

**WE CARE COMMUNITY SERVICES
LIMITED**

[UEN. 200506089N]
[IPC No. IPC000022]

[A company limited by guarantee and not having a
share capital]
[Incorporated in the Republic of Singapore]

**AUDITED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
31 DECEMBER 2018**

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Fiducia LLP

(UEN. T10LL0955L)
Public Accountants and
Chartered Accountants of Singapore

71 Ubi Crescent
#08-01 Excalibur Centre
Singapore 408571
T: (65) 6846.8376
F: (65) 6491.5218

DIRECTORS' STATEMENT

The directors present their statement to the members together with the audited financial statements of We Care Community Services Limited (the "Company") for the financial year ended 31 December 2018.

In the opinion of the directors,

- a) the financial statements are drawn up so as to give a true and fair view of the financial position of the Company at 31 December 2018, and the financial performance, changes in funds and cash flows of the Company for the financial year ended; and
- b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

The directors of the Company in office at the date of this statement are as follows:

Dr. Winslow Rasaiah Munidasa
Desmond Lum Siew Khuen
Lim Yun Chin
Cheang Chin Neo Alias Frances Cheang
Andrew John da Roza
Koh Kah Yeok
Toime Marius Elmar
Dane William Anderson
Co Gia Nguyen
Anthony Lee

Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object is to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Other matters

As the Company is limited by guarantee, matters relating to interest in shares, debentures or share options are not applicable.

DIRECTORS' STATEMENT (CONT'D)


Independent Auditors

The auditors, Messrs. Fiducia LLP, Public Accountants and Chartered Accountants of Singapore, have expressed their willingness to accept re-appointment.

On behalf of the directors,



Andrew John da Roza
Director



Anthony Lee
Director

Singapore, 12 APR 2019

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Accountants of Singapore

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Singapore 408571
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Independent auditor's report to the members of:

WE CARE COMMUNITY SERVICES LIMITED

[UEN. 200506089N]

[IPC No. IPC000022]

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Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **We Care Community Services Limited** (the "Company") which comprise the statement of financial position as at 31 December 2018, and the statement of financial activities, statement of changes in funds and statement of cash flows of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of Companies Act, Chapter 50 (the "Act"), the Charities Act, Chapter 37 and other relevant regulations ("the Charities Act and Regulations") and Charities Accounting Standard in Singapore ("CAS") so as to give a true and fair view of the financial position of the Company as at 31 December 2018, and of the financial performance, changes in the funds and cash flows of the Company for the financial year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Accounting and Corporate Regulatory ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other information

Management is responsible for the other information. The other information comprises the Directors' Statement but does not include the financial statements and our auditor's report thereon.

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

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

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(CONT'D)

Independent auditor's report to the members of:

WE CARE COMMUNITY SERVICES LIMITED

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Responsibilities of Management and Those Charged with Governance 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 Act, the Charities Act and Regulations and CAS, 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 financial statements and to maintain accountability of assets.

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

Those charged with governance comprises the directors. Their responsibilities include overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

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Independent auditor's report to the members of:

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Fiducia LLP

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(CONT'D)

Independent auditor's report to the members of:

WE CARE COMMUNITY SERVICES LIMITED
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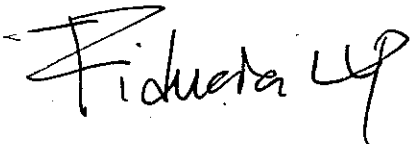
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Report on other Legal and Regulatory Requirements

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

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

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



Fiducia LLP
Public Accountants and
Chartered Accountants

Singapore, 12 APR 2019

Partner-in-charge: Looi Chee Bin
PAB. No.: 01834

STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

| | Note | Restricted funds | | | | | | | | | | | Grand Total S\$ | | | | |
|--|------|-------------------|--------------|--------------|---------------------------|----------------|----------------|----------------|-----------------------|--------------------|---------------------|-----------------------|-----------------|---------------------------|-----------|---|---------|
| | | Unrestricted Fund | NCSS CSF S\$ | NCSS SLF S\$ | NCSS project SAFE 1.1 S\$ | TBSSF GARI S\$ | TBSSF ODAT S\$ | TBSSF FREE S\$ | NCSS project USBA S\$ | Care and Share S\$ | Sonja Hope Fund S\$ | NCSS Share as One S\$ | | President's Challenge S\$ | Total S\$ | | |
| 2018 INCOME | | | | | | | | | | | | | | | | | |
| Income from generating fund | | | | | | | | | | | | | | | | | |
| Donations | | | | | | | | | | | | | | | | | |
| - tax deductible | 6 | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 33,397 |
| - non tax deductible | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 16,226 |
| Sponsorship | | | | | | | | | | | | | | | | | |
| - tax deductible | 6 | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 4,500 |
| - non tax deductible | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 22,250 |
| Grants received | | | 50,000 | 340,161 | 0 | 0 | 0 | 4,155 | 0 | 0 | 0 | 6,000 | 70,000 | 0 | 0 | 0 | 505,730 |
| | | | 50,000 | 340,161 | 0 | 0 | 0 | 4,155 | 0 | 0 | 0 | 6,000 | 70,000 | 0 | 0 | 0 | 582,103 |
| Income from fund raising activities | | | | | | | | | | | | | | | | | |
| Amazing We Care race | 5 | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 103,859 |
| Charity golf | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 22,652 |
| Charity Movie Premier | 5 | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 50,525 |
| Football challenge | 5 | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 20,454 |
| | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 197,490 |
| Investment income - Interest | | | | | | | | | | | | | | | | | |
| Interest | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 11,585 |
| Income from charitable activities: | | | | | | | | | | | | | | | | | |
| Counselling fees | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 48,735 |
| Facility fee | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 6,830 |
| Sales of books and merchandise | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,122 |
| | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 56,687 |
| Other income | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 10,978 |
| TOTAL INCOME | | | 50,000 | 340,161 | 0 | 0 | 0 | 4,155 | 0 | 0 | 0 | 6,000 | 70,000 | 0 | 0 | 0 | 858,843 |

STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018 (CONT'D)

| 2018 EXPENDITURES | Note | Unrestricted Fund | Restricted funds | | | | | | | | | | Grand Total S\$ | | | | | |
|---------------------------------------|------|-------------------|------------------|----------------|---------------------------|----------------|----------------|----------------|-----------------------|--------------------|---------------------|-----------------------|-----------------|---------------------------|----------------|----------|----------|----------------|
| | | General Fund S\$ | NCSS CSF S\$ | NCSS SLF S\$ | NCSS project SAFE I.1 S\$ | TBSSF GARI S\$ | TBSSF ODAT S\$ | TBSSF FREE S\$ | NCSS project USBA S\$ | Care and Share S\$ | Sonja Hope Fund S\$ | NCSS Share as One S\$ | | President's Challenge S\$ | Total S\$ | | | |
| Cost of fundraising activities | | | | | | | | | | | | | | | | | | |
| Amazing We Care race | | 20,002 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 20,002 |
| Charity Movie Premier | | 7,584 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 7,584 |
| Football challenge | | 3,870 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3,870 |
| | | <u>31,456</u> | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | <u>31,456</u> |
| Cost of charitable activities | | | | | | | | | | | | | | | | | | |
| Associates fees | | 3,588 | 0 | 6,672 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 10,260 |
| Clients assistance | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 783 | 0 | 783 |
| Communication and publicity | | 1,072 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,072 |
| Community projects | | 6,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 6,000 |
| Cost of books and merchandise sold | | 124 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 124 |
| Events/activities expenses | | 11,224 | 0 | 4,700 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 15,924 |
| Honorarium | | 6,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 6,000 |
| Rental of premises | | 16,574 | 0 | 19,197 | 0 | 1,125 | 0 | 1,675 | 1,125 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 39,996 |
| Staff costs | 7 | 110,492 | 30,518 | 308,173 | 4,773 | 6,550 | 4,773 | 1,275 | 700 | 3,671 | 23,400 | 0 | 0 | 0 | 0 | 0 | 0 | 489,552 |
| Staff welfare | | 4,363 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 4,363 |
| Trainings and seminars | | 827 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 5,000 | 0 | 0 | 0 | 0 | 0 | 0 | 8,227 |
| Volunteer expenses | | 99 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2,400 | 0 | 0 | 8,227 |
| | | <u>160,363</u> | <u>30,518</u> | <u>338,742</u> | <u>4,773</u> | <u>7,675</u> | <u>4,773</u> | <u>2,950</u> | <u>1,825</u> | <u>3,971</u> | <u>28,400</u> | <u>783</u> | <u>2,400</u> | <u>0</u> | <u>422,037</u> | <u>0</u> | <u>0</u> | <u>582,400</u> |

STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018 (CONT'D)

| | Note | Unrestricted Fund | Restricted funds | | | | | | | | | | Grand Total S\$ | | | |
|-------------------------------------|------|-------------------|------------------|--------------|---------------------------|----------------|----------------|----------------|-----------------------|------------------|---------------------|-----------------------|-----------------|---------------------------|-----------|---------|
| | | General Fund S\$ | NCSS CSF S\$ | NCSS SLF S\$ | NCSS project SAFE I.1 S\$ | TBSSF GARI S\$ | TBSSF ODAT S\$ | TBSSF FREE S\$ | NCSS project USBA S\$ | Care & Share S\$ | Sonja Hope Fund S\$ | NCSS Share as One S\$ | | President's Challenge S\$ | Total S\$ | |
| 2018 EXPENDITURES (cont'd) | | | | | | | | | | | | | | | | |
| Governance & other costs | | | | | | | | | | | | | | | | |
| • Audit fee | 8 | 2,800 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2,800 |
| • Bank Charges | | 1,713 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,713 |
| • Depreciation | 12 | 3,206 | 4,883 | 0 | 0 | 0 | 0 | 0 | 0 | 1,208 | 0 | 0 | 0 | 0 | 6,091 | 9,297 |
| • General Expenses | | 1,727 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,727 | 1,727 |
| • Insurance | | 2,191 | 0 | 2,409 | 0 | 128 | 127 | 38 | 0 | 0 | 0 | 0 | 0 | 0 | 2,829 | 5,020 |
| • IT and website maintenance | | 3,115 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3,115 | 3,115 |
| • Licence fees | | 1,162 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,162 | 1,162 |
| • Library resource | | 90 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 90 | 90 |
| • Medical expenses | | 1,042 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,042 | 1,042 |
| • Office cleaning & maintenance | | 4,731 | 0 | 5,050 | 0 | 233 | 350 | 79 | 0 | 0 | 0 | 0 | 0 | 0 | 10,675 | 10,675 |
| • Office refreshments | | 334 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 334 | 334 |
| • Postage and courier | | 177 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 177 | 177 |
| • Printing and stationery | | 2,999 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2,999 | 2,999 |
| • Professional fees | | 10,114 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 10,114 | 10,114 |
| • Repairs and maintenance | | 3,906 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3,906 | 3,906 |
| • Secretarial fee | | 300 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 300 | 300 |
| • Staff costs | | 30,864 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 93,600 | 0 | 0 | 0 | 0 | 124,464 | 124,464 |
| • Telecommunication | | 1,354 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,354 | 1,354 |
| • Transport and travelling | | 3,591 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3,591 | 3,591 |
| • Utilities | | 4,402 | 0 | 4,951 | 0 | 255 | 375 | 77 | 0 | 0 | 0 | 0 | 0 | 0 | 10,315 | 10,315 |
| • Website Maintenance | | 1,694 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,694 | 1,694 |
| | | 81,512 | 4,883 | 12,410 | 0 | 616 | 852 | 194 | 94,808 | 0 | 0 | 0 | 0 | 0 | 114,377 | 195,889 |
| TOTAL EXPENDITURE | | 273,331 | 35,401 | 351,152 | 4,773 | 8,291 | 3,802 | 2,439 | 4,165 | 123,208 | 783 | 2,400 | 0 | 0 | 536,414 | 809,745 |
| Net income / (expenditure) | | 115,196 | 14,599 | (10,991) | (4,773) | (8,291) | (3,802) | (2,439) | (10) | (123,208) | (783) | 3,600 | 70,000 | (66,096) | 49,098 | |
| Gross transfer between funds | | (4,987) | 0 | 0 | 0 | 0 | 0 | 0 | 4,653 | 0 | 0 | 0 | 334 | 4,987 | 0 | |
| Total funds brought forward | | 1,478,754 | 0 | 0 | (10,845) | (19,342) | (8,873) | (5,694) | (4,643) | (3,128) | 9,327 | (6,000) | (70,334) | (119,532) | 1,359,222 | |
| Total funds carried forward | | 1,588,963 | 14,599 | (10,991) | (15,618) | (27,633) | (12,675) | (8,133) | 0 | (126,336) | 8,544 | (2,400) | 0 | (180,643) | 1,408,320 | |

STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

| | Note | Restricted funds | | | | | | | | | | | Grand Total S\$ | | |
|--|------|-------------------|-----------------------|-----|-------|--------|------------------|-----|----------------|-----------------|-------------------|-----------------------|-----------------|--------|---------|
| | | Unrestricted Fund | NCSS project SAFE 1.1 | | TBSSE | | NCSS project USA | | Care and Share | Sonia Hope Fund | NCSS Share as One | President's Challenge | | Total | |
| | | General Fund S\$ | S\$ | S\$ | S\$ | S\$ | S\$ | S\$ | S\$ | S\$ | S\$ | S\$ | S\$ | S\$ | S\$ |
| 2017 INCOME | | | | | | | | | | | | | | | |
| Income from generating fund | | | | | | | | | | | | | | | |
| Donations | 6 | 58,083 | 0 | 0 | 0 | 0 | 0 | 0 | 10,000 | 0 | 0 | 0 | 0 | 10,000 | 68,083 |
| - tax deductible | | 19,586 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 19,586 |
| - non tax deductible | | 2,400 | 0 | 0 | 0 | 16,498 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 16,498 | 18,898 |
| Grants | | 80,069 | 0 | 0 | 0 | 16,498 | 0 | 0 | 10,000 | 0 | 0 | 0 | 0 | 26,498 | 106,567 |
| Income from fund raising activities | | | | | | | | | | | | | | | |
| Corporate Events | 4 | 95,400 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 95,400 |
| Amazing We Care race | 5 | 99,321 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 99,321 |
| Charity golf | 5 | 116,259 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 116,259 |
| Charity Movie Premier | 5 | 36,252 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 36,252 |
| | | 347,232 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 347,232 |
| Investment income - Interest | | 14,516 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 14,516 |
| Income from charitable activities: | | | | | | | | | | | | | | | |
| Counselling fees | | 48,658 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 48,658 |
| Facility fee | | 7,530 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 7,530 |
| Recovery Groups contributions | | 60 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 60 |
| Sales of books and merchandise | | 2,561 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2,561 |
| Training fees | | 4,972 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 4,972 |
| | | 63,781 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 63,781 |
| Other Income | | 13,069 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 13,069 |
| TOTAL INCOME | | 518,667 | 0 | 0 | 0 | 16,498 | 0 | 0 | 10,000 | 0 | 0 | 0 | 0 | 26,498 | 545,165 |

STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017 (CONT'D)

| | Note | Unrestricted Fund | Restricted funds | | | | | | | | | | Grand Total S\$ | | | | |
|---------------------------------------|------|-------------------|---------------------------|----------------|----------------|----------------|----------------------|--------------------|---------------------|-----------------------|---------------------------|-----------|-----------------|--------|---------|---------|---------|
| | | General Fund S\$ | NCSS project SAFE 1.1 S\$ | TBSSF GARI S\$ | TBSSF ODAT S\$ | TBSSF FREE S\$ | NCSS project USA S\$ | Care and Share S\$ | Sonja Hope Fund S\$ | NCSS Share as One S\$ | President's Challenge S\$ | Total S\$ | | | | | |
| 2017 EXPENDITURES | | | | | | | | | | | | | | | | | |
| Cost of fundraising activities | | | | | | | | | | | | | | | | | |
| Corporate event | | 27,542 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 27,542 |
| Amazing We Care race | | 18,388 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 18,388 |
| Charity golf | | 31,551 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 31,551 |
| Charity Movie Premier | | 8,800 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 8,800 |
| | | 86,281 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 86,281 |
| Cost of charitable activities | | | | | | | | | | | | | | | | | |
| Associates fees | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 6,583 | 0 | 0 | 0 | 14,400 | 0 | 20,983 |
| Clients assistance | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 673 | 0 | 0 | 0 | 673 | 673 |
| Community projects | | 1,200 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,200 |
| Cost of books and merchandise sold | | 3,123 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3,123 |
| Events/activities expenses | | 3,012 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3,131 | 0 | 0 | 0 | 0 | 0 | 6,143 |
| Honorarium | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 6,000 | 0 | 0 | 0 | 6,000 |
| Rental of premises | | 11,495 | 0 | 2,625 | 3,908 | 2,625 | 1,317 | 1,317 | 18,008 | 0 | 18,008 | 0 | 0 | 3,952 | 0 | 32,435 | 43,930 |
| Staff costs | 7 | 149,448 | 10,845 | 15,283 | 2,975 | 1,633 | 18,944 | 18,944 | 214,209 | 0 | 214,209 | 0 | 0 | 49,727 | 0 | 313,616 | 463,064 |
| Staff welfare | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 4,338 | 0 | 4,338 | 0 | 0 | 0 | 0 | 4,338 | 4,338 |
| | | 168,278 | 10,845 | 17,908 | 6,883 | 4,258 | 20,261 | 20,261 | 246,269 | 673 | 246,269 | 6,000 | 68,079 | 0 | 381,176 | 549,454 | |

STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017 (CONT'D)

