

**NEW HOPE COMMUNITY  
SERVICES**

[Unique Entity No. T04SS0026C]

[IPC No. IPC000037]

[Registered under the Registrar of Societies]

**AUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 DECEMBER 2012**

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**Fiducia LLP**

Certified Public Accountants  
Singapore

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**STATEMENT BY MANAGEMENT COMMITTEE**

In the opinion of the Management Committee, the financial statements as set out on pages 5 to 29 are drawn up so as to give a true and fair view of the state of affairs of the Society as at 31 December 2012 and of the results of financial activities and cash flows of the Society for the year then ended.

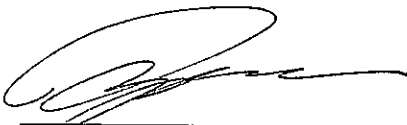
At the date of this statement, there are reasonable grounds to believe that the Society will be able to pay its debts as and when they fall due.

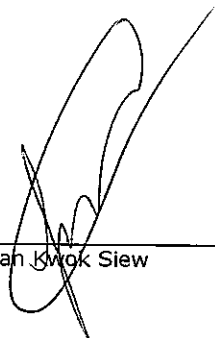
The Management Committee, comprising the following, authorised the issue of these financial statements on

Ng Kim Yeow Francis	President
Lim Bak Chim	Vice- President
Lee Khai Mun	Secretary
William Chan Kwok Siew	Treasurer
Derek Pak Gek Kwee	Member
Liew Wai Leong	Member
Tan Boon Kim Hilda	Member

30 APR 2013

On behalf of the Management Committee,

  
\_\_\_\_\_  
Ng Kim Yeow Francis  
President

  
\_\_\_\_\_  
William Chan Kwok Siew  
Treasurer

Singapore,

30 APR 2013

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## Fiducia LLP

Certified Public Accountants, Singapore

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Independent auditors' report to the members of:

### **NEW HOPE COMMUNITY SERVICES**

[Unique Entity No. T04SS0026C]  
[IPC No. IPC000037]  
[Registered under the Registrar of Societies]

## **Report on the Financial Statements**

We have audited the financial statements of **New Hope Community Services** (the "Society") as set out on pages 5 to 29, which comprise the statement of financial position as at 31 December 2012, the statement of financial activities and the statement of cash flows for the financial year then ended, and a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Societies Act (Chapter 311), Charities Act (Chapter 37) and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss account and balance sheet to maintain accountability of assets.

### *Auditors' Responsibility*

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

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

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

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## Fiducia LLP

Certified Public Accountants, Singapore

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(CONT'D)

Independent auditors' report to the members of:

### **NEW HOPE COMMUNITY SERVICES**

[Unique Entity No. T04SS0026C]  
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#### *Opinion*

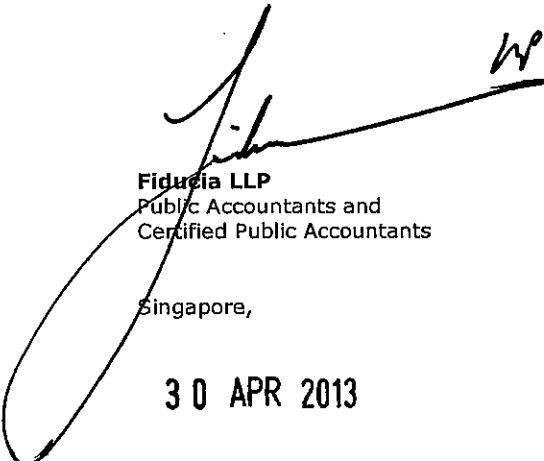
In our opinion, the financial statements are properly drawn up in accordance with the provisions of the Societies Act (Chapter 311), Charities Act (Chapter 37) and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Society as at 31 December 2012, and the results and cash flows of the Society for the financial year ended on that date.

#### *Report on other Legal and Regulatory Requirements*

In our opinion, the accounting and other records required by the regulations enacted under the Societies Act (Chapter 311) and Charities Act (Chapter 37) to be kept by the Society have been properly kept in accordance with those regulations.

During the course of our audit, nothing has come to our attention that the 30% cap mentioned in Regulation 15(1) of the Charities Act, Cap. 37 (Institutions of a Public Character) Regulations 2007 and as amended by Charities (Institutions of a Public Character) (Amendments) Regulations 2008 has been exceeded.

During the course of our audit, nothing has come to our attention that donation moneys are used for disbursements other than those in accordance with the objectives of the Society.



