

**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 2015**

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Fiducia LLP

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STATEMENT BY THE MANAGEMENT COMMITTEE

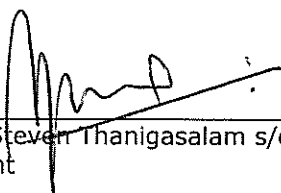
In the opinion of the Management Committee, the accompanying financial statements set out on pages 5 to 31 are drawn up so as to give a true and fair view of the financial position of the Society as at 31 December 2015 and of its financial performance of financial activities, the changes in funds and 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 29 March 2016.

President	Pastor Steven Thanigasalam s/o Kannan
Vice-President	Lim Bak Chim
Secretary	Lee Khai Mun
Treasurer	Tan Boon Kim Hilda
Committee Member	Derek Pak Gek Kwee
Committee Member	Liew Wai Leong
Committee Member	William Chan Kwok Siew

For and on behalf of the Management Committee,



Pastor Steven Thanigasalam s/o Kannan
President



Tan Boon Kim Hilda
Treasurer

Singapore, 29 March 2016.

Fiducia LLP

Public Accountants and
Chartered Accountants of Singapore

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Independent auditor's report to the members of:

NEW HOPE COMMUNITY SERVICES

[UEN: T04SS0026C]

[IPC No.: IPC000037]

[Registered under the Societies Act (Chapter 311) in the Republic of Singapore]

Report on the Financial Statements

We have audited the financial statements of **NEW HOPE COMMUNITY SERVICES** (the "Society") for the financial year ended 31 December 2015 as set out on pages 5 to 31, which comprise the statement of financial position as at 31 December 2015, the statement of financial activities, the statement of changes in funds and the statement of cash flows for the financial year then ended, and a summary of significant accounting policies and other explanatory notes.

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 provision of the Societies Act (Chapter 311), Charities Act (Chapter 37) and Charities Accounting Standard, 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, that transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

Auditor's 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 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.

Fiducia LLP

Public Accountants and
Chartered Accountants of Singapore

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(CONT'D)

Independent auditor's report to the members of:

NEW HOPE COMMUNITY SERVICES

[UEN: T04SS0026C]

[IPC No.: IPC000037]

[Registered under the Societies Act (Chapter 311) in the Republic of Singapore]

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 Charities Accounting Standard so as to give a true and fair view of the state of affairs of the Society as at 31 December 2015, and the results of the financial activities, changes in funds 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) 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
Chartered Accountants
Singapore, 29 March 2016.

Partner-in-charge: Ong Lien Wan
PAB No.: 01360

STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

	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 INCOME													
Voluntary Income													
Donations	5	180,588	0	0	0	0	0	0	0	0	0	0	180,588
Care and Share		0	0	0	0	0	0	0	0	0	0	0	1,031,033
MSF grant		0	101,853	0	0	0	0	1,221,384	0	0	0	0	1,323,237
NCSS grant		0	0	0	86,311	0	0	194,865	0	0	0	0	281,176
SCORE accommodation support funding		0	0	0	0	29,184	0	0	0	0	0	0	29,184
Sponsorship Scheme		480	0	0	0	0	0	0	0	0	0	0	480
Tote Board funding		23,547	0	0	0	0	0	0	0	0	0	0	23,547
WDA funding		982	0	0	0	0	0	0	0	0	0	0	982
		205,597	101,853	0	86,311	29,184	1,416,249	0	1,031,033	0	0	0	2,870,227
Activity for Generating Funds													
Course fee		0	0	0	0	0	0	0	0	0	0	0	11,450
Sales of trampoline		0	0	0	0	0	0	0	0	0	0	0	8,461
Sales of jumping package		0	0	0	0	0	0	0	0	0	0	0	5,356
		0	0	0	0	0	0	0	25,267	0	0	0	25,267
Investment Income													
Fixed deposits interest income		20,196	0	0	0	0	0	0	0	0	0	0	20,196
Rental of trampoline		0	0	0	0	0	0	0	0	0	0	0	3,050
		20,196	0	0	0	0	0	0	3,050	0	0	0	23,246
Income from Charitable Activity													
Rental income (shelter fee)		0	0	0	8,700	100	32,760	0	0	0	0	0	41,560
		0	0	0	8,700	100	32,760	0	0	0	0	0	41,560

STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015 (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 (NCSS) S\$	Transitional Shelter for Men-In-Crisis Fund (SCORE) S\$	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 Leave Scheme	602	0	0	0	0	0	0	0	0	0	602
Wage Credit Scheme	43,903	0	0	0	0	0	0	0	0	0	43,903
Miscellaneous income	11	0	0	0	0	0	0	0	0	447	458
	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 2015 (Cont'd)

	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	Total Funds
Note	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	0	0	0	0	0	0	0	0	0	0	15,323
	0	0	0	0	0	0	0	0	0	0	15,323
Cost of Charitable Activities											
Allocation of support cost	25	(56,310)	4,786	0	3,992	3,047	42,232	0	0	2,253	0
Awards and prizes		427	80	0	0	0	180	0	0	0	687
Catering and refreshment		6,056	1,338	0	235	0	8,848	0	0	994	17,471
Children recreation		0	125	0	0	0	295	0	0	0	420
Counselling fee		0	0	0	0	0	2,400	0	0	0	2,400
Excursion expenses		0	0	0	0	0	2,227	0	0	0	2,227
Financial assistance to client		0	0	0	0	0	250	0	0	0	250
Gifts and souvenirs		0	0	0	0	0	530	0	0	0	530
Helper allowance		32	0	0	52	0	1,275	0	0	683	2,042
Household item		223	0	0	1,071	669	7,917	0	0	196	10,076
Insurance		595	0	0	0	0	0	0	0	83	678
Instructor allowance		0	200	0	0	0	0	0	0	1,500	1,700
IT and computer expenses		3,322	0	0	145	0	18	0	0	947	4,432
License fee		0	0	0	0	0	0	0	0	2,029	2,029
Life skill training for residents		0	0	0	300	0	0	0	0	0	300
Office equipment expenses		963	0	0	0	0	0	0	0	1,946	2,909
Photography/ Videography Service		0	0	0	0	0	0	0	0	0	0
Balance c/f		(44,692)	6,529	0	5,795	3,716	66,172	0	0	1,600	49,751

STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015 (Cont'd)

	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	Total Funds
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 2015 (Cont'd)

	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	Total Funds
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 cost	(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	0	168,903	92,587	370,920

STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015 (Cont'd)

	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	Total Funds
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
Prior year adjustments	(119,730)	(87,065)	0	0	(87,748)	0	294,543	0	0	0	0
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
Transfer between funds	0	0	0	0	0	0	0	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 ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

	Note	UNRESTRICTED FUNDS		RESTRICTED FUNDS						Total Funds	
		General Fund	HOPE Scheme Programme Fund	Building Fund (Designated Fund)	Capital Expenditure Fund	Life Skills Programme Fund	Transitional Shelter for Men-In-Crisis Fund	Transitional Shelter for Families in Crisis Fund	Character Building Fund		Office Building Fund
		S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$
2014 INCOME											
Voluntary income											
Donations	5	167,326	0	0	0	0	0	300,906	0	200,000	668,232
Grants		7,265	94,791	0	0	0	79,559	1,326,280	0	141,373	1,649,268
		<u>174,591</u>	<u>94,791</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>79,559</u>	<u>1,627,186</u>	<u>0</u>	<u>341,373</u>	<u>2,317,500</u>
Activity for Generating Funds											
Walkathon fundraising event	5	17,209	0	0	0	0	0	0	0	0	17,209
Carnival	5	149,738	0	0	0	0	0	0	0	0	149,738
		<u>166,947</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>166,947</u>
Investment Income											
Fixed deposits interest income		12,504	0	0	0	0	0	0	0	0	12,504
Other Income											
Government-Paid Childcare Leave Scheme		790	0	0	0	0	0	0	0	0	790
Jobs Credit Scheme		34,101	0	0	0	0	0	0	0	0	34,101
Miscellaneous income		359	0	0	0	0	0	0	0	0	359
Rental income		0	0	0	0	15,900	15,900	34,420	0	0	50,320
		<u>35,250</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>15,900</u>	<u>15,900</u>	<u>34,420</u>	<u>0</u>	<u>0</u>	<u>85,570</u>
TOTAL INCOME		<u>389,292</u>	<u>94,791</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>95,459</u>	<u>1,661,606</u>	<u>0</u>	<u>341,373</u>	<u>2,582,521</u>

STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014 (Cont'd)

	Note	UNRESTRICTED FUNDS			RESTRICTED FUNDS					Total Funds
		General Fund	HOPE Scheme Programme Fund	Building Fund (Designated Fund)	Capital Expenditure Fund	Life Skills Programme Fund	Transitional Shelter for Men-In-Crisis Fund	Transitional Shelter for Families in Crisis Fund	Character Building Fund	
	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$
2014										
LESS: EXPENDITURE										
Cost of generating funds										
Walkathon fundraising event		7,044	0	0	0	0	0	0	0	7,044
Carnival		31,798	0	0	0	0	0	0	0	31,798
		38,842	0	0	0	0	0	0	0	38,842
Cost of charitable activities										
Apparels		2,700	0	0	0	0	0	0	0	2,700
Catering and refreshment		12,173	71	0	0	0	173	0	0	22,415
Children recreation		0	0	0	0	0	0	280	0	280
Fundraising event expenses		22,984	0	0	0	0	0	0	0	22,984
Financial assistance to client		0	0	0	0	0	0	2,950	0	2,950
General expenses		1,169	0	0	0	0	60	97	0	1,326
Helper allowance		208	0	0	0	0	658	320	0	1,186
Household item		475	0	0	0	2,142	0	3,217	0	5,834
Insurance		395	0	0	0	10	0	0	0	405
IT and computer expenses		3,594	0	0	0	347	0	2,548	0	6,489
Life skill training for residents		0	0	0	0	1,259	1,500	2,741	0	5,500
Balance c/f		43,698	71	0	0	1,259	4,890	21,871	280	72,069

STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014 (Cont'd)

	UNRESTRICTED FUNDS				RESTRICTED FUNDS						Total Funds
	General Fund	HOPE Scheme Programme Fund	Building Fund (Designated Fund)	Capital Expenditure Fund	Life Skills Programme Fund	Transitional Shelter for Men-in-Crisis Fund	Transitional Shelter for Families in Crisis Fund	Character Building Fund	Office Building Fund		
Note	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	
2014											
LESS: EXPENDITURE											
Cost of Charitable Activities											
Balance b/f	43,698	71	0	0	1,259	4,890	21,871	280	0	72,069	
Office equipment expenses	1,043	0	0	0	0	0	566	0	0	1,609	
Professional fees	1,013	0	0	0	0	0	5,520	0	0	6,533	
Relocation funding	0	0	0	0	0	0	4,747	0	0	4,747	
Rental of equipment	7,486	0	0	0	0	0	487	0	0	7,973	
Rental of premises	0	0	0	0	0	19,225	49,762	0	0	68,987	
Repair and maintenance	2,755	27	0	0	0	937	4,229	0	0	7,948	
Resident welfare	0	0	0	0	0	41	11,220	0	0	11,261	
Service and conservancy charges	0	0	0	0	0	2,790	31,298	0	0	34,088	
Shelter furniture, fixtures and fittings expenses	107	0	0	0	0	5,725	612	0	0	6,444	
Staff costs	226,020	74,327	0	0	266	49,406	699,387	0	0	1,049,406	
Stamp duty	122	0	0	0	0	50	246	0	0	418	
Teaching resources	0	0	0	0	0	0	0	448	0	448	
Telecommunication	7,825	725	0	0	0	1,010	8,008	0	0	17,568	
Transportation	750	0	0	0	0	5,553	1,482	0	0	7,785	
Utilities	11,889	0	0	0	0	6,819	86,043	0	0	104,751	
	302,708	75,150	0	0	1,525	96,446	925,478	728	0	1,402,035	

STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014 (Cont'd)

	Note	UNRESTRICTED FUNDS				RESTRICTED FUNDS				Total Funds
		General Fund	HOPE Scheme Programme Fund	Building Fund (Designated Fund)	Capital Expenditure Fund	Life Skills Programme Fund	Transitional Shelter for Men-In-Crisis Fund	Transitional Shelter for Families in Crisis Fund	Character Building Fund	
		S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$
2014										
LESS: EXPENDITURE										
Governance and Administrative Costs										
Accounting fees		31,330	0	0	0	0	0	0	0	31,330
Association liability		3,098	0	0	0	0	0	0	0	3,105
Audit fees		6,850	0	0	0	0	0	0	0	6,850
Awards and prizes		1,198	0	0	0	0	300	0	0	1,498
Bank charges		890	0	0	0	0	0	0	0	890
Board expenses		1,499	0	0	0	0	0	0	0	1,499
Cleaning services		6,485	0	0	0	0	0	0	0	6,485
Congratulations and condolences benefits		548	0	0	0	0	0	0	0	548
Depreciation of property, plant and equipment	10	2,604	0	0	0	0	0	0	0	2,604
Gifts and souvenirs		0	0	0	0	0	0	0	0	0
Marketing, advertising and publicity		1,031	0	0	0	0	0	768	0	1,799
Membership fees		125	0	0	0	0	0	54	0	179
Newspaper and periodicals		330	0	0	0	0	0	0	0	330
Online donation portal fees		165	0	0	0	0	0	0	0	165
Payroll services		2,275	792	0	0	0	1,078	7,475	0	11,620
Postages and courier charges		296	0	0	0	0	0	0	0	296
Printing and stationery		18,972	73	0	0	0	59	511	449	20,064
Rental of premises		37,215	0	0	0	0	0	0	0	37,215
Balance c/f		114,911	865	0	0	1,144	9,108	140,481	449	266,958

STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014 (Cont'd)

	UNRESTRICTED FUNDS			RESTRICTED FUNDS						Total Funds
	General Fund	HOPE Scheme Programme Fund	Building Fund (Designated Fund)	Capital Expenditure Fund	Life Skills Programme Fund	Transitional Shelter for Men-In-Crisis Fund	Transitional Shelter for Families in Crisis Fund	Character Building Fund	Office Building Fund	
Note	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$
2014										
LESS: EXPENDITURE										
Governance and Administrative Costs										
Balance b/f	114,911	865	0	0	0	1,144	9,108	449	140,481	266,958
Service and conservancy charges	3,924	0	0	0	0	0	0	0	0	3,924
Upkeep of motor Vehicles	15,264	0	0	0	0	0	0	0	0	15,264
	134,099	865	0	0	0	1,144	9,108	449	140,481	286,146
TOTAL EXPENDITURE	475,649	76,015	0	0	1,525	97,590	934,586	1,177	140,481	1,727,023
Net income/ (expenditure) for the year	(86,357)	18,776	0	0	(1,525)	(2,131)	727,020	(1,177)	200,892	855,498
Total funds brought forward	650,144	195,519	0	41,000	1,525	21,985	1,712,592	14,945	113,801	2,751,511
Transfer between funds	(1,590,546)	0	1,400,000	0	0	190,546	0	0	0	0
Allocation of HQ expenses 2010 - 2013	1,627,830	0	0	0	0	(162,783)	(1,465,047)	0	0	0
Allocation of HQ expenses 2014	476,173	0	0	0	0	(47,617)	(428,556)	0	0	0
Total funds carried forward	1,077,244	214,295	1,400,000	41,000	0	0	546,009	13,768	314,693	3,607,009

