		<u>52,043</u>	<u>1,345,523</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	10	(35,132)	(631,237)
Property, plant and equipment written off	10	38,551	0
Fixed deposits interest received		46,355	15,583
Net cash provided by/ (used in) investing activities		<u>49,774</u>	<u>(615,654)</u>
Net increase in cash and cash equivalents		101,817	729,869
Cash and cash equivalents at beginning of financial year		<u>3,815,441</u>	<u>3,085,572</u>
Cash and cash equivalents at end of financial year	7	<u><u>3,917,258</u></u>	<u><u>3,815,441</u></u>
Cash and cash equivalents comprise:			
Cash in hand		4,855	5,755
Cash in banks		976,314	891,223
Fixed deposits		2,936,089	2,918,463
	7	<u><u>3,917,258</u></u>	<u><u>3,815,441</u></u>

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. General information

New Hope Community Services ("the Society") was registered under the Societies Act (Chapter 311) on 16 January 2004. The Society became a registered charity under the Charities Act (Chapter 37) on 13 October 2004. The address of its registered office and principal place of business is located at 148 Yishun Street 11 #01-123 Singapore 760148.

The Society has been accorded an Institution of Public Character ('IPC') status for the period from 1 November 2015 to 31 October 2018.

The objectives of Society are to assist homeless families and individuals by providing transitional accommodation, food rations, assistance with employment and permanent housing search plus enhancement to their life skills (e.g. financial budgeting, behaviour management, social skills training). Activities and programs like walkathon, football, choirs, retreats, etc. are organized to build up their self-esteem.

These financial statements are presented in Singapore Dollars, which is the Society's functional currency.

2. Significant accounting policies

2.1 Basis of preparation

The financial statements have been prepared in accordance with Charities Accounting Standard ("CAS"). The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of these financial statements in conformity with CAS requires management to exercise its judgement in the process of applying the Society's accounting policies. It also requires the use of certain critical accounting estimates and assumptions that affects 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 income and expenses during the financial year. Although these estimates are based on Management Committee's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

2.2 Income recognition

Income comprises the fair value of the consideration received or receivable in the ordinary course of the Society's activities. Income is recognized as follows:

2.2.1 Rendering of services

Revenue from services is recognized over the period in which the services are rendered, using the percentage-of-completion method based on the actual service provided as a proportion of the total services to be performed.

2. Significant accounting policies (Cont'd)

2.2 Income recognition (Cont'd)

2.2.2 Grants

Grants are recognized at their fair value where there is reasonable assurance that the grants will be received and all related conditions will be complied with.

2.2.3 Donations

Donations are recognised in the statement of financial activities upon receipt. Donations-in-kinds are recognised when the fair value of the assets received can be reasonably ascertained.

2.2.4 Interest income

Interest income is recognized on a time-proportion basis using the effective interest method.

2.2.5 Rental income

Rental income is recognized when incurred.

2.2.6 Other Income

Other income is recognized when incurred.

2.3 Property, plant and equipment

2.3.1 Measurement

Property, plant and equipment are initially recognized at cost and subsequently carried at cost less accumulated depreciation.

The cost of property, plant and equipment initially recognized includes its purchase price and any costs that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

2.3.2 Depreciation

Freehold land is not depreciated. Depreciation on other items of property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

	Useful lives
Computer and office equipment	3 years
Furniture and fittings	5 years
Motor vehicle	3 years
Renovation	3 years

2. Significant accounting policies (Cont'd)

2.3 Property, plant and equipment (Cont'd)

2.3.2 Depreciation (Cont'd)

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each statement of financial position date. The effects of any revision are recognised in the statement of financial activities in the financial year in which the changes arise.

2.3.3 Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that have already been recognized is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Society and the cost of the item can be measured reliably. Other subsequent expenditure is recognized as repair and maintenance expenses in statement of financial activities during the financial year in which it is incurred.

2.3.4 Disposal

On disposal of an item of property, plant and equipment, the difference between the net disposals proceeds and its carrying amount is taken to the statement of financial activities.

2.4 Financial assets

2.4.1 Classification

The Society classifies its financial assets in the following categories: loans and receivables. The classification depends on the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except those maturing later than 12 months after the statement of financial position date, which are classified as non-current assets. Loans and receivables are classified within "other receivables" and "cash and cash equivalents" on the statement of financial position.

2.4.2 Recognition and derecognition

Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Society has transferred substantially all risks and rewards of ownership.