**Fiducia LLP**  
Public Accountants and  
Certified Public Accountants

Singapore,

**30 APR 2013**

STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2012

	Unrestricted Fund	Restricted Funds							Total Restricted Funds	Total S\$
		General Fund	Capital Expenditure	Children Choir	Families Shelter (Give2Asia)	HOPE Scheme Programme	Lifeskills Programme	New Hope Shelter		
2012	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$
<b>INCOME</b>										
Income from generating funds										
- Fund-raising activities	75,118	0	0	0	0	0	0	0	0	0
- Voluntary income	232,106	0	0	60,840	109,483	25,000	132,512	0	981,058	1,306,718
Other income	72,355	0	0	0	0	0	0	0	0	0
<b>Total income</b>	<b>379,579</b>	<b>0</b>	<b>0</b>	<b>60,840</b>	<b>109,483</b>	<b>25,000</b>	<b>132,512</b>	<b>0</b>	<b>981,058</b>	<b>1,306,718</b>
<b>EXPENSES</b>										
Cost of generating funds	9,279	0	0	0	0	0	0	0	0	0
Cost of charitable activities	14,633	0	0	4,558	2,980	16,620	138,245	0	677,019	839,422
Governance and administrative costs	381,209	0	0	0	0	0	0	0	0	0
<b>Total expenses</b>	<b>405,121</b>	<b>0</b>	<b>0</b>	<b>4,558</b>	<b>2,980</b>	<b>16,620</b>	<b>138,245</b>	<b>0</b>	<b>677,019</b>	<b>839,422</b>
<b>Net income / (loss)</b>	<b>(25,542)</b>	<b>0</b>	<b>0</b>	<b>56,282</b>	<b>106,503</b>	<b>8,380</b>	<b>(5,733)</b>	<b>0</b>	<b>304,039</b>	<b>467,296</b>
Gross transfers between funds	31,827	0	(10,413)	0	0	0	0	(21,414)	0	(31,827)
<b>Net movements in funds</b>	<b>6,285</b>	<b>0</b>	<b>(10,413)</b>	<b>56,282</b>	<b>106,503</b>	<b>8,380</b>	<b>(5,733)</b>	<b>(21,414)</b>	<b>304,039</b>	<b>435,469</b>
Total funds brought forward	715,035	41,000	10,413	0	0	7,343	14,523	21,414	770,272	864,965
<b>Total funds carried forward</b>	<b>721,320</b>	<b>41,000</b>	<b>0</b>	<b>56,282</b>	<b>106,503</b>	<b>15,723</b>	<b>8,790</b>	<b>0</b>	<b>1,074,311</b>	<b>1,300,434</b>

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

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2012 (CONT'D)**

	Unrestricted Fund	Restricted Funds						Total Restricted Funds	Total S\$
		General Fund S\$	Capital Expenditure S\$	Children Choir S\$	Lifeskills Programme S\$	New Hope Shelter S\$	Project Hope S\$		
<b>2011</b>									
<b>INCOME</b>									
Income from generating funds	25,813	0	0	0	0	0	0	0	25,813
- Fund-raising activities	296,692	0	9,399	25,000	138,228	12,000	1,121,813	1,306,440	1,603,132
- Voluntary income	46,919	0	0	0	0	0	0	0	46,919
Other income	369,424	0	9,399	25,000	138,228	12,000	1,121,813	1,306,440	1,675,864
<b>Total income</b>									
<b>EXPENSES</b>									
Cost of generating funds	27,460	0	0	0	0	0	0	0	27,460
Cost of charitable activities	24	0	1,425	17,657	123,705	480	555,306	698,573	698,597
Governance and administrative costs	394,963	0	0	0	0	0	0	0	394,963
<b>Total expenses</b>	<b>422,447</b>	<b>0</b>	<b>1,425</b>	<b>17,657</b>	<b>123,705</b>	<b>480</b>	<b>555,306</b>	<b>698,573</b>	<b>1,121,020</b>
<b>Net income / (loss)</b>	<b>(53,023)</b>	<b>0</b>	<b>7,974</b>	<b>7,343</b>	<b>14,523</b>	<b>11,520</b>	<b>566,507</b>	<b>607,867</b>	<b>554,844</b>
Total funds brought forward	768,058	41,000	2,439	0	0	9,894	203,765	257,098	1,025,156
<b>Total funds carried forward</b>	<b>715,035</b>	<b>41,000</b>	<b>10,413</b>	<b>7,343</b>	<b>14,523</b>	<b>21,414</b>	<b>770,272</b>	<b>864,965</b>	<b>1,580,000</b>

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

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2012 (CONT'D)**

	Unrestricted Fund	Restricted Funds							Total S\$		
		General Fund S\$	Capital Expenditure S\$	Children Choir S\$	Families Shelter (Give2Asia) S\$	HOPE Scheme Programme S\$	Lifeskills Programme S\$	New Hope Shelter S\$		Project Hope S\$	Transitional Shelter for Families in Crisis S\$
<b>2012</b>											
<b>INCOME</b>											
<b>Income from generating funds</b>											
Fund-raising activities	75,118	0	0	0	0	0	0	0	0	0	75,118
Voluntary income											
Donations											
- Non-tax deductible	11,445	0	0	60,840	0	0	2,175	0	0	0	74,460
- Tax deductible	213,158	0	0	0	0	25,000	0	0	0	0	238,158
Grants	7,503	0	0	0	109,483	0	130,337	0	981,058	1,220,878	1,228,381
	<u>232,106</u>	<u>0</u>	<u>0</u>	<u>60,840</u>	<u>109,483</u>	<u>25,000</u>	<u>132,512</u>	<u>0</u>	<u>981,058</u>	<u>1,306,718</u>	<u>1,540,999</u>
<b>Other income</b>											
Government-paid maternity leave scheme	5,686	0	0	0	0	0	0	0	0	0	5,686
Interest income	220	0	0	0	0	0	0	0	0	0	220
Jobs credit scheme	8,276	0	0	0	0	0	0	0	0	0	8,276
Miscellaneous income	128	0	0	0	0	0	0	0	0	0	128
Rental income	58,045	0	0	0	0	0	0	0	0	0	58,045
	<u>72,355</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>72,355</u>
<b>Total income</b>	<u>379,579</u>	<u>0</u>	<u>0</u>	<u>60,840</u>	<u>109,483</u>	<u>25,000</u>	<u>132,512</u>	<u>0</u>	<u>981,058</u>	<u>1,306,718</u>	<u>1,688,472</u>

STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2012 (CONT'D)