| | Note | Unrestricted Fund | Restricted funds | | | | | | | | | | Grand Total S\$ | | | | |
|-------------------------------------|------|-------------------|---------------------------|----------------|----------------|----------------|-----------------------|------------------|---------------------|-----------------------|---------------------------|-----------|-----------------|-------|---|---|-----------|
| | | General Fund S\$ | NCSS project SAFE 1.1 S\$ | TBSSF GARI S\$ | TBSSF ODAT S\$ | TBSSF FREE S\$ | NCSS project USBA S\$ | Care & Share S\$ | Sonja Hope Fund S\$ | NCSS Share as One S\$ | President's Challenge S\$ | Total S\$ | | | | | |
| 2017 EXPENDITURES (cont'd) | | | | | | | | | | | | | | | | | |
| Governance & other costs | | | | | | | | | | | | | | | | | |
| Audit fee | 8 | 3,800 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3,800 |
| Bank Charges | | 1,486 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,486 |
| Depreciation | 12 | 1,182 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 4,854 | 0 | 0 | 0 | 0 | 0 | 6,036 |
| General Expenses | | 674 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 674 |
| Insurance | | 960 | 0 | 297 | 298 | 298 | 149 | 0 | 0 | 0 | 2,541 | 0 | 0 | 447 | 0 | 0 | 4,990 |
| IT and website maintenance | | 4,761 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2,391 | 0 | 0 | 0 | 0 | 0 | 7,152 |
| Licence fees | | 710 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 710 |
| Medical expenses | | 861 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 861 |
| Office cleaning & maintenance | | 2,294 | 0 | 542 | 817 | 543 | 316 | 0 | 0 | 0 | 5,375 | 0 | 0 | 947 | 0 | 0 | 10,834 |
| Office refreshments | | 737 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 737 |
| Postage and courier | | 325 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 325 |
| Printing and stationery | | 1,978 | 0 | 0 | 0 | 0 | 128 | 0 | 0 | 0 | 2,186 | 0 | 0 | 0 | 0 | 0 | 4,292 |
| Professional fees | | 8,600 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 8,600 |
| Repairs and maintenance | | 2,447 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2,539 | 0 | 0 | 0 | 0 | 0 | 4,986 |
| Secretarial fee | | 321 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 321 |
| Staff costs | 7 | 111,268 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 4,962 | 0 | 0 | 0 | 0 | 0 | 116,230 |
| Telecommunication | | 627 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 647 | 0 | 0 | 0 | 0 | 0 | 1,274 |
| Transport and travelling | | 628 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2,506 | 0 | 0 | 0 | 0 | 0 | 3,134 |
| Utilities | | 1,490 | 0 | 595 | 875 | 595 | 287 | 0 | 0 | 0 | 4,890 | 0 | 0 | 861 | 0 | 0 | 9,593 |
| | | 145,149 | 0 | 1,434 | 1,990 | 1,436 | 880 | 32,891 | 0 | 0 | 32,891 | 0 | 0 | 2,255 | 0 | 0 | 186,035 |
| TOTAL EXPENDITURE | | 399,708 | 10,845 | 19,342 | 8,873 | 5,694 | 21,141 | 279,160 | 673 | 6,000 | 70,334 | 422,062 | | | | | 821,770 |
| Net income / (expenditure) | | 118,959 | (10,845) | (19,342) | (8,873) | (5,694) | (4,643) | (279,160) | 9,327 | (6,000) | (70,334) | (395,564) | | | | | (276,605) |
| Total funds brought forward | | 1,359,795 | 0 | 0 | 0 | 0 | 0 | 276,032 | 0 | 0 | 0 | 276,032 | | | | | 1,635,827 |
| Total funds carried forward | | 1,478,754 | (10,845) | (19,342) | (8,873) | (5,694) | (4,643) | (3,128) | 9,327 | (6,000) | (70,334) | (119,552) | | | | | 1,359,222 |

The accompanying notes form an integral part of these financial statements

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2018

| | Note | 2018 S\$ | 2017 S\$ |
|-------------------------------|------|------------------|------------------|
| ASSETS | | | |
| Current assets | | | |
| Cash and cash equivalents | 10 | 1,417,752 | 1,415,754 |
| Other receivables | 11 | 40,369 | 6,851 |
| | | <u>1,458,121</u> | <u>1,422,605</u> |
| Non-current asset | | | |
| Property, plant and equipment | 12 | 13,932 | 2,511 |
| | | <u>1,472,053</u> | <u>1,425,116</u> |
| LIABILITY | | | |
| Current liability | | | |
| Other payables | 13 | 63,733 | 65,894 |
| | | <u>63,733</u> | <u>65,894</u> |
| NET ASSETS | | | |
| | | <u>1,408,320</u> | <u>1,359,222</u> |
| FUNDS | | | |
| Unrestricted fund | | | |
| General fund | | 1,588,963 | 1,478,754 |
| Restricted funds | 14 | (180,643) | (119,532) |
| Total funds | | <u>1,408,320</u> | <u>1,359,222</u> |

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

STATEMENT OF CHANGES IN FUNDS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

| | Balance at beginning of financial year S\$ | Net income / (expenditure) S\$ | Gross transfer between funds S\$ | Balance at the end of financial year S\$ |
|--------------------------|---|--------------------------------------|--|---|
| 2018 | | | | |
| Unrestricted fund | | | | |
| General fund | 1,478,754 | 115,196 | (4,987) | 1,588,963 |
| Restricted funds | | | | |
| NCSS CSF | 0 | 14,599 | 0 | 14,599 |
| NCSS SLF | 0 | (10,991) | 0 | (10,991) |
| NCSS project SAFE 1.1 | (10,845) | (4,773) | 0 | (15,618) |
| TBSSF GARI | (19,342) | (8,291) | 0 | (27,633) |
| TBSSF ODAT | (8,873) | (3,802) | 0 | (12,675) |
| TBSSF FREE | (5,694) | (2,439) | 0 | (8,133) |
| NCSS project USBA | (4,643) | (10) | 4,653 | 0 |
| Care and share | (3,128) | (123,208) | 0 | (126,336) |
| Sonja Hope Fund | 9,327 | (783) | 0 | 8,544 |
| NCSS Share as one | (6,000) | 3,600 | 0 | (2,400) |
| President's challenge | (70,334) | 70,000 | 334 | 0 |
| | <u>(119,532)</u> | <u>(66,098)</u> | <u>4,987</u> | <u>(180,643)</u> |
| Total funds | <u>1,359,222</u> | <u>49,098</u> | <u>0</u> | <u>1,408,320</u> |
| | Balance at beginning of financial year S\$ | Net income / (expenditure) S\$ | Gross transfer between funds S\$ | Balance at the end of financial year S\$ |
| 2017 | | | | |
| Unrestricted fund | | | | |
| General fund | 1,359,795 | 118,959 | 0 | 1,478,754 |
| Restricted funds | | | | |
| NCSS project SAFE 1.1 | 0 | (10,845) | 0 | (10,845) |
| TBSSF GARI | 0 | (19,342) | 0 | (19,342) |
| TBSSF ODAT | 0 | (8,873) | 0 | (8,873) |
| TBSSF FREE | 0 | (5,694) | 0 | (5,694) |
| NCSS project USBA | 0 | (4,643) | 0 | (4,643) |
| Care and share | 276,032 | (279,160) | 0 | (3,128) |
| Sonja Hope Fund | 0 | 9,327 | 0 | 9,327 |
| NCSS Share as one | 0 | (6,000) | 0 | (6,000) |
| President's challenge | 0 | (70,334) | 0 | (70,334) |
| | <u>276,032</u> | <u>(395,564)</u> | <u>0</u> | <u>(119,532)</u> |
| Total funds | <u>1,635,827</u> | <u>(276,605)</u> | <u>0</u> | <u>1,359,222</u> |