2.4.3 Initial measurement

Financial assets are initially recognized at fair value plus transaction costs.

2.4.4 Subsequent measurement

Loans and receivables are subsequently carried at amortized cost using effective interest method.

2. Significant accounting policies (Cont'd)**2.5 Leases**Operating leases

Leases of assets in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are taken to the statement of financial activities on a straight-line basis over the period of the lease. When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognized as an expense in the period in which termination takes place.

Rental on operating lease is charged to income statement. Contingent rents are recognized as an expense in the income statement in the financial year in which they are incurred.

2.6 Other payables

Other payables excluding accruals are initially recognized at transaction price, excluding transaction costs. Accruals are recognized at the best estimate of the amount payable. Transaction costs are recognized in the statement of financial activities as incurred.

2.7 Other receivables

Other receivables excluding prepayments are initially recognized at transaction price, excluding transaction costs. Prepayments are initially recognized at the amount paid in advance for the economic resources expected to be received in the future. Transaction costs are recognized in the statement of financial activities as incurred.

2.8 Provisions for other liabilities and charges

Provisions for other liabilities and charges are recognized when the Society has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

2.9 Employee compensationDefined contribution plans

Defined contribution plans are post-employment benefit plans under which the Society pays fixed contributions into separate entities such as the Central Provident Fund ("CPF"), on a mandatory, contractual or voluntary basis. The Society has no further payment obligations once the contributions have been paid. The Society's contribution to defined contribution plans are recognized as employee compensation expense when they are due.

2.10 Currency translation

Transactions denominated in a currency other than Singapore Dollar ("foreign currency") are translated into Singapore Dollar using the exchange rates prevailing at the dates of the transactions.

2.11 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits with financial institutions that are subject to an insignificant risk of change in value.

2. Significant accounting policies (Cont'd)

2.12 Related parties

Related parties include all of the following:

- (a) A person or a close member of that person's family is related to a Society if that person:
 - (i) Has control or joint control over the Society;
 - (ii) Has significant influence over the Society; or
 - (iii) Is a governing board member, trustee or member of the key management personnel of the Society or of a parent of the Society;

- (b) An entity is related to the Society if any of the following conditions applies:
 - (i) The entity and the Society are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
 - (ii) The entity is an associate or joint venture of the Society (or an associate or joint venture of a member of a group of which the Society is a member) and vice versa;
 - (iii) The entity and the Society are joint ventures of the same third party;
 - (iv) The entity is a joint venture of a third entity and the Society is an associate of the third entity and vice versa;
 - (v) The entity is controlled or jointly controlled by a person identified in (a); and
 - (vi) A person identified in (a)(i) has significant influence over the entity or is a governing board member, trustee or member of the key management personnel of the entity (or of a parent of the entity).

3. Critical accounting estimates, assumptions and judgements

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3.1 Critical judgements in applying the Society's accounting policies

The key assumptions concerning the future and other key sources of estimation uncertainty at the statement of financial position 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.

Estimated useful lives of property, plant and equipment

The Society reviews annually the estimated useful lives of property, plant and equipment based on factors such as business plans and strategies, expected level of usage and future technological developments. 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.

4. Income tax

The Society is a charity registered under the Charities Act since 13 October 2004. Consequently, the income of the Society is exempt from tax under the provisions of Section 13 of the Income Tax Act Cap. 134.

5. Donations

	2016 S\$	2015 S\$
Tax deductible donations	110,767	123,035
Non-tax deductible donations	<u>322,357</u>	<u>57,553</u>
	<u>433,124</u>	<u>180,588</u>

The donations were allocated as follows:

• Donations	347,774	180,588
• Jumping on Trampolines	44,538	0
• Makeover Magic	<u>40,812</u>	<u>0</u>
	<u>433,124</u>	<u>180,588</u>

6. Staff costs

Included in the expenses expended are the following staff costs:

	2016 S\$	2015 S\$
CPF and SDL	197,963	160,438
Development and training	38,610	22,096
Foreign worker levy and EP application fee	6,636	3,147
Miscellaneous benefits	3,970	4,546
Retreat	17,440	12,077
Staff dental benefits	1,870	1,306
Staff medical benefits	5,451	13,313
Staff salaries and bonuses	1,347,241	1,133,393
Staff transport	21,113	15,401
Worker injury compensation insurance	1,470	1,461
Others	<u>329</u>	<u>10,036</u>
	<u>1,642,093</u>	<u>1,377,214</u>