	Unrestricted Fund	Restricted Funds										Total Restricted Funds	Total S\$
		General Fund	Capital Expenditure	Children Choir	Families Shelter (Give2Asia)	HOPE Scheme Programme	Lifeskills Programme	New Hope Shelter	Project Hope	Transitional Shelter for Families in Crisis	Total Restricted Funds		
2012 (Cont'd)	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$
<b>EXPENSES</b>													
<b>Cost of generating funds</b>													
Fund-raising event	9,279	0	0	0	0	0	0	0	0	0	0	0	9,279
<b>Cost of charitable activities</b>													
Apparels	1,440	0	0	0	0	0	0	0	0	0	0	0	1,440
General expenses	1,257	0	0	0	0	0	0	0	1,177	0	0	1,177	2,434
Helper allowance	0	0	0	0	0	0	0	0	344	0	0	344	1,498
Household item	171	0	0	0	0	24	0	1,227	8,612	0	0	9,863	10,034
Insurance	0	0	0	0	0	0	0	185	733	0	0	918	918
IT and computer expenses	0	0	0	0	0	0	0	25	2,158	0	0	2,183	2,183
Life skill training for residents	0	0	0	0	0	0	0	0	0	0	0	9,450	9,450
Office equipment expenses	0	0	0	0	0	0	0	99	69	0	0	168	168
Payroll services	0	0	0	0	0	0	0	1,380	5,143	0	0	6,523	6,523
Printing and stationery	35	0	0	0	0	53	0	37	202	0	0	361	396
Professional fees	400	0	0	0	0	0	0	250	0	0	0	2,650	3,050
Refreshment	7,486	0	0	0	0	3,731	0	77	530	0	0	4,422	11,908
Relocation funding	0	0	0	0	0	0	0	0	3,815	0	0	3,815	3,815
Rental of premises	850	0	0	0	0	1,978	0	43,890	106,482	0	0	152,735	153,585
Rental of equipment	1,055	0	0	0	0	150	0	0	0	0	0	150	1,205
Repair and maintenance	0	0	0	0	0	0	0	2,498	32,460	0	0	34,958	34,958
Resident welfare	0	0	0	0	0	0	0	18	4	0	0	22	22



STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2012 (CONT'D)

	Unrestricted Fund	Restricted Funds							Total Restricted Funds	Total S\$
		General Fund	Capital Expenditure	Children Choir	Families Shelter (Give2Asia)	HOPE Scheme Programme	Lifeskills Programme	New Hope Shelter		
2012 (Cont'd)	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$
<b>Cost of charitable activities (Cont'd)</b>										
Service and conservancy charges	0	0	0	4,558	0	0	0	0	25,018	29,576
Shelter furniture, fixtures and fittings expenses	0	0	0	0	0	0	0	0	2,892	2,892
Staff costs:										
- CPF and SDL	0	0	0	0	0	0	0	6,517	45,915	52,432
- Development and training	0	0	0	0	0	0	0	0	3,052	3,052
- Foreign worker levy and EP application fee	0	0	0	0	0	0	0	0	2,260	2,260
- Medical insurance	0	0	0	0	0	0	0	489	2,474	2,963
- Miscellaneous benefits	0	0	0	0	0	0	0	499	3,994	4,493
- Retreat	0	0	0	0	0	0	0	553	3,821	4,374
- Salaries and bonus	0	0	0	0	0	0	0	67,803	337,954	405,757
- Transport	55	0	0	0	42	0	454	231	892	1,619
- Stamp duty	0	0	0	0	0	0	0	0	292	292
Telecommunication	80	0	0	0	0	0	0	1,493	6,195	7,688
Transportation	1,804	0	0	0	0	0	780	414	1,220	2,414
Utilities	0	0	0	0	0	0	0	9,406	79,311	88,717
	14,633	0	0	4,558	2,980	16,620	138,245	677,019	839,422	854,055
<b>Governance and administrative costs</b>										
Accounting fees	20,740	0	0	0	0	0	0	0	0	20,740
Audit fees	5,000	0	0	0	0	0	0	0	0	5,000
Awards and prizes	133	0	0	0	0	0	0	0	0	133

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2012 (CONT'D)**

	Unrestricted Fund	Restricted Funds							Total			
		General Fund	Capital Expenditure	Children Choir	Families Shelter (Give2Asia)	HOPE Scheme Programme	Lifeskills Programme	New Hope Shelter		Project Hope	Transitional Shelter for Families in Crisis	Total Restricted Funds
2012 (Cont'd)	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	
<b>Governance and administrative costs (Cont'd)</b>												
Bank charges	717	0	0	0	0	0	0	0	0	0	0	717
Board expenses	5,381	0	0	0	0	0	0	0	0	0	0	5,381
Cleaning services	1,500	0	0	0	0	0	0	0	0	0	0	1,500
Depreciation	3,022	0	0	0	0	0	0	0	0	0	0	3,022
Household item	231	0	0	0	0	0	0	0	0	0	0	231
Insurance	3,844	0	0	0	0	0	0	0	0	0	0	3,844
IT and computer expenses	190	0	0	0	0	0	0	0	0	0	0	190
Membership fees	94	0	0	0	0	0	0	0	0	0	0	94
Newspaper and periodicals	294	0	0	0	0	0	0	0	0	0	0	294
Office equipment expenses	263	0	0	0	0	0	0	0	0	0	0	263
Online donation portal fees	185	0	0	0	0	0	0	0	0	0	0	185
Payroll services	2,748	0	0	0	0	0	0	0	0	0	0	2,748
Postages and courier charges	176	0	0	0	0	0	0	0	0	0	0	176
Printing and stationery	4,695	0	0	0	0	0	0	0	0	0	0	4,695
Refreshment	1,243	0	0	0	0	0	0	0	0	0	0	1,243
Rental of equipment	2,311	0	0	0	0	0	0	0	0	0	0	2,311
Rental of premises	32,100	0	0	0	0	0	0	0	0	0	0	32,100
Repair and maintenance	1,845	0	0	0	0	0	0	0	0	0	0	1,845
Service and conservancy charges	2,902	0	0	0	0	0	0	0	0	0	0	2,902