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

STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

| | Note | 2018 S\$ | 2017 S\$ |
|---|------|----------------|------------------|
| Cash flows from operating activities | | | |
| Net income / (expenditure) | | 49,098 | (276,605) |
| Adjustments for: | | | |
| - Depreciation | 12 | 9,297 | 6,036 |
| - Interest income | | (11,585) | (14,516) |
| Operating cash flow before changes in working capital | | 46,810 | (285,085) |
| Changes in working capital: | | | |
| - Other receivables | | (32,953) | (302) |
| - Other payables | | (2,161) | 12,797 |
| Net cash generated from / (used in) operating activities | | 11,696 | (272,590) |
| Cash flows from investing activities | | | |
| Interest income received | | 11,020 | 14,871 |
| Purchases of property, plant and equipment | 12 | (20,718) | (360) |
| Net cash (used in) / generated from investing activities | | (9,698) | 14,511 |
| Net increase / (decrease) in cash and cash equivalents | | 1,998 | (258,079) |
| Cash and cash equivalents at beginning of financial year | | 1,415,754 | 1,673,833 |
| Cash and cash equivalents at end of financial year | 10 | 1,417,752 | 1,415,754 |

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

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

1. General information

The Company was incorporated on 05 May 2005. It is a company limited by guarantee whereby each member of the company undertakes to meet the debts and liabilities of the Company, in event of its liquidation, to an amount not exceeding S\$100 per member. As at 31 December 2018, the Company has 10 members (2017: 10 members).

The Company is a charity registered under the Charities Act (Chapter 37) since 22 June 2005. It has been accorded an Institution of a Public Character ('IPC') status for the period from 01 October 2015 to 30 September 2018 and subsequently renewed from 01 October 2018 to 30 June 2021.

The address of the Company's registered office is at 80 Robinson Road, 02-00, Singapore 068898. The principal place of business is at Kembangan-Chai Chee Community Hub, 11 Jalan Ubi, Block 5, #01-41 Singapore 409074.

The principal activities of the Company are:

- To provide advocacy for people in recovery from addictions and mental wellness issues to advocate for services and facilities for self-help programmes for Addictions and Mental Wellness and to support and collaborate with relevant organisations and individuals in such programmes;
- To develop focused and specialised (gap areas) programmes for treatment of those with mental wellness and addictions issues; example, prevention programmes, school based programmes and programmes for families of those affected by addictions;
- To develop world standard addictions and wellness skills training, education courses and conferences, and
- To enhance understanding of addictions and mental wellness issues.

2. Significant accounting policies

2.1 Basis of preparation

The financial statements have been prepared in accordance with Charities Accounting Standard ("CAS") issued by the Singapore Accounting Standard Council and the disclosure requirements of the Companies Act, Charities Act and Regulations. The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of the financial statements in conformity with CAS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

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

These financial statements are presented in Singapore Dollar ("S\$"), which is the Company's functional and presentation currency. Functional currency is the currency of the primary economic environment in which the Company operates. All financial information presented are denominated in Singapore Dollar unless otherwise stated.

2. Significant accounting policies (Cont'd)

2.2 Income recognition

Income is included in the statement of financial activities when the following three factors are met:

- The Company becomes entitled to the income;
- Management is virtually certain that they will receive the income; and
- The monetary value can be measured with sufficient reliability.

2.2.1 Donations

Donations are recognised in the statement of financial activities upon receipt. Donations-in-kind are recognised when the value of the donations in kind can be estimated with sufficient reliability.

2.2.2 Grants

Grants including those for the acquisition of property, plant and equipment are recognised as income when there is evidence of entitlement, which will normally exist when the grant is formally expressed in writing. Where entitlement is demonstrable and no conditions are attached, such promises are recognised as income once the criteria of certainty and measurement are met.

Grants with conditions attached are only recognised as income when there is sufficient evidence that the conditions have been met.

2.2.3 Rendering of services

Revenue from services is recognised in the statement of financial activities when the services are performed.

2.2.4 Sales of books and merchandise

Revenue from the sale of books and merchandise is recognized when the Company has delivered the products to the customers; the customer has accepted the products and the collectability of the related receivables are reasonably assured.

2.2.5 Interest income

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

2.2.6 Other income

Other income is recognised upon receipt.

2. Significant accounting policies (Cont'd)

2.3 Expenditure

Expenditures are recognised in the statement of financial activities once the goods or services have been delivered or rendered. Expenditure on performance-related grants are recognised to the extent the specified service or goods have been provided. Expenditures in the statement of financial activities are classified under the costs of generating funds, cost of charitable activities and governance costs.

2.3.1 Classification

Cost of generating funds

All cost associated with generating income from all sources other than from undertaking charitable activities are included under cost of generating funds.

Cost of charitable activities

All resources applied in undertaking activities to meet the Company's charitable objectives are classified under cost of charitable activities.

Governance costs

Costs incurred in respect of governance arrangements which relate to the general running of the Company, activities that provide the governance infrastructure, which allows the Company to operate, and to generate the information required for public accountability and costs incurred in relation to strategic planning processes that contribute to future development of the Company are classified under governance costs.

2.3.2 Allocation of costs

Where appropriate, expenditures that are specifically identifiable to each cost classification are allocated directly to the type of costs incurred. Where apportionment between each costs classification is necessary, the following apportionment bases are applied:

- Usage
- On time basis.

2.4 Property, plant and equipment

2.4.1 Measurement

All property, plant and equipment are stated at cost less accumulated depreciation. All items of property, plant and equipment are initially recorded at cost. Fully depreciated assets still in use are retained in the financial statements.

The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Any trade discounts and rebates are deducted in arriving at purchase price. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance and overhaul costs, is normally charged to the statement of financial activities in the period in which the costs are incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property, plant and equipment beyond its originally assessed standard of performance, the expenditure is capitalised as an additional cost of property, plant and equipment.

2. Significant accounting policies (Cont'd)**2.4 Property, plant and equipment (Cont'd)****2.4.1 Depreciation**

Depreciation is computed on a straight-line basis over the estimated useful life of the assets as follows:

| | Useful Life |
|------------------------|-------------|
| Computers | 3 years |
| Furniture and fittings | 3 years |
| Office equipment | 3 years |
| Renovation | 3 years |

2.4.2 Disposal

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

2.5 Receivables

Receivables excluding prepayments are initially recognised at their transaction price, excluding transaction costs, if any. Transaction costs are 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.

Subsequent to initial recognition, receivables excluding prepayments are measured at cost less any accumulated impairment losses. Prepayments are measured at the amount paid less the economic resources received or consumed during the financial year.