	Transitional Shelter for Men-In-Crisis Fund (NCSS) S\$	Transitional Shelter for Men-In-Crisis Fund (SCORE) S\$	Transitional Shelter for Families in Crisis Fund S\$	Total S\$
2016				
Expenditure of manpower:				
• Staff salaries and bonuses	0	83,950	832,970	916,920
• Staff benefits and training costs	<u>0</u>	<u>14,543</u>	<u>184,866</u>	<u>199,409</u>
	<u>0</u>	<u>98,493</u>	<u>1,017,836</u>	<u>1,116,329</u>
2015				
Expenditure of manpower:				
• Staff salaries and bonuses	71,911	23,025	1,026,357	1,121,293
• Staff benefits and training costs	<u>3,945</u>	<u>1,263</u>	<u>61,603</u>	<u>66,811</u>
	<u>75,856</u>	<u>24,288</u>	<u>1,087,960</u>	<u>1,188,104</u>

7. Cash and cash equivalents

	2016 S\$	2015 S\$
Cash in hand	4,855	5,755
Cash at banks	<u>976,314</u>	<u>891,223</u>
	981,169	896,978
Fixed deposits	<u>2,936,089</u>	<u>2,918,463</u>
	<u>3,917,258</u>	<u>3,815,441</u>

At the reporting date, the carrying amounts of cash and cash equivalents approximated their fair values.

Fixed deposits at the reporting date had an average maturity less than 1 month to 10 months (2015: less than 1 month to 11 months) from that date and had a weighted average effective interest rate of 1.68% (2015: 1.05%) per annum.

8. Other receivables

	2016 S\$	2015 S\$
Other receivables	4,077	2,827
Deposits	15,054	18,402
Prepayments	24,925	28,113
Grant receivables	205,685	154,758
Interest receivables	<u>13,162</u>	<u>10,314</u>
	<u>262,903</u>	<u>214,414</u>

At the date of the statement of financial position, the carrying amounts of other receivables approximated their fair value.

9. Inventories

	2016 S\$	2015 S\$
Inventories held for sale		
- Finished goods	<u>112,272</u>	<u>69,395</u>
	<u>112,272</u>	<u>69,395</u>

The cost of inventories recognized as an expense and included in "cost of trampoline" amounted to S\$4,902 (2015: S\$15,323).

10. Property, plant and equipment

	Balance at beginning of year S\$	Additions S\$	(Written off) S\$	Balance at end of year S\$
2016				
Cost				
Computer and office equipment	213,301	24,617	0	237,918
Furniture and fittings	127,913	0	0	127,913
Motor vehicles	85,421	0	0	85,421
Renovation	884,288	10,515	(38,551)	856,252
	<u>1,310,923</u>	<u>35,132</u>	<u>(38,551)</u>	<u>1,307,504</u>
2016				
Accumulated depreciation				
Computer and office equipment	78,225	70,720	0	148,945
Furniture and fittings	50,628	23,252	0	73,880
Motor vehicles	85,421	0	0	85,421
Renovation	262,840	267,180	0	530,020
	<u>477,114</u>	<u>361,152</u>	<u>0</u>	<u>838,266</u>
2016				
Net book value				
Computer and office equipment	135,076			88,973
Furniture and fittings	77,285			54,033
Motor vehicles	0			0
Renovation	621,448			326,232
	<u>833,809</u>			<u>469,238</u>
2015				
Cost				
Computer and office equipment	97,928	115,373	0	213,301
Furniture and fittings	118,536	9,377	0	127,913
Motor vehicles	85,421	0	0	85,421
Renovation	377,801	506,487	0	884,288
	<u>679,686</u>	<u>631,237</u>	<u>0</u>	<u>1,310,923</u>
2015				
Accumulated depreciation				
Computer and office equipment	33,789	44,436	0	78,225
Furniture and fittings	27,398	23,230	0	50,628
Motor vehicles	85,421	0	0	85,421
Renovation	111,507	151,333	0	262,840
	<u>258,115</u>	<u>218,999</u>	<u>0</u>	<u>477,114</u>

10. Property, plant and equipment (Cont'd)

	Balance at beginning of year S\$	Balance at end of year S\$
2015		
Net book value		
Computer and office equipment	64,139	135,076
Furniture and fittings	91,138	77,285
Motor vehicles	0	0
Renovation	266,294	621,448
	<u>421,571</u>	<u>833,809</u>

Fully depreciated property, plant and equipment are still in use.