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2012 (CONT'D)**

	Unrestricted Fund	Restricted Funds										Total S\$	
		General Fund S\$	Capital Expenditure S\$	Children Choir S\$	Families Shelter (Give2Asia) S\$	HOPE Scheme Programme S\$	Lifeskills Programme S\$	New Hope Shelter S\$	Project Hope S\$	Transitional Shelter for Families in Crisis S\$	Total Restricted Funds S\$		
<b>2012 (Cont'd)</b>													
<b>Governance and administrative costs (Cont'd)</b>													
Staff costs:													
- CPF and SDL	25,568	0	0	0	0	0	0	0	0	0	0	0	25,568
- Development and training	718	0	0	0	0	0	0	0	0	0	0	0	718
- Foreign worker levy and EP application fee	2,227	0	0	0	0	0	0	0	0	0	0	0	2,227
- Medical insurance	1,535	0	0	0	0	0	0	0	0	0	0	0	1,535
- Miscellaneous benefits	2,942	0	0	0	0	0	0	0	0	0	0	0	2,942
- Retreat	2,219	0	0	0	0	0	0	0	0	0	0	0	2,219
- Salaries and bonus	222,496	0	0	0	0	0	0	0	0	0	0	0	222,496
- Transport	308	0	0	0	0	0	0	0	0	0	0	0	308
Telecommunication	6,153	0	0	0	0	0	0	0	0	0	0	0	6,153
Upkeep of motor vehicles	18,045	0	0	0	0	0	0	0	0	0	0	0	18,045
Utilities	9,384	0	0	0	0	0	0	0	0	0	0	0	9,384
	<u>381,209</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>381,209</u>
<b>Total expenses</b>	<b>405,121</b>	<b>0</b>	<b>0</b>	<b>4,558</b>	<b>2,980</b>	<b>16,620</b>	<b>138,245</b>	<b>0</b>	<b>677,019</b>	<b>839,422</b>	<b>1,244,543</b>		
<b>Net income / (loss)</b>	<b>(25,542)</b>	<b>0</b>	<b>0</b>	<b>56,282</b>	<b>106,503</b>	<b>8,380</b>	<b>(5,733)</b>	<b>0</b>	<b>304,039</b>	<b>467,296</b>	<b>443,929</b>		

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

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2012 (CONT'D)**

	Unrestricted Fund	Restricted Funds						Total Restricted Funds	Total S\$
		General Fund	Capital Expenditure	Children Choir	Lifeskills Programme	New Hope Shelter	Project Hope		
2011	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	
<b>INCOME</b>									
<b>Income from generating funds</b>									
Fund-raising activities	4,990	0	0	0	0	0	0	4,990	
Fund-raising event	20,823	0	0	0	0	0	0	20,823	
Thrift shop	25,813	0	0	0	0	0	0	25,813	
Voluntary income									
Donations	34,373	0	3,639	0	0	0	50,000	88,012	
- Non-tax deductible	247,079	0	5760	25,000	30,000	12,000	235,000	554,839	
- Tax deductible	15,240	0	0	0	108,228	0	836,813	960,281	
Grants	296,692	0	9,399	25,000	138,228	12,000	1,121,813	1,603,132	
Other income									
Interest income	333	0	0	0	0	0	0	333	
Jobs credit scheme	64	0	0	0	0	0	0	64	
Miscellaneous income	84	0	0	0	0	0	0	84	
Rental income	46,438	0	0	0	0	0	0	46,438	
	46,919	0	0	0	0	0	0	46,919	
<b>Total income</b>	<b>369,424</b>	<b>0</b>	<b>9,399</b>	<b>25,000</b>	<b>138,228</b>	<b>12,000</b>	<b>1,121,813</b>	<b>1,675,864</b>	

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2012 (CONT'D)**

	Unrestricted Fund	Restricted Funds							Total Restricted Funds	Total S\$
		General Fund	Capital Expenditure	Children Choir	Lifeskills Programme	New Hope Shelter	Project Hope	Transitional Shelter for Families in Crisis		
	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	
<b>2011 (Cont'd)</b>										
<b>EXPENSES</b>										
<b>Cost of generating funds</b>										
Fund-raising event	13,915	0	0	0	0	0	0	0	13,915	
Thrift shop	13,545	0	0	0	0	0	0	0	13,545	
	<u>27,460</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>27,460</u>	
<b>Cost of charitable activities</b>										
Apparels	0	0	0	0	0	0	480	0	480	
Helper allowance	0	0	0	0	309	0	0	347	656	
Household item	0	0	0	0	556	0	0	4,224	4,780	
Insurance	0	0	0	0	246	0	0	494	740	
IT and computer expenses	0	0	0	1,262	0	0	0	3,700	4,962	
Life skill training for residents	0	0	0	9,540	0	0	0	700	10,240	
Payroll services	0	0	0	0	1,057	0	0	3,619	4,676	
Printing and stationery	0	0	0	0	58	0	0	389	447	
Refreshment	0	0	1,140	3,565	56	0	0	983	5,744	
Relocation funding	0	0	0	0	0	0	0	3,977	3,977	
Rental of premises	0	0	0	2,496	51,900	0	0	113,029	167,425	
Repair and maintenance	0	0	0	0	1,558	0	0	13,151	14,709	
Resident welfare	0	0	0	0	136	0	0	90	226	
Service and conservancy charges	0	0	0	0	0	0	0	24,485	24,485	