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

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2015

	Note	2015 S\$	2014 S\$
ASSETS			
Current assets			
Cash and cash equivalents	7	3,815,441	3,085,572
Other receivables	8	214,414	403,676
Inventories	9	69,395	0
		<u>4,099,250</u>	<u>3,489,248</u>
Non-current asset			
Property, plant and equipment	10	<u>833,809</u>	<u>421,571</u>
Total assets		<u>4,933,059</u>	<u>3,910,819</u>
LIABILITY			
Current liability			
Other payables	11	<u>520,666</u>	<u>303,810</u>
Total liability		<u>520,666</u>	<u>303,810</u>
NET ASSETS		<u>4,412,393</u>	<u>3,607,009</u>
FUNDS			
UNRESTRICTED FUNDS			
General Fund	12	1,225,356	1,077,244
HOPE Scheme Programme Fund	13	82,940	214,295
Designated Fund			
Building Fund	14	<u>1,400,000</u>	<u>1,400,000</u>
		<u>2,708,296</u>	<u>2,691,539</u>
RESTRICTED FUNDS			
Capital Expenditure Fund	15	41,000	41,000
Transitional Shelter for Men-In-Crisis Fund (NCSS)	16	(123,178)	0
Transitional Shelter for Men-In-Crisis Fund (SCORE)	16	(10,058)	0
Transitional Shelter for Families in Crisis Fund	17	804,570	546,009
Character Building Fund	18	13,768	13,768
Office Building Fund	19	145,790	314,693
Care and Share Fund	20	832,205	0
		<u>1,704,097</u>	<u>915,470</u>
TOTAL FUNDS		<u>4,412,393</u>	<u>3,607,009</u>

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

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

	Note	Balance at beginning of year S\$	Net income/ (expenditure) for the year S\$	Prior year adjustments 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
	14	1,400,000	0	0	1,400,000
		<u>2,691,539</u>	<u>223,552</u>	<u>(206,795)</u>	<u>2,708,296</u>
Designated Fund					
Building Fund					
	15	41,000	0		41,000
	16	0	(35,430)	(87,748)	(123,178)
	16	0	(10,058)	0	(10,058)
	17	546,009	(35,982)	294,543	804,570
	18	13,768	0	0	13,768
	19	314,693	(168,903)	0	145,790
	20	0	832,205	0	832,205
		<u>915,470</u>	<u>581,832</u>	<u>206,795</u>	<u>1,704,097</u>
		<u>3,607,009</u>	<u>805,384</u>	<u>0</u>	<u>4,412,393</u>
TOTAL FUNDS					

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

STATEMENT OF CHANGES IN FUND FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015 (Cont'd)

Note	Balance at beginning of year	Net income/ (expenditure) for the year	Transfers between funds	Allocation of HQ expenses 2010 - 2013	Allocation of HQ expenses 2014	Balance at end of year
	S\$	S\$	S\$	S\$	S\$	S\$
2014						
UNRESTRICTED FUNDS						
	650,144	(86,357)	(1,590,546)	1,627,830	476,173	1,077,244
12	195,519	18,776	0	0	0	214,295
13						
14	0	0	1,400,000	0	0	1,400,000
	845,663	(67,581)	(190,546)	1,627,830	476,173	2,691,539
Designated Fund						
Building Fund						
RESTRICTED FUNDS						
15	41,000	0	0	0	0	41,000
16	21,985	(2,131)	190,546	(162,783)	(47,617)	0
17	1,712,592	727,020	0	(1,465,047)	(428,556)	546,009
18	14,945	(1,177)	0	0	0	13,768
19	113,801	200,892	0	0	0	314,693
	1,905,848	923,079	190,546	(1,627,830)	(476,173)	915,470
	2,751,511	855,498	0	0	0	3,607,009
TOTAL FUNDS						