2.6 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash at bank and fixed deposits.

2.7 Impairment of financial assets

A financial asset is assessed at the end of the financial year to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

Individual significant financial assets are tested for impairment on an individual asset basis.

All impairment losses are recognised in the statement of financial activities. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. Reversal of impairment losses 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 are 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 Operating leases

Leases are classified as operating leases when the lessor effectively retains substantially all the risks and benefits of ownership of the leased item. Operating lease payments are recognised as an expense in the statement of financial activities on a straight-line basis over the lease term.

The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

2.10 Employee benefits

a) Defined contribution plans

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

b) Employee leave entitlement

Employee entitlements to annual leave are recognised 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.

2.11 Events after the reporting date

Post year-end events that provide additional information about the Company's position at the reporting date (adjusting events) are reflected in the financial statements. Post year-end events that are not adjusting events are disclosed in the notes to the financial statements when material.

2.12 Funds

a) General fund

Income and expenditure relating to the main activities of the Company are accounted for through the General Fund in the statement of financial activities.

b) Restricted funds

Income and expenditure relating to funds set up for contributions/grants received and expenditure incurred for specific purpose is accounted for through the restricted funds in the statement of financial activities.

The assets and liabilities of these funds are accounted for separately. However, for presentation purposes, they are pooled together with those of the General fund.

3. Critical accounting estimates, assumptions and judgments

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 accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. There is no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Critical judgements in applying the entity's accounting policies

The critical judgements in applying the entity's accounting policies at the reporting 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.

Government grants

Government grants to meet operating expenses are recognised as income in the statement of financial activities on the accrual basis in the financial year these operating expenses were incurred and there is reasonable assurance that the Company will comply with the conditions attached to it. For certain grants, the government agencies reserve the right to withdraw, withhold or reduce the amount of any funds approved but not yet disbursed or to call for the refund of all funds which have been disbursed to the Company if the conditions are not met.

4. Corporate events – donations (SICC Mayday Charity)

| | Note | 2018 S\$ | 2017 S\$ |
|--------------------------|------|-------------|---------------|
| Tax exempt donations | 6 | 0 | 95,400 |
| Non-tax exempt donations | | 0 | 0 |
| | | <u>0</u> | <u>95,400</u> |

5. Charity events**5.1 Amazing We Care Race**

| | Note | 2018 S\$ | 2017 S\$ |
|--------------------------|------|----------------|---------------|
| Tax exempt donations | 6 | 53,110 | 59,750 |
| Non-tax exempt donations | | 36,978 | 39,571 |
| Donation in kind | | 13,771 | 0 |
| | | <u>103,859</u> | <u>99,321</u> |

5.2 Charity Golf

| | Note | 2018 S\$ | 2017 S\$ |
|--------------------------|------|---------------|----------------|
| Tax exempt donations | 6 | 0 | 104,460 |
| Non-tax exempt donations | | 22,652 | 11,799 |
| | | <u>22,652</u> | <u>116,259</u> |

5. Charity events (Cont'd)**5.3 Charity Movie Premier**

| | Note | 2018 S\$ | 2017 S\$ |
|--------------------------|------|---------------|---------------|
| Tax exempt donations | 6 | 29,915 | 29,160 |
| Non-tax exempt donations | | 20,610 | 7,092 |
| | | <u>50,525</u> | <u>36,252</u> |

5.4 Football challenge

| | Note | 2018 S\$ | 2017 S\$ |
|--------------------------|------|---------------|-------------|
| Tax exempt donations | 6 | 14,610 | 0 |
| Non-tax exempt donations | | 5,935 | 0 |
| | | <u>20,454</u> | <u>0</u> |

6. Tax deductible donations

Tax deductible receipts issued by the Company for donations received during the financial year, pursuant to its Institutions of a Public Character ("IPC") status, are recorded as follows:

| | Note | 2018 S\$ | 2017 S\$ |
|------------------------------------|------|----------------|----------------|
| Statement of Financial Activities: | | | |
| General fund: | | | |
| - Donations | | 33,397 | 68,083 |
| - Sponsorship | | 4,500 | 0 |
| - Corporate events | 4 | 0 | 95,400 |
| - Charity event | 5 | 53,110 | 59,750 |
| - Charity golf | 5 | 0 | 104,460 |
| - Charity movie premier | 5 | 29,915 | 29,160 |
| - Football challenge | 5 | 14,610 | 0 |
| | | <u>135,532</u> | <u>356,853</u> |

7. Staff costs

Included in the expenses expended are the following staff costs:

| | 2018 S\$ | 2017 S\$ |
|---------------------------|----------------|----------------|
| CPF and SDF contributions | 67,495 | 64,436 |
| Salaries and bonus | 546,521 | 514,858 |
| | <u>614,016</u> | <u>579,294</u> |

The staff costs were allocated as follows:

| | 2018 S\$ | 2017 S\$ |
|----------------------------------|----------------|----------------|
| • Costs of charitable activities | 489,552 | 463,064 |
| • Governance and other costs | 124,464 | 116,230 |
| | <u>614,016</u> | <u>579,294</u> |

8. Fees for audit of the financial statements

| | 2018 S\$ | 2017 S\$ |
|-------------------------------|--------------|--------------|
| Audit fees for reporting on : | | |
| - Financial statements | <u>2,800</u> | <u>3,800</u> |

9. Income tax

The company is a charity registered under the Charities Act since 22 June 2005. Consequently, the income of the Company is exempt from tax under the provisions of Section 13 of the Income Tax Act Chapter 134.

10. Cash and cash equivalents

| | 2018 S\$ | 2017 S\$ |
|--|------------------|------------------|
| Cash on hand | 77 | 84 |
| Cash at bank | 486,885 | 495,900 |
| Fixed deposits with financial institutions | 930,790 | 919,770 |
| | <u>1,417,752</u> | <u>1,415,754</u> |

Fixed deposits at the reporting date had an average maturity of 10 months (2017: 10 months) from that date and had a weighted average effective interest rate of 1.24% (2017: 1.58%) per annum.

11. Other receivables

| | 2018 S\$ | 2017 S\$ |
|-----------------------------------|---------------|--------------|
| Grant receivables from Tote Board | 21,004 | 0 |
| Donation receivables | 11,885 | 0 |
| Accrued interest income | 1,112 | 547 |
| Deposits | 4,155 | 4,155 |
| Prepayment | 2,213 | 2,149 |
| | <u>40,369</u> | <u>6,851</u> |

Other receivables are unsecured, interest-free and are repayable on demand. Amounts are neither past due nor impaired.