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2012 (CONT'D)**

	Unrestricted Fund		Restricted Funds						Total Restricted Funds S\$	Total S\$
	General Fund S\$	Capital Expenditure S\$	Children Choir S\$	Lifeskills Programme S\$	New Hope Shelter S\$	Project Hope S\$	Transitional Shelter for Families in CHIS S\$			
<b>2011 (Cont'd)</b>										
<b>Cost of charitable activities (Cont'd)</b>										
Staff cost:										
- CPF and SDL	0	0	0	0	5,119	0	0	32,868	37,987	
- Development and training	0	0	0	0	88	0	0	892	980	
- Medical insurance	0	0	0	305	496	0	0	1,442	2,243	
- Miscellaneous benefits	0	0	0	0	258	0	0	2,383	2,641	
- Retreat	0	0	0	0	550	0	0	3,222	3,772	
- Salaries and bonus	0	0	0	0	47,071	0	0	236,102	283,173	
- Transport	0	0	0	0	293	0	0	3,327	3,620	
Stamp duty	0	0	0	0	0	0	0	1,087	1,087	
Start-up cost	0	0	0	0	0	0	0	18,765	18,765	
Telecommunication	0	0	0	0	1,276	0	0	2,546	3,822	
Transportation	24	0	285	489	93	0	0	824	1,715	
Utilities	0	0	0	0	12,585	0	0	82,660	95,245	
	24	0	1,425	17,657	123,705	480	0	555,306	698,597	
<b>Governance and administrative costs</b>										
Accounting fees	18,446	0	0	0	0	0	0	0	18,446	
Audit fees	5,600	0	0	0	0	0	0	0	5,600	
Bank charges	672	0	0	0	0	0	0	0	672	
Depreciation	14,526	0	0	0	0	0	0	0	14,526	
General expenses	435	0	0	0	0	0	0	0	435	
Helper allowance	8	0	0	0	0	0	0	0	8	
Household item	107	0	0	0	0	0	0	0	107	

STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2012 (CONT'D)

	Unrestricted Fund	Restricted Funds						Total Restricted Funds S\$	Total S\$
	General Fund S\$	Capital Expenditure S\$	Children Choir S\$	Lifeskills Programme S\$	New Hope Shelter S\$	Project Hope S\$	Transitional Shelter for Families in Crisis S\$		
<b>2011 (Cont'd)</b>									
<b>Governance and administrative costs (Cont'd)</b>									
Insurance	3,369	0	0	0	0	0	0	3,369	
IT and computer expenses	3,766	0	0	0	0	0	0	3,766	
Membership fees	125	0	0	0	0	0	0	125	
Newspaper and periodicals	293	0	0	0	0	0	0	293	
Office equipment expenses	2,072	0	0	0	0	0	0	2,072	
Online donation portal fees	23	0	0	0	0	0	0	23	
Payroll services	2,684	0	0	0	0	0	0	2,684	
Postage and courier charges	454	0	0	0	0	0	0	454	
Printing and stationery	7,105	0	0	0	0	0	0	7,105	
Professional fees	1,200	0	0	0	0	0	0	1,200	
Refreshment	2,231	0	0	0	0	0	0	2,231	
Rental of equipment	2,311	0	0	0	0	0	0	2,311	
Rental of premises	32,183	0	0	0	0	0	0	32,183	
Repair and maintenance	1,515	0	0	0	0	0	0	1,515	
Service and consorvancy charges	2,902	0	0	0	0	0	0	2,902	
Staff cost:									
- CPF and SDL	24,383	0	0	0	0	0	0	24,383	
- Development and training	4,790	0	0	0	0	0	0	4,790	
- Foreign worker levy and EP application fee	630	0	0	0	0	0	0	630	

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2012 (CONT'D)**

	Unrestricted Fund	Restricted Funds							Total Restricted Funds	Total S\$
		General Fund S\$	Capital Expenditure S\$	Children Choir S\$	Lifescills Programme S\$	New Hope Shelter S\$	Project Hope S\$	Transitional Shelter for Families in Crisis S\$		
<b>2011 (Cont'd)</b>										
<b>Governance and administrative costs (Cont'd)</b>										
Staff cost (cont'd):										
- Medical insurance	1,175	0	0	0	0	0	0	0	1,175	
- Miscellaneous benefits	2,899	0	0	0	0	0	0	0	2,899	
- Retreat	2,511	0	0	0	0	0	0	0	2,511	
- Salaries and bonus	219,475	0	0	0	0	0	0	0	219,475	
- Transport	206	0	0	0	0	0	0	0	206	
Telecommunication	7,571	0	0	0	0	0	0	0	7,571	
Transportation	6,263	0	0	0	0	0	0	0	6,263	
Upkeep of motor vehicles	15,763	0	0	0	0	0	0	0	15,763	
Utilities	7,209	0	0	0	0	0	0	0	7,209	
Volunteer expenses	61	0	0	0	0	0	0	0	61	
	<u>394,963</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>394,963</u>	
<b>Total expenses</b>	<b>422,447</b>	<b>0</b>	<b>1,425</b>	<b>17,657</b>	<b>123,705</b>	<b>480</b>	<b>555,306</b>	<b>698,573</b>	<b>1,121,020</b>	
<b>Net income / (loss)</b>	<b>(53,023)</b>	<b>0</b>	<b>7,974</b>	<b>7,343</b>	<b>14,523</b>	<b>11,520</b>	<b>566,507</b>	<b>607,867</b>	<b>554,844</b>	