11. Other payables

	2016 S\$	2015 S\$
Other payables	21,258	0
Accruals	144,359	233,142
Deferred donation	174,894	223,871
Deferred grants	0	58,368
Deferred income	0	400
Deposits received	5,155	4,385
YMCA Welfare Fund	470	500
	<u>346,136</u>	<u>520,666</u>

Donation and grants that are received in advance for expenditure that must take place in a future financial period are accounted as deferred income and recognized as a liability until the financial period in which the donation and grants are expended.

At the reporting date, the carrying amounts of other payables approximated their fair values.

12. General Fund

The General Fund is for the purpose of meeting operating expenses incurred by the Society.

13. HOPE Scheme Programme Fund

The Home Ownership Plus Education (HOPE) Scheme offers comprehensive assistance to young low-income families and their children to help them break out of the poverty cycle. The HOPE Outreach Programme aims to pilot a range of targeted outreach strategies to promote HOPE to eligible families.

14. Building Fund

The Building Fund is established by the Management Committee in accordance to Paragraph 3.2 (iii) of the Society's Constitution, which is to purchase property for use as centres, or homes in furtherance of the objects of the Society.

15. Capital Expenditure Fund

The Capital Expenditure Fund was set up from the donation received from a donor, for the purchase of a lorry for thrift shop business.

16. Transitional Shelter for Men-In-Crisis Fund

The Shelter Home for Men has been in operation since 2003. On 1 April 2004, it was formally set up as an extension arm of the Society to reach out to the less fortunate, particularly the homeless and men in crisis. It also reaches out to destitute ex-offenders and recovered drug abusers who have no place to turn to upon their release from Prisons/ Drug Rehabilitation Centres (DRCs).

17. Transitional Shelter for Families in Crisis Fund

This is a pilot project in collaboration with MSF, NCSS and HDB and has been approved in December 2006. This project aims to provide temporary accommodation for families in crisis, in particular those who have been evicted by HDB for various reasons. These families will be housed in the 29 (2015: 46) approved HDB units allocated to NCSS in this pilot. As part of the agreed service model, the Society would need to provide counselling services as well as basic life skills programmes depending on the needs of the families.

18. Character Building Fund

The Character Building Fund is about an education program, which cultivates good habits and character traits into the children.

19. Office Building Fund

This is a building fund for building and renovating the new office of the Society. The new office is located at Block 148 Yishun Street 11 #01-123, Singapore 760148.

20. CAF Family Project

This amount is a donation from Bank of America Merrill Lynch to support the program and activities organized for our beneficiaries so as to promote their well-being and enable them to achieve independent living.

21. Care & Share Fund

The Care & Share Fund is a matching grant of one dollar for every donation raised by the Company provided by the Government in celebration of SGD50 to build capabilities and capabilities of the social service sector.

22. Related party transactions

The remuneration of key management personnel during the financial year was as follows:

	2016 S\$	2015 S\$
Salaries and other short-term employee benefits	284,926	259,418
Post-employment benefits – contributions to CPF	38,227	30,289
	<u>323,153</u>	<u>289,707</u>
No. of executives of the Society in remuneration bands:		
Between S\$50,000 and S\$100,000	1	1
Between S\$100,000 and S\$150,000	<u>2</u>	<u>2</u>

During the current and previous financial year, none of the Board members received any remuneration from the Society.

23. Commitments

(a) Capital commitment

Renovations were contracted for at the statement of financial position date but not recognised in the financial statements is as follows:-

	2016 S\$	2015 S\$
Property, plant and equipment – Renovation	<u>42,847</u>	<u>87,280</u>

(b) Operating lease commitments – where the Society is a lessee

The Society leases office premises under non-cancellable operating lease agreement from non-related party. The lease has varying terms, escalation clauses and renewal rights.

	2016 S\$	2015 S\$
Not later than one year	96,804	140,331
Later than one year but not later than five years	<u>47,739</u>	<u>144,543</u>

24. Financial risk management

The Society's activities expose it to minimal financial risks and overall risk management is determined and carried out by the Management Committee of the Society on an informal basis.

Currency risk

The Society is not exposed to foreign exchange risk as most of its transactions are in Singapore Dollar.