12. Property, plant and equipment

| | Computers S\$ | Furniture & fittings S\$ | Office equipment S\$ | Renovation S\$ | Total S\$ |
|---|------------------|--------------------------------|----------------------------|-------------------|--------------|
| 2018 | | | | | |
| Cost | | | | | |
| Beginning of financial year | 23,404 | 13,912 | 11,590 | 308,236 | 357,142 |
| Additions | 1,368 | 0 | 4,700 | 14,650 | 20,718 |
| End of financial year | 24,772 | 13,912 | 16,290 | 322,886 | 377,860 |
| Accumulated depreciation | | | | | |
| Beginning of financial year | 22,121 | 13,673 | 10,601 | 308,236 | 354,631 |
| Depreciation | 1,739 | 119 | 2,556 | 4,883 | 9,297 |
| End of financial year | 23,860 | 13,792 | 13,157 | 313,119 | 363,928 |
| Carrying amount at end of financial year | 912 | 120 | 3,133 | 9,767 | 13,932 |
| 2017 | | | | | |
| Cost | | | | | |
| Beginning of financial year | 33,995 | 14,817 | 13,039 | 308,236 | 370,087 |
| Additions | 0 | 360 | 0 | 0 | 360 |
| Write off | (10,591) | (1,265) | (1,449) | 0 | (13,305) |
| End of financial year | 23,404 | 13,912 | 11,590 | 308,236 | 357,142 |
| Accumulated depreciation | | | | | |
| Beginning of financial year | 28,132 | 14,633 | 10,928 | 308,207 | 361,900 |
| Depreciation | 4,580 | 305 | 1,122 | 29 | 6,036 |
| Write off | (10,591) | (1,265) | (1,449) | 0 | (13,305) |
| End of financial year | 22,121 | 13,673 | 10,601 | 308,236 | 354,631 |
| Carrying amount at end of financial year | 1,283 | 239 | 989 | 0 | 2,511 |

The following property, plant and equipment were purchased through the Care and Share Fund, TBSSF renovation fund and NCSS Community Chest Charity Support Fund as disclosed in Note 14.

| | Computers S\$ | Furniture & fittings S\$ | Office equipment S\$ | Renovation S\$ | Total S\$ |
|---|------------------|--------------------------------|----------------------------|-------------------|--------------|
| 2018 | | | | | |
| Cost | | | | | |
| Beginning of financial year | 19,955 | 12,063 | 10,703 | 308,236 | 350,957 |
| Additions | 0 | 0 | 0 | 14,650 | 14,650 |
| End of financial year | 19,955 | 12,063 | 10,703 | 322,886 | 365,607 |
| Accumulated depreciation | | | | | |
| Beginning of financial year | 19,535 | 12,063 | 9,915 | 308,236 | 349,749 |
| Depreciation | 420 | 0 | 788 | 4,883 | 6,091 |
| End of financial year | 19,955 | 12,063 | 10,703 | 313,119 | 355,840 |
| Carrying amount at end of financial year | 0 | 0 | 0 | 9,767 | 9,767 |

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

| | Computers S\$ | Furniture & fittings S\$ | Office equipment S\$ | Renovation S\$ | Total S\$ |
|---|------------------|--------------------------------|----------------------------|-------------------|--------------|
| 2017 Cost | | | | | |
| Beginning and end of financial year | 19,955 | 12,063 | 10,703 | 308,236 | 350,957 |
| Accumulated depreciation | | | | | |
| Beginning of financial year | 15,818 | 11,878 | 8,992 | 308,207 | 344,895 |
| Depreciation | 3,717 | 185 | 923 | 29 | 4,854 |
| End of financial year | 19,535 | 12,063 | 9,915 | 308,236 | 349,749 |
| Carrying amount at end of financial year | 420 | 0 | 788 | 0 | 1,208 |

13. Other payables

| | 2018 S\$ | 2017 S\$ |
|-------------|---------------|---------------|
| Accruals | 48,891 | 37,673 |
| CPF payable | 14,842 | 28,221 |
| | <u>63,733</u> | <u>65,894</u> |

14. Restricted funds

Fund balances restricted by outside sources are indicated and are distinguished from unrestricted funds allocated to specific purposes, if any, by action of the management. Externally restricted funds may only be utilised in accordance with the purposes established by the source of such funds or through the terms of an appeal and are in contrast with unrestricted funds over which management retains full control to use in achieving any of its institutional purposes.

Restricted funds comprise:

a) NCSS Community Chest Charity Support Fund ("NCSS CSF")

The funding from National Council of Social Service is on approved capital expenditure for rebuilding of main entrance, reception area and clinical services management and reporting system. The fund is at S\$50,000 per year from 1 April 2018 to 31 March 2020 with the conditions that at least 50% of the funds disbursed in the first year has been fully utilised prior to the second disbursement and that the Company remains a full member of NCSS or holding its IPC status. The Company has complied with the set conditions.

b) NCSS Sober Living Framework ("NCSS SLF")

The funding from National Council of Social Service from 01 April 2018 to 31 March 2019, is in support of Sober Living Framework. The approved expenditures are as follows:

- Manpower costs which include employing personnel with positions of psychologist, senior counsellor, counsellor, and recovery guide; and
- Other operating expenditure

The funding shall be S\$453,548 for FY 2018 of which S\$340,161 was received during the financial year.

14. Restricted funds (Cont'd)

c) NCSS project Strengthening Support for Family of Drug Offenders ("SAFE 1.1")

NCSS project SAFE 1.1 funding from National Council of Social Service which is to provide holistic programme targeting the family as a whole with interventions specifically designed for:

- the individual- Relapse prevention for ex-offender
- the spousal relationship- Couple communication & finance management
- the parenting/ family relationship- Parenting skills & resolving dysfunctional family roles
- the children- prevention psycho-ed workshops for young adolescents & play based intervention for children below 8 years.