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



**STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2012**

	Note	2012 S\$	2011 S\$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	5	1,823,737	1,487,328
Receivables, deposits and prepayment	6	<u>278,559</u>	<u>157,326</u>
		2,102,296	1,644,654
<b>Non-current assets</b>			
Property, plant and equipment	7	<u>3,959</u>	<u>6,981</u>
<b>Total assets</b>		<u>2,106,255</u>	<u>1,651,635</u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Other payables	8	<u>82,326</u>	<u>71,635</u>
<b>NET ASSETS</b>		<u>2,023,929</u>	<u>1,580,000</u>
<b>FUNDS</b>			
<b>Unrestricted funds</b>			
General fund	9	<u>721,320</u>	<u>715,035</u>
<b>Restricted funds</b>			
Capital expenditure	10	41,000	41,000
Children's choir	10	0	10,413
Families shelter (Give2Asia)	10	56,282	0
HOPE scheme programme	10	106,503	0
Lifeskills programme	10	15,723	7,343
New Hope shelter	10	8,790	14,523
Project Hope	10	0	21,414
Transitional shelter for families in crisis	10	<u>1,074,311</u>	<u>770,272</u>
		1,302,609	864,965
<b>Total funds</b>		<u>2,023,929</u>	<u>1,580,000</u>

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

**STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2012**

	Note	2012 S\$	2011 S\$
<b>Cash flows from operating activities</b>			
Net income / (loss)		443,929	554,844
Adjustment for:			
- Interest income		(220)	(333)
- Depreciation	7	<u>3,022</u>	<u>14,526</u>
Operating cash flow before working capital changes		446,731	569,037
Changes in operating assets and liabilities:			
- Receivables, deposits and prepayment		(121,233)	(23,515)
- Other payables		10,691	10,526
- Interest received		<u>220</u>	<u>333</u>
<b>Net cash provided by operating activities</b>		<u>336,409</u>	<u>556,381</u>
<b>Cash flows from investing activities</b>			
Purchases of property, plant and equipment	7	<u>0</u>	<u>(2,001)</u>
<b>Net increase in cash and cash equivalents</b>		336,409	554,380
Cash and cash equivalents at beginning of financial year		<u>1,487,328</u>	<u>932,948</u>
<b>Cash and cash equivalents at end of financial year</b>		<u>1,823,737</u>	<u>1,487,328</u>
<b>Cash and cash equivalents comprise:</b>			
Cash in banks		1,319,883	985,358
Cash on hand		3,854	1,970
Fixed deposits		<u>500,000</u>	<u>500,000</u>
	5	<u>1,823,737</u>	<u>1,487,328</u>

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

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2012**

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") is registered under the Societies Act (Chapter 311) on 16 January 2004. The registered office and principal place of operation is at 102 Yishun Avenue 5, #03-131, Singapore 760102.

The principal activity of the Society is to provide shelters, assistance, counselling and training to alleviate difficulties and sufferings of needy individuals and families.

The Society is a charity registered under the Charities Act (Chapter 37) since 13 October 2004 and has been accorded the status of an Institution of a Public Character ("IPC") status for the period from 01 November 2012 to 31 October 2015.

### **2. Significant accounting policies**

#### **2.1 Basis of preparation**

The financial statements have been prepared in accordance with Charities Accounting Standards (CAS). This is the first financial statement prepared by the Society under CAS basis. The adoption of CAS did not result in any significant adjustment to the financial activities, financial position and cash flows, and any substantial changes to the Society's accounting policies, except for the following:

- a) Property, plant and equipment are not revalued and are not required to be assessed for impairment; and
- b) For financial assets, except for equity investment (if any), the impairment loss is the difference between the carrying amount of the financial assets and the undiscounted future cash flows that the Society expects to receive.

The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below. These financial statements are presented in Singapore Dollar (S\$), which is the Society's functional currency.

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.

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

## **2. Significant accounting policies (Cont'd)**

### **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 recognised as follows:

#### **2.2.1 Donations**

Donations are taken up and accrued as and when they are committed. Uncommitted donations, income from charity events and all income except as listed below, are recognised on receipt basis. Donations-in-kind are recognised when the fair value of the assets received can be reasonably ascertained.

#### **2.2.2 Grants**

Government 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 Interest income**

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

#### **2.2.4 Rental income**

Rental income is recognised on a receipt basis.

#### **2.2.5 Other income**

Other income is recognised when incurred.

### **2.3 Expense recognition**

All expenses are accounted for on accrual basis, aggregated under the respective areas. Direct costs are attributed to the activity where possible. Where costs are not wholly attributable to an activity, they are apportioned on a basis consistent with the use of resources.

**2.3.1** Cost of generating funds comprises all costs that are directly attributable to raising funds, and which are separated from those costs incurred in undertaking charitable activities.

**2.3.2** Cost of charitable activities comprises all costs incurred in the pursuit of the charitable objects of the Society. The total costs of charitable expenditure are apportionment of overhead and shared costs.

**2.3.3** Governance and administrative costs of governance arrangement, which relate to the general running of the Society, providing governance infrastructure and ensuring public accountability. These costs include costs related to constitutional and statutory requirements and an apportionment of overhead and shared costs.