Interest rate risk

The Society is exposed to interest rate risk through the impact of rate changes on interest bearing assets and liabilities. The interest bearing assets comprise bank balances and fixed deposits which are short-term in nature. Any short-term fluctuation in interest rates will not significantly affect the Society. No sensitivity analysis is prepared as the Society does not expect any material effect on the Society's profit or loss arising from the effects of reasonably possible changes in interest rates on interest-bearing financial instruments at the end of the reporting period.

Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Society. The major classes of financial assets of the Society are bank deposits. For other financial assets, the Society adopts the policy of dealing only with high credit quality counterparties.

Liquidity risk

Liquidity risk is the risk that the Society will encounter difficulty in meeting its financial obligations due to shortage of funds. The Society exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets or liabilities.

Management monitors and ensures that the Society maintains a level of cash and cash equivalents deemed adequate to finance the Society's operations.

24. Financial risk management (Cont'd)Liquidity risk (Cont'd)

The table below summarizes the maturity profile of the Society's financial assets and liabilities at the end of the reporting period based on the contractual undiscounted repayment obligations:

	Within one year	Later than one year but not later than five years	Total
	S\$	S\$	S\$
2016			
Financial assets			
Cash and cash equivalents	3,917,258	0	3,917,258
Other receivables (excluding prepayments)	237,978	0	237,978
	<u>4,155,236</u>	<u>0</u>	<u>4,155,236</u>
Financial liability			
Other payables	(346,136)	0	(346,136)
	<u>(346,136)</u>	<u>0</u>	<u>(346,136)</u>
Net financial assets	<u>3,809,100</u>	<u>0</u>	<u>3,809,100</u>
	Within one year	Later than one year but not later than five years	Total
	S\$	S\$	S\$
2015			
Financial assets			
Cash and cash equivalents	3,815,441	0	3,815,441
Other receivables (excluding prepayments)	186,301	0	186,301
	<u>4,001,742</u>	<u>0</u>	<u>4,001,742</u>
Financial liability			
Other payables	(520,666)	0	(520,666)
	<u>(520,666)</u>	<u>0</u>	<u>(520,666)</u>
Net financial assets	<u>3,481,076</u>	<u>0</u>	<u>3,481,076</u>

25. Allocation of support costs

In accordance with the Charities Accounting Standard (CAS), support costs such as management, office costs, finance, information technology and governance costs are apportioned to the relevant programmes they support so as to reflect the true costs of the programmes. The allocation is based on per capita basis i.e. programme staff headcount:

	2016 S\$	2015 S\$
HOPE Scheme Programme Fund	35,570	12,430
Transitional Shelter for Men-In-Crisis Fund	47,424	18,280
Transitional Shelter for Families in Crisis Fund	225,588	109,679
CAF Family Project	11,857	0
Care and Share Fund	0	5,850
	<u>320,439</u>	<u>146,239</u>

26. Reserve position and policy

The Society's reserve position (excluding non-current assets) for financial year ended 31 December 2016 is as follows:

		2016	2015	Increase/ (decrease)
		S\$'000	S\$'000	%
A	Unrestricted Funds	2,622	2,708	(3.18)
B	Restricted Funds	1,794	1,704	5.28
C	Endowment Funds	N/A	N/A	N/A
D	Total Funds	4,416	4,412	0.09
E	Total Annual Operating Expenditure	2,632	2,200	19.64
F	Ratio of Funds to Annual Operating Expenditure (A/E)	1.00	1.23	

Reference:

- C. An endowment fund consists of assets, funds or properties, which are held in perpetuity, which produce annual income flow for a foundation to spend as grants.
- D. Total Funds include unrestricted, restricted/ designated and endowment funds.
- E. Total Annual Operating Expenditure includes expenses related to Cost of Charitable Activities and Governance and Other Operating and Administration expenses.

The Society's Reserve Policy is as follows:

The maximum operating reserves for New Hope Community Services shall be three (3) years of the amount of the annual operating expenditure.

27. Fund management policy

The primary objective of the Home is to ensure it maintains sufficient cash in order to support its activities. Its approach to fund management is to balance the allocation of cash and the incurrence of debt. Available cash is deployed primarily to cover operational requirements.

28. Loans

During the current and previous financial year, there was no loan made to any employees, management, Board members, any related parties or third party.

29. Sponsorship to other charities

The Society did not receive or provide any sponsorship from or to any charities during the current and previous financial year.

30. Authorisation of financial statements

These financial statements were authorised for issue in accordance with a resolution of the Management Committee on

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