The funding is to defray the expenditure on manpower and other operating expenses totalling S\$206,000. It covers a two year period from 1 February 2017 to 31 January 2019. As at the reporting date, the Company has yet to receive the funding from NCSS.

d) Tote Board Social Service Fund: Gambling Addiction Recovery Intervention ("G.A.R.I")

The funding from Tote Board is in support of G.A.R.I, at 50% co- funding of the total actual programme costs, capped at S\$22,000 from 1 Jun 2017 to 31 May 2018. The Company is expected to achieve the Key Performance Indicators (KPIs) which are 40 clients' attendance, 40-60 of family members' attendance, 160 sessions conducted and 50% of client served in the period achieved either in harm reduction or abstinence from gambling.

e) Tote Board Social Service Fund: One day at a time ("ODAT")

The funding from Tote Board is in support of ODAT, at 50% co- funding of the total actual programme costs, capped at S\$5,000 from 1 Jun 2017 to 31 May 2018. The Company is expected to achieve the Key Performance Indicators (KPIs) which are 1,500 number of attendees per year, 245 meetings held per year and 50% of participants find that the attending the programme have helped to prevent them from relapsing.

f) Tote Board Social Service Fund: Families in recovery through education and empowerment ("FREE")

The funding from Tote Board is in support of FREE, at 50% co- funding of the total actual programme costs, capped at S\$3,600 from 1 Jun 2017 to 31 May 2018. The Company is expected to achieve the Key Performance Indicators (KPIs) which are 12 workshops conducted, 30 participants per year and obtain 70% and above of the satisfactory rate from the participants of the workshop.

g) NCSS project: Understanding substance and behavioural Addiction ("USBA")

USBA is a programme that focuses on relapse prevention. At the end of the programme, participants will be able to map out their personal relapse prevention plans.

h) Care and Share matching grant

This is a grant from Ministry of Social and Family Development ("MSF"), based on qualifying donations, to develop the charitable agency's capabilities and capacity in the provision of social services and programmes for its beneficiaries.

i) Sonja Hope Fund

A memorandum of understanding was signed with Sonja Hope Foundation who pledged a one off sum of S\$10,000, enabling the Company to provide better quality of care for their beneficiaries and the recovering persons.

14. Restricted funds (Cont'd)

j) NCSS Share as One

Share as one represents grant received/ receivables from National Council of Social Service . This is for improving the volunteerism-related functions of the Company.

k) President's Challenge 2017

President's Challenge is a movement supported by the kindness and generosity of people from all walks of life, regardless of culture, religion or family background, to help those less fortunate. The Company has received the distribution from National Council of Social Service ("NCSS") in June 2018.

Net assets of the restricted funds

| | Cash and cash equivalents S\$ | Property, plant and equipment S\$ | Total S\$ |
|--|--|--|------------------|
| Restricted funds as at 31 December 2018 | | | |
| NCSS CSF | 4,832 | 9,767 | 14,599 |
| NCSS SLF | (10,991) | 0 | (10,991) |
| NCSS project SAFE 1.1 | (15,618) | 0 | (15,618) |
| TBSSF GARI | (27,633) | 0 | (27,633) |
| TBSSF ODAT | (12,675) | 0 | (12,675) |
| TBSSF FREE | (8,133) | 0 | (8,133) |
| Care and share | (126,336) | 0 | (126,336) |
| Sonja Hope Fund | 8,544 | 0 | 8,544 |
| NCS Share as one | (2,400) | 0 | (2,400) |
| | <u>(190,410)</u> | <u>9,767</u> | <u>(180,643)</u> |

| | Cash and cash equivalents S\$ | Property, plant and equipment S\$ | Total S\$ |
|--|--|--|------------------|
| Restricted funds as at 31 December 2017 | | | |
| NCSS project SAFE 1.1 | (10,845) | 0 | (10,845) |
| TBSSF GARI | (19,342) | 0 | (19,342) |
| TBSSF ODAT | (8,873) | 0 | (8,873) |
| TBSSF FREE | (5,694) | 0 | (5,694) |
| NCSS project USBA | (4,643) | 0 | (4,643) |
| Care and share | (4,336) | 1,208 | (3,128) |
| Sonja Hope Fund | 9,327 | 0 | 9,327 |
| NCS Share as one | (6,000) | 0 | (6,000) |
| President's challenge 2017 | (70,334) | 0 | (70,334) |
| | <u>(120,740)</u> | <u>1,208</u> | <u>(119,532)</u> |

15. Related party transactions

The Board of directors did not receive any remuneration from the Company during the financial year (2017: nil).

The compensation of key management personnel during the financial year is as follows:

| | 2018 S\$ | 2017 S\$ |
|--------------------------|---------------------------------------|---------------------------------------|
| Short-term benefits | 289,728 | 272,767 |
| | No. of key management personnel | No. of key management personnel |
| Remuneration band (S\$) | | |
| S\$50,000 to S\$100,000 | 2 | 2 |
| S\$100,001 to S\$150,000 | 1 | 1 |

The compensation of key management personnel is determined by the directors.

16. Commitments

The Company has entered into certain non-cancellable operating lease agreements with non-related parties.

| | 2018 S\$ | 2017 S\$ |
|--|-------------|-------------|
| Not later than one year | 39,996 | 39,996 |
| Later than one year but not more than five years | 13,332 | 53,328 |
| | 53,328 | 93,324 |

17. Reserve position and policy

The Company's reserve position for financial year ended 31 December 2017 is as follows:

| | | 2018 S\$'000 | 2017 S\$'000 | Increase/ (decrease) % |
|---|--|-----------------|-----------------|------------------------------|
| A | Unrestricted Funds | | | |
| | Accumulated general funds | 1,589 | 1,479 | 7 |
| B | Restricted or Designated Funds | | | |
| | Designated Funds | 0 | 0 | 0 |
| | Restricted Funds | (181) | (119) | 52 |
| C | Endowment Funds | 0 | 0 | 0 |
| D | Total Funds | 1,408 | 1,359 | 4 |
| E | Total Annual Operating Expenditure | 810 | 822 | (1) |
| F | Ratio of Funds to Annual Operating Expenditure (A/E) | 1.96 | 1.80 | |

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.

17. Reserve position and policy (Cont'd)

The Company's Reserve Policy is as follows:

The Company's Memorandum of Association provides that income and property of the Company shall be applied solely towards the objects of the Company and no portion thereof shall be paid or transferred directly or indirectly by way of dividend, bonus or otherwise to the members of the Company.

In the event of the Company being dissolved, all debts and liabilities legally incurred on behalf of the Company shall be fully discharged and the remaining funds shall not be paid or distributed among the members of the Company but shall be given or transferred to some other institution or institutions having objects similar to the objects of the Company with the prohibitions or distribution of its or their income or property to an extent at least as great as is imposed on the Company. Such institution or institutions shall be determined by the members of the Company at or before the time of dissolution, and if not, then in some charitable object.

18. Authorisation of financial statements

The financial statements were authorised for issue in accordance with a resolution of the directors of the Company on **12 APR 2019**