### **2.4 Property, plant and equipment**

#### **2.4.1 Measurement**

All property, plant and equipment are initially measured at cost and subsequently at cost less accumulated depreciation.

**2. Significant accounting policies (Cont'd)**

**2.4 Property, plant and equipment (Cont'd)**

**2.4.1 Measurement (Cont'd)**

The cost of an item of property, plant and equipment 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.

**2.4.2 Depreciation**

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives. The estimated useful lives are as follows:

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

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

**2.4.3 Subsequent expenditure**

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

**2.4.4 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.

**2.5 Financial assets**

**2.5.1 Recognition and measurement**

Receivables, deposits and prepayment, excluding prepayments, are initially recognised at their transaction price, excluding transaction costs, if any. Transaction costs shall be recognised as expenditure in the statement of financial activities as incurred. Prepayments are initially recognised at the amount paid in advance for the economic resources expected to be received in the future.

Receivables, deposits and prepayment are subsequently measured at cost less accumulated impairment losses.

## **2. Significant accounting policies (Cont'd)**

### **2.5 Financial assets (Cont'd)**

#### **2.5.2 Derecognition**

Receivables, deposits and prepayment are derecognised 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.

#### **2.5.3 Impairment**

The Society assesses at each statement of financial position date whether there is objective evidence that a financial asset or a group of financial assets is impaired.

An allowance for impairment of receivables is recognised when there is objective evidence that the Society will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the receivable is impaired. The amount of the allowance is the difference between the asset's carrying amount and the undiscounted future cash flows that the Society expects to receive. The amount of the allowance for impairment is recognised in the statement of financial activities.

Subsequently, if the amount of an impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the Society shall reverse the previously recognised impairment loss. The reversal shall not result in any carrying amount of the financial asset (net of any allowance account) that exceeds what the carrying amount would have been had the impairment not previously been recognised. The amount of reversal is recognised in the statement of financial activities.

### **2.6 Cash and cash equivalents**

Cash and cash equivalents include cash on hand and deposits with financial institution. Cash and cash equivalents are measured at cost.

### **2.7 Financial liabilities**

Financial liabilities are recognised when the Society becomes a party to the contractual agreements of the instrument and are classified according to the substance of the contractual arrangements entered into. All interest related charges are recognised in the statement of financial activities. Financial liabilities include "Other payables".

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

### **2.8 Other payables**

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

**2. Significant accounting policies (Cont'd)**

**2.9 Provisions for other liabilities and charges**

Provisions for other liabilities and charges are recognised 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.

**2.10 Funds**

Fund balances restricted by outside sources are so indicated and are distinguished from unrestricted funds allocated to specific purposes, if any, by action of the Management Committee. Externally restricted funds may only be utilized in accordance with the purposes for which they are established. The Management Committee retains full control over the use of unrestricted funds for any of the Society's purposes.

**2.11 Operating lease**

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 statement of financial activities. Contingent rents are recognized as an expense in the statement of financial activities in the financial year in which they are incurred.

**2.12 Employee compensation**

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 recognised as employee compensation expense when they are due.

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

**2.13 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. Currency translation gains and losses resulting from the settlement of such transactions and from the translation at the closing rate at the statement of financial position date of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of financial activities.

**2.14 Related parties**

Related parties are entities with one or more common management committee members. Parties are considered to be related if one party has the ability to control the other party or exercise influence over the party in making financial and operating decisions.

**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.

***Critical judgements in applying the entity'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.

***Allowance for impairment of receivables***

The Society reviews the adequacy of allowance for impairment of receivables at each closing by reference to the ageing analysis of receivables, and evaluates the risks of collection according to the credit standing and collection history of individual customer. If there are indications that the financial position of a customer has deteriorated resulting in an adverse assessment of his risk profile, an appropriate amount of allowance will be provided.

**4. Income tax**

The Society is a charity registered under the Charities Act (Chapter 37) since 13 October 2004. Consequently, the income of the Society is exempted from tax under the provisions of Section 13 of the Income Tax Act Cap. 134.

**5. Cash and cash equivalents**

	2012 S\$	2011 S\$
Cash in bank	1,319,883	985,358
Cash on hand	3,854	1,970
Fixed deposits	500,000	500,000
	<u>1,823,737</u>	<u>1,487,328</u>

Cash in bank earns interest at bank deposit rates.

Fixed deposits are with interest ranging from 0.05% to 0.10% (FY 2011: 0.05% to 0.15%) per annum and will mature within one month after the statement of financial position date. The principal and interest will be rolled forward for the same tenor until further instructions from the Society.



**6. Receivables, deposits and prepayment**

	2012 S\$	2011 S\$
Deposits	16,213	21,968
Grant receivables	247,396	125,168
Interest receivables	0	31
Other receivables	2,974	600
Prepayment	11,976	9,559
	<u>278,559</u>	<u>157,326</u>

**7. Property, plant and equipment**

2012	Computer and office equipment S\$	Furniture and fittings S\$	Motor vehicles S\$	Renovation S\$	Total S\$
<b>Cost</b>					
At beginning and end of year	<u>10,579</u>	<u>11,343</u>	<u>85,421</u>	<u>9,060</u>	<u>116,403</u>
<b>Accumulated depreciation</b>					
At beginning of year	9,245	8,222	85,421	6,534	109,422
Depreciation	667	911	0	1,444	3,022
At end of year	<u>9,912</u>	<u>9,133</u>	<u>85,421</u>	<u>7,978</u>	<u>112,444</u>
<b>Net book value at end of financial year</b>	<u>667</u>	<u>2,210</u>	<u>0</u>	<u>1,082</u>	<u>3,959</u>