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

STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

	Note	2015 S\$	2014 S\$
Cash flows from operating activities			
Net income for the year		805,384	855,498
Adjustments for:			
- Depreciation of property, plant and equipment	10	218,999	143,085
- Fixed deposits interest income		(20,196)	(12,504)
Operating cash flow before working capital changes		<u>1,004,187</u>	<u>986,079</u>
Changes in operating assets and liabilities			
- Other receivables		193,875	(212,097)
- Inventories		(69,395)	0
- Other payables		216,856	(169,969)
Net cash provided by operating activities		<u>1,345,523</u>	<u>604,013</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	10	(631,237)	(98,073)
Variation order in property, plant and equipment	10	0	175,433
Fixed deposits interest received		15,583	12,233
Net cash (used in)/ provided by investing activities		<u>(615,654)</u>	<u>89,593</u>
Net increase in cash and cash equivalents		729,869	693,606
Cash and cash equivalents at beginning of financial year		<u>3,085,572</u>	<u>2,391,966</u>
Cash and cash equivalents at end of financial year	7	<u>3,815,441</u>	<u>3,085,572</u>
Cash and cash equivalents comprise:			
Cash in hand		5,755	9,520
Cash in banks		891,223	1,561,692
Fixed deposits		2,918,463	1,514,360
	7	<u>3,815,441</u>	<u>3,085,572</u>

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

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 2012 to 31 October 2015. The IPC period has been extended 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 compensation

Defined 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 are entities with one or more common Board 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.

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

	2015 S\$	2014 S\$
Tax deductible donations	123,035	262,706
Non-tax deductible donations	57,553	572,473
	<u>180,588</u>	<u>835,179</u>

The donations were allocated as follows:

• Donations	180,588	668,232
• Walkathon fundraising event	0	17,209
• Carnival fundraising event	0	149,738
	<u>180,588</u>	<u>835,179</u>

6. Staff costs

Included in the expenses expended are the following staff costs:

	2015 S\$	2014 S\$
CPF and SDL	160,438	116,377
Development and training	22,096	5,188
Foreign worker levy and EP application fee	3,147	3,850
Medical insurance	4,671	5,345
Miscellaneous benefits	4,546	5,459
Retreat	12,077	0
Staff dental benefits	1,306	1,172
Staff medical benefits	13,313	3,407
Staff salaries and bonuses	1,133,393	887,327
Staff team building	0	8,629
Staff transport	15,401	8,895
Worker injury compensation insurance	1,461	1,055
Others	5,365	2,702
	<u>1,377,214</u>	<u>1,049,406</u>

7. Cash and cash equivalents

	2015 S\$	2014 S\$
Cash in hand	5,755	9,520
Cash at banks	891,223	1,561,692
	<u>896,978</u>	<u>1,571,212</u>
Fixed deposits	2,918,463	1,514,360
	<u>3,815,441</u>	<u>3,085,572</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 11 months (2014: less than 1 month to 6 months) from that date and had a weighted average effective interest rate of 1.05% (2014: 1.20%) per annum.

8. Other receivables

	2015 S\$	2014 S\$
Other receivables	2,827	3,618
Deposits	18,402	15,485
Prepayments	28,113	95,509
Grant receivables	154,758	283,363
Interest receivables	10,314	5,701
	<u>214,414</u>	<u>403,676</u>

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

9. Inventories

	2015 S\$	2014 S\$
Inventories held for sale		
- Finished goods	69,395	0
	<u>69,395</u>	<u>0</u>

The cost of inventories recognized as an expense and included in "cost of trampoline" amounted to S\$15,545 (2014: S\$ Nil).