2011	Computer and office equipment S\$	Furniture and fittings S\$	Motor vehicles S\$	Renovation S\$	Total S\$
<b>Cost</b>					
At beginning of year	8,578	11,343	85,421	9,060	114,402
Additions	2,001	0	0	0	2,001
At end of year	<u>10,579</u>	<u>11,343</u>	<u>85,421</u>	<u>9,060</u>	<u>116,403</u>
<b>Accumulated depreciation</b>					
At beginning of year	7,149	6,560	76,323	4,864	94,896
Depreciation	2,096	1,662	9,098	1,670	14,526
At end of year	<u>9,245</u>	<u>8,222</u>	<u>85,421</u>	<u>6,534</u>	<u>109,422</u>
<b>Net book value at end of financial year</b>	<u>1,334</u>	<u>3,121</u>	<u>0</u>	<u>2,526</u>	<u>6,981</u>

**8. Other payables**

This is composed mostly of accrued expenses for charitable activities.

**9. Unrestricted fund**

The General Fund represents accumulated income and is for the purpose of meeting operating expenses incurred by the Society.

In FY2012, the balances of "Children's choir" and "Project Hope" are transferred to unrestricted fund from restricted since the donor has informed the Society that the remaining fund can be used for general purposes and is not restricted to the activities of the former funds.

**10. Restricted fund**

Capital Expenditure

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

Children's Choir

The New Hope Children's Choir is about transforming lives through music. By learning to perform together and in front of an audience, we hope to build in these children a deep sense of self-esteem, dignity and self-worth.

Families Shelter (Give2Asia)

Give2Asia is an agent, through which donors from United States can give donations.

HOPE Scheme Programme

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.

Lifeskills Programme

The life-skills trainings provide the residents with basic knowledge on how they can make improvement to their lives thus allowing them to have the ability to work towards financial independence and self-reliance. The trainings include changing of mindset, budgeting skills, problem solving skills and sharing about employment. The project includes retreats cum children camps, which are aimed at encouraging family bonding.

New Hope Shelter

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).

**10. Restricted fund (Cont'd)**

Project Hope

Hope Project is about changing lives through sports.

In 2009, the Society launched the project, "Team Hope" which is all about changing one's life through football. It is hoped that the dedication, commitment and teamwork involved in growing a football team will provide persons-in-crisis with the necessary tools to help them rebuild their lives and successfully reintegrate back into society.

In 2011, the Society launched another project "Team Hope – Running" to fulfil the same objective - to rebuild their lives.

Transitional Shelter for Families in Crisis

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 43 (FY2011: 43) 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.

**11. Related party transactions**

The Society had no significant transactions with related parties during the financial year (FY2011: NIL).

The Management Committee members did not receive any remuneration from the Society during the financial year (FY2011: NIL).

**12. Remuneration of key management personnel**

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

	2012 S\$	2011 S\$
Short-term benefits	<u>100,547</u>	<u>96,421</u>
	2012 No. of key management personnel	2011 No. of key management personnel
Remuneration band (S\$)		
S\$50,000 - S\$100,000	0	1
S\$100,000 and above	<u>1</u>	<u>0</u>

The remuneration of key management personnel is determined by the Management Committee.

Among the three highest paid staff, only the key management personnel received remuneration exceeding S\$100,000.

**13. Management of conflict of interest**

Committee members are required to disclose any interest that they may have, whether directly or indirectly, that the Society may enter into or in any organisations that the Society has dealings with or is considering dealing with, and any personal interest accruing to him as one of the Society's supplier, user of services or beneficiary. Should there be any potential conflict of interest, the affected Management Committee member may not vote on the issue that was the subject matter of the disclosure. Detailed minutes will be taken on the disclosure as well as the basis for arriving at the final decision in relation to the issue at stake.

**14. Reserve position and policy**

The Society's reserve position for financial year ended 31 December 2012 follows:

		2012	2011	Increase/ (decrease)
		S\$'000	S\$'000	%
A	Unrestricted Funds			
	Accumulated general funds	721	715	1
B	Restricted or Designated Funds			
	Designated Funds	N/A	N/A	N/A
	Restricted Funds	1,303	865	51
C	Endowment Funds	N/A	N/A	N/A
D	Total Funds	2,024	1,580	28
E	Total Annual Operating Expenditure	1,245	1,121	11
F	Ratio of Funds to Annual Operating Expenditure (A/E)	0.58	0.64	(9)

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 Generating Funds, Cost of Charitable Activities and Governance and Administrative Costs.

The Society's Reserve Policy follows:

The Society's reserve policy requires it to build an operating reserve of three years to ensure that services can continue to function during lean years. Fund raising income usually reduces during the periods when the economy is not doing well but it is also during these periods that beneficiaries need help the most.

The Society will not keep a reserve fund that is more than three years of its operating budget. The Society's overall approach to management of reserves remains unchanged from 2008.

**15. Operating lease commitment**

The future aggregate minimum lease payments under non-cancellable operating leases contracted for at the date of the financial position but not recognised as liabilities follows:

	2012 S\$	2011 S\$
Less than a year	61,461	151,972
More than a year but less than five years	<u>22,098</u>	<u>19,193</u>

The above operating lease commitments are based on known rental rates as at the date of this report and do not include any revision in rates which may be determined by the lessor.

**16. Comparative figures**

Certain comparative figures have been reclassified to conform to the current year's presentation.

**17. Authorisation of financial statement**

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

**30 APR 2013**