10. Property, plant and equipment

	Balance at beginning of year S\$	Additions S\$	(Variation order) S\$	Balance at end of year S\$
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>

	Balance at beginning of year S\$	Additions S\$	(Written off) S\$	Balance at end of year S\$
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>

	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>

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

	Balance at beginning of year S\$	Additions S\$	(Variation order) S\$	Balance at end of year S\$
2014				
Cost				
Computer and office equipment	85,563	12,365	0	97,928
Furniture and fittings	95,747	22,789	0	118,536
Motor vehicles	85,421	0	0	85,421
Renovation	490,315	62,919	(175,433)	377,801
	<u>757,046</u>	<u>98,073</u>	<u>(175,433)</u>	<u>679,686</u>

	Balance at beginning of year S\$	Additions S\$	(Written off) S\$	Balance at end of year S\$
2014				
Accumulated depreciation				
Computer and office equipment	10,636	23,153	0	33,789
Furniture and fittings	9,913	17,485	0	27,398
Motor vehicles	85,421	0	0	85,421
Renovation	9,060	102,447	0	111,507
	<u>115,030</u>	<u>143,085</u>	<u>0</u>	<u>258,115</u>

	Balance at beginning of year S\$		Balance at end of year S\$
2014			
Net book value			
Computer and office equipment	74,927		64,139
Furniture and fittings	85,834		91,138
Motor vehicles	0		0
Renovation	481,255		266,294
	<u>642,016</u>		<u>421,571</u>

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

11. Other payables

	2015 S\$	2014 S\$
Accrued operating expenses	233,142	299,375
Deposits received	4,385	3,935
YMCA Welfare Fund	500	500
Deferred grants	282,639	0
	<u>520,666</u>	<u>303,810</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 46 (2014: 67) 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. 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.

21. Families Shelter Fund (Give2Asia)

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

22. Related party transactions

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

	2015 S\$	2014 S\$
Salaries and other short-term employee benefits	188,081	103,096
Post-employment benefits – contributions to CPF	<u>21,801</u>	<u>9,030</u>
	<u>209,882</u>	<u>112,126</u>
No. of executive of the Society in remuneration bands: Between S\$100,000 and S\$150,000	<u>1</u>	<u>1</u>

During the financial year, none of the management committee members received any remuneration from the Society.

23. Commitments

(a) Capital commitment

Renovation on Blk 102 Yishun Ave 5 #03-131/ 133 was contracted for at the statement of financial position date but not recognised in the financial statements is as follows:-

	2015 S\$	2014 S\$
Property, plant and equipment – Renovation	<u>90,354</u>	<u>132,520</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.

	2015 S\$	2014 S\$
Not later than one year	60,873	58,662
Later than one year but not later than five years	<u>29,961</u>	<u>32,211</u>

24. 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.

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:

	2015 S\$	2014 S\$
HOPE Scheme Programme Fund	12,430	0
Transitional Shelter for Men-In-Crisis Fund	18,280	47,617
Transitional Shelter for Families in Crisis Fund	109,679	428,556
Care and Share Fund	5,850	0
	<u>146,239</u>	<u>476,173</u>

Prior years' allocation of support costs was made in the accounts based on number of clients served. In order to be consistent as FY2015 (where the allocation of support costs are based on per capita basis i.e. programme staff headcount), we have made adjustment to prior years allocation of support costs.

26. Reserve position and policy

The Society's reserve position (excluding non-current assets) for financial year ended 31 December 2015 is as follows:

		2015	2014	Increase/ (decrease)
		S\$'000	S\$'000	%
A	Unrestricted Funds	2,708	2,692	0.59
B	Restricted Funds	1,704	915	86.23
C	Endowment Funds	N/A	N/A	N/A
D	Total Funds	4,412	3,607	22.32
E	Total Annual Operating Expenditure	2,200	1,727	27.39
F	Ratio of Funds to Annual Operating Expenditure (A/E)	1.23	1.56	

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. 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

The Society adopts prudent liquidity risk management by maintaining sufficient cash and cash equivalents to finance its activities and minimize the liquidity risk.

28. Authorisation of financial statements

These financial statements were authorised for issue in accordance with a resolution of the Management Committee on 29 March 